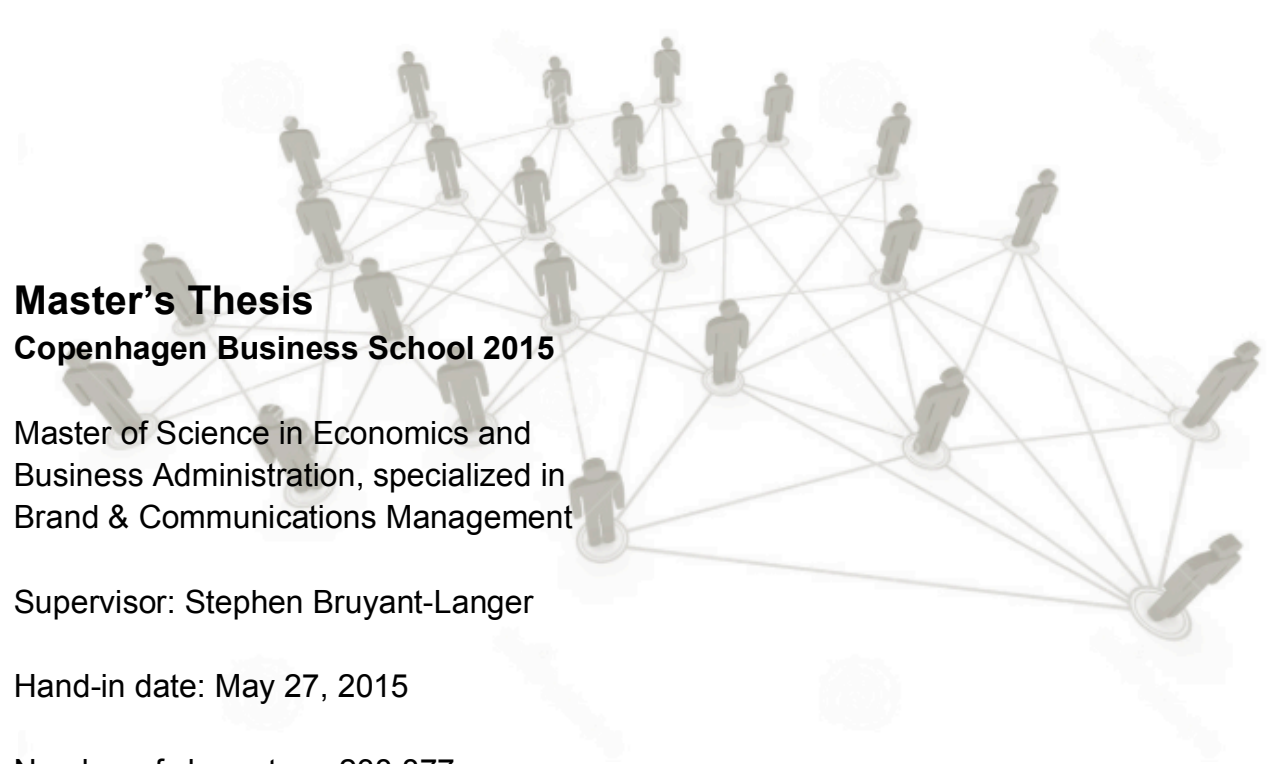


# The Rise of the Empowered Consumer

An in-depth investigation of how the behavior of today's empowered consumer affects the way companies should approach communication in order to strengthen their corporate brands in the digital society

A network diagram showing a group of stylized human figures connected by lines, representing a digital network or social media structure. The figures are arranged in a circular pattern, with lines connecting them in a complex web.

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Last but not least thanks to our friends and family for supporting and providing us with great comments throughout the thesis.

Once again, thanks!

## **Executive Summary**

Consumers are now more empowered than ever before. The fast spread of the Internet and the development of new technologies and digital media have led to increased consumer demands and created a situation in which companies have to work harder to gain competitive advantages. Therefore, this thesis investigates and clarifies how the digital development affects the relationship between consumers and companies and which challenges companies face today in regards to creating relevant and attractive communication.

Thus, the purpose of this thesis is to uncover consumer behavior trends that characterize the empowered consumer in order to equip companies to navigate in the corporate landscape. As a result, we develop and present a new organizational model, Corporate Conversations, which grasps the communicative realities of today. The model is built upon the fact that companies need to found their communication on a dialogue-based paradigm and engage in conversations with their surroundings. This is to accommodate consumers that are more in control of shaping brand perceptions and affecting other consumers' consumption decisions. Specifically, the model proposes that companies constantly need to sense inputs in their surroundings and embrace flexibility in their way of doing business in order to establish themselves as strong players in the market.

Consequently, this thesis provides our recommendation on how companies can create value and adapt to the consumer requirements that exists in the market today.

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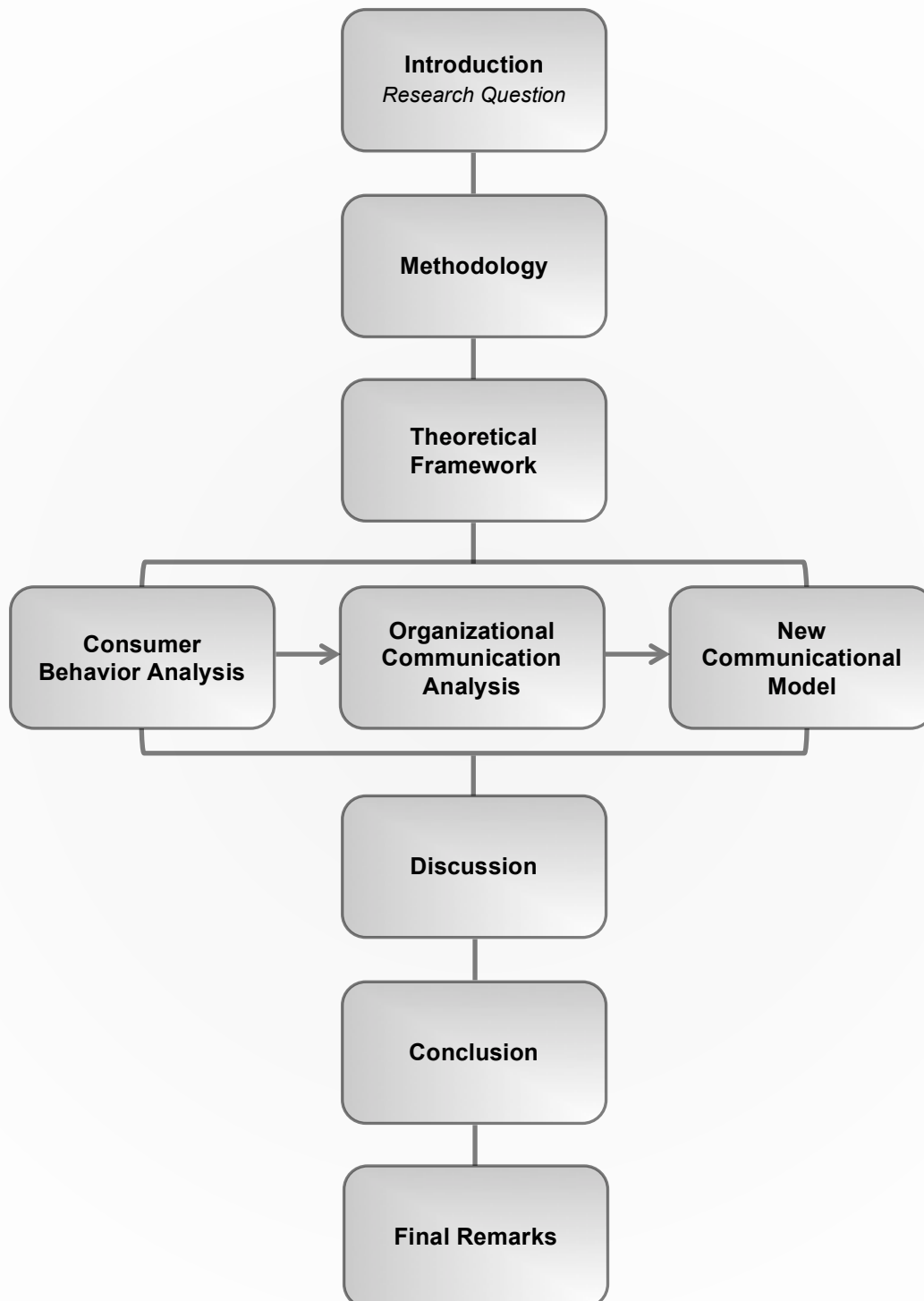
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## Structural Composition

This section creates an overview of how the thesis is composed structurally in order to ease and guide the reading of the project. The structure is illustrated below and is followed by an elaboration of each chapter's content and contribution.



## **Chapter 1: Introduction**

The first chapter outlines the identified problem the thesis takes point of departure in, as well as the research question and related sub questions that steer the project. Subsequently, the motivation behind the chosen field of investigation is presented, followed by a description of the project's fundamental concepts, delimitations and contribution to the research field of organizational communication. Thus, the chapter sets the stage for the thesis and clarifies its relevance.

## **Chapter 2: Methodology**

This chapter presents the method employed in order to answer the research question. This includes an outline of the philosophy of science i.e. the fundamental standpoint we as researchers take point of departure in, the analytical strategy of the project, and the data included.

## **Chapter 3: Theoretical Framework**

The third chapter introduces the theories used to understand and investigate the collected data, which are divided into two overall parts: 'The Digital Settings' and 'The Organizational Perspective'.

## **Chapter 4: Consumer Behavior Analysis**

This chapter is the first of three analytical sections. This section is centered on understanding and clarifying the present consumer behavior tendencies and how these affect the general premises for companies operating today.

## **Chapter 5: Organizational Communication Analysis**

This chapter entails an analysis of how the behavior of the empowered consumer affects company communication more specially. In other words, this analytical section examines how companies create attractive and relevant communication today, with the theoretical framework Corporate Communications acting as an ongoing reference point.

## **Chapter 6: New Communicational Model**

The sixth chapter presents our suggestion of a new organizational communication model, Corporate Conversations, based on the findings from the two aforementioned analytical sections. The



developed model is hereafter validated by referring to two real-life company cases; one that seemingly follow the mindset implemented in the model and conversely, one that does not.

### **Chapter 7: Discussion**

This chapter discusses possible organizational barriers related to the implementation of the developed Corporate Conversations model and how companies can overcome these barriers.

### **Chapter 8: Conclusion**

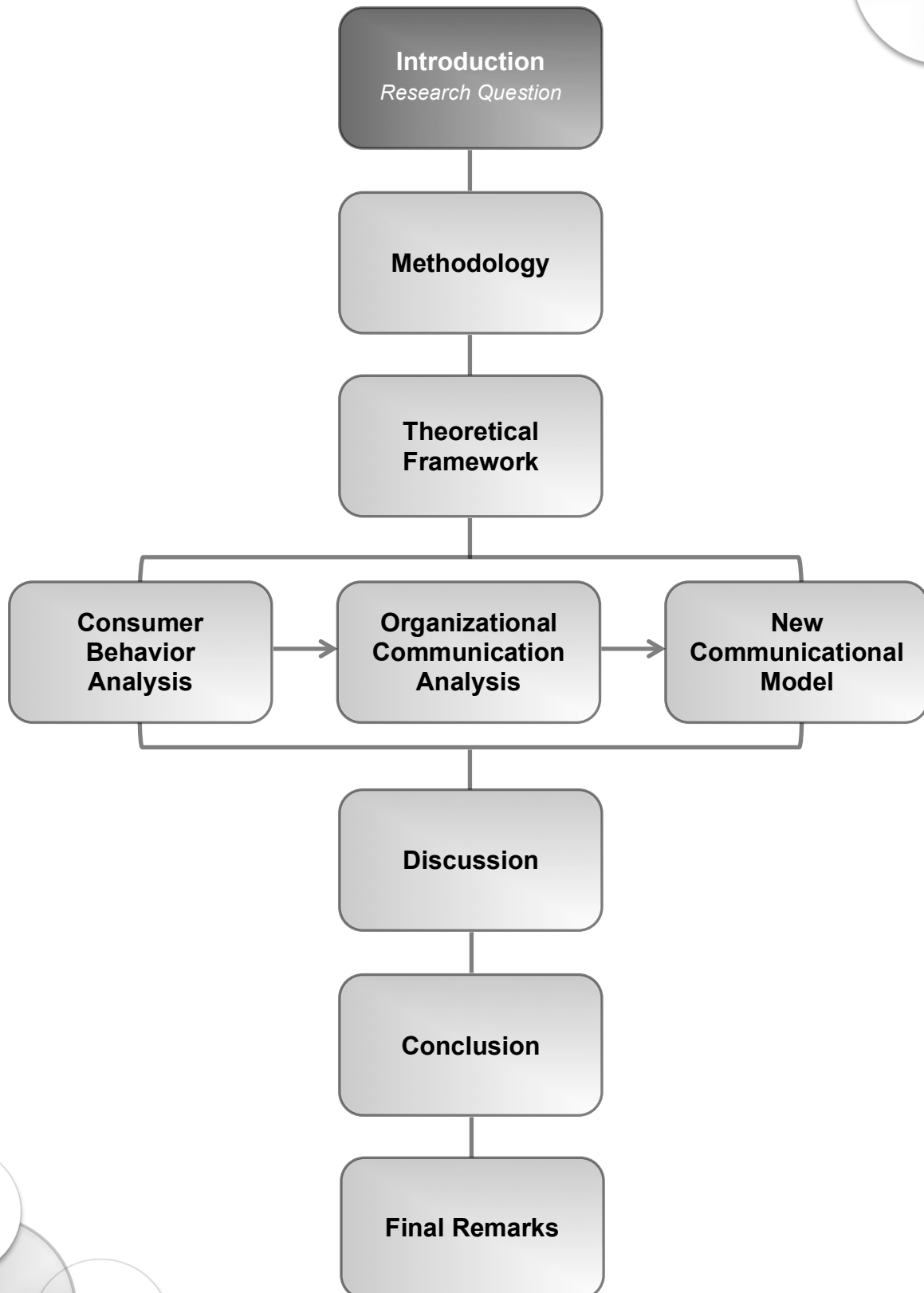
This chapter sums up on the most fundamental and crucial insights discovered throughout the project and answer the research question.

### **Chapter 9: Final Remarks**

The final chapter rounds up the project. Specifically it describes the learning process we as researchers have undergone throughout the development of the thesis, which insights that are of great value to managers, and lastly, which future studies could be of relevance to conduct related to the developed Corporate Conversations model.

# CHAPTER 1

## INTRODUCTION



# 1. Understanding the New Corporate Landscape

*“The digital revolution that we're in the middle of at the moment is probably one of the largest transformations to ever have taken place in human history”* (Osborne 2014). The growth in digital technologies has led to new ways of communicating and people are more connected today than ever. In fact, it seems that every day yet another digital platform or social network is being introduced. As a result, barriers of location, time and access that existed in the past for sharing thoughts and experiences have been removed (ibid.). Specifically, the digitalization has redefined contemporary consumption patterns; transforming consumers from passive roles into active participants, as they have been enabled to quickly form their own opinions, influence others', and ultimately define brands by themselves (O'Brien 2011: 32-33, 39; Kucuk 2012: 2). Thus, consumers no longer exclusively consume media as in the pre-digital times, but are actively using media to raise their voice and involve themselves in the market to make economic and social impact (Kucuk 2012: 5; IBM 2014: 7).

Consequently, traditional boundaries between companies and consumers have been redrawn; meaning companies no longer occupy a dominant role in the consumer-company relationship (Labrecque et al. 2013: 257; Kucuk 2012: 4; Deloitte 2014). Instead, it can be argued that consumers have gained the upper hand, and hereby hold an empowered position in which they are able to demand much more from companies compared to earlier. The digital development has therefore fundamentally changed the rules in the corporate landscape and increased consumers' expectations towards companies and their communication. In order for companies to be perceived as attractive players in the market today, it is vital to understand how the shift in dynamics affects their interactions with consumers and in this relation how companies should approach communication (IBM 2014: 16). Despite the importance of creating attractive company communication, many companies still communicate on the basis of frameworks developed in the past (De Clerck 2015; Solis 2015; Rogers 2013; App. D1 Theilgaard; App. D3 Henningsen; App. D4 Hedeboe). As a result, we argue these companies are unable to grasp the realities of the digital society and accommodate consumers' changed requirements. This can have the severe consequence of damaging the companies' corporate brand and worst-case scenario lead to bankruptcy (Nielsen 2014: 4; Kucuk 2012: 6). It is therefore of high value to develop new organizational communication tools that enable companies to navigate in the new corporate landscape.

## 1.1 Research Question

Due to the changed consumer-company relationship, it is important to investigate how the behavior of the empowered consumer affects companies and the way they should approach communication in order to be competitive in present day (Nielsen 2014: 4). Therefore we base this project on the following research question:

*How does today's empowered consumer affect how companies should approach communication in order to strengthen their corporate brands in the digital society?*

### Sub Questions

To answer the above, we have developed three sub questions that each focuses on and goes into depth with respective areas of the research question. In this way each sub question creates the foundation for a respective analytical section in the project. Explanations hereof are listed below.

#### **Consumer Behavior**

Since it is consumers who have gained a significantly new position in today's society, it is relevant to start the investigation of the project with a consumer behavior analysis. To be more specific, we seek to investigate and understand how consumers use digital media in their daily lives, and how this digital behavior influences their interactions with and expectations towards companies. This has led to the following sub question:

- 1. What behavior characterizes today's empowered consumer and how does this behavior affect the general premises for companies operating today?*

#### **Organizational Communication**

To analyze how the behavior of the empowered consumer affects company communication specifically, we find it relevant to conduct a second analysis that takes point of departure in the acknowledged communication framework Corporate Communications (RelationsPeople 2015; Rankmedia 2014; Rogers 2013; Jørgensen 2011). It is especially the notion of control, the alignment of all communicative expressions and the central idea and importance of a strategic platform that characterizes Corporate Communications. The theory has been carried forward as it gives managers a sense of stability and predictability in an otherwise fragmented world (Christensen & Cornelissen 2011: 387; Christensen et al. 2009: 207-208). Despite the popularity of

the framework, it can be questioned whether the mentioned aspects the theory relies on, especially the overarching control element, are compatible with the digital society (Nielsen 2014: 4; Gulbrandsen & Just 2011: 1098). And hereby if the framework, as it appears today, creates a solid foundation for companies in terms of being competitive in the new corporate landscape (Christensen et al. 2009: 208; Nielsen 2014: 4; Kucuk 2012: 6; App. D1 Theilgaard; App. D2 Rasmussen; App. D3 Henningsen; App. D4 Hedebrøe). Therefore we have chosen to base the second analytical part of the project on the following sub question:

2. *How does the empowered consumer affect the usability of the Corporate Communications theoretical framework?*

### **New Communication Model**

Because the environment for companies has become more challenging in recent years, companies need to be empowered with an updated way of thinking and with tools that can help them determine the communicative approach they need to take in the new corporate landscape (Cornelissen 2014: xv; Civichino 2012: 14). Hence, to make companies understand how they should approach their communication today and capture the essence of our answer to the research question, we develop and present a new organizational communication model based on the findings from the first and second analytical section. This has led to the following sub question:

3. *Which elements should a new organizational communication model embrace in order to grasp the realities of the landscape companies operate in today?*

## **1.2 Our Motivation**

The described field of investigation has come to our attention as a result of our participation in Social Media Week in February 2014. One of the key-note speakers, Jacob B. Theilgaard, provided inspiring insights in terms of how the digital society has fundamentally changed the way organizations should communicate today, which made us question the usefulness of Corporate Communications framework. It should here be stated that for several years we have worked with Corporate Communications throughout our education at Copenhagen Business School. In this relation we have been taught that companies need to communicate in accordance with the framework in order to create a strong and trustworthy brand. With great interest in this theory, we could not resist the opportunity to examine the implications the digital development has brought

with it in relation to company communication and if Corporate Communications still makes due as an appropriate communication framework.

### 1.3 Fundamental Concepts

We find it relevant to clarify the four main concepts our research question is build upon; empowerment, communication, corporate brand and digital society in order to provide an understanding of the main cornerstones of our field of investigation.

First and foremost, it is relevant to clarify how we understand the term empowerment, since the project is built upon the understanding of consumers being empowered today. The Oxford Dictionary defines empowerment as the situation where someone has been given authority or power to do something (Oxford Dictionary 2015a). From this definition empowerment can be understood as the deliberate action where a choice is made to give a party more power than it had before. However, we argue that power does not need to be given by one part to another, but instead that the change of structures and developments in society can result in the shift of power. In other words, we believe that technological advancements in the market are able to affect power relationships and give consumers more power today without having companies agreeing to or approving this. In this way we adopt Tina Harrison et al.'s (2006) view on empowerment (Harrison et al. 2006: 974).

In this relation we find it relevant to highlight that the categorization of consumers as empowered does not imply that companies are without power today. Companies also gain more flexibility, communication possibilities, available information, etc. - and hereby power - as a result of the digital technologies (Labrecque et al. 2013: 262; Kucuk 2012: 4). Instead our basic proposition is that *"(...) consumer power gains are more than the power gains of traditional companies, this, in turn, indicate an eradication of the power gap at an unprecedented pace for companies in today's digital markets"* (Kucuk 2012: 4). Thus, we do not place ourselves as judges of whether it is companies or consumers that are most powerful today, but merely argue that consumers have gained more power today than they have ever had before.

Further, we also find it relevant to define how we see communication in the project, as we focus on understanding how companies today should approach communication. We have chosen to employ Lars T. Christensen and Mette Morsing's (2008) definition, which describes organizational communication as everything organizations say and do (Christensen & Morsing 2008: 21).

Therefore communication in this project concerns both a company's internal and external communication, as well as informal and formal communication. Hence, when we address the aspect of communication in the project it can include either verbal or written statements made by a company, but also, the actual behavior of the company.

In close relation to communication is the concept corporate brand, which is relevant to define as we in the projects examine how companies through communication are able to strengthen their corporate brands. To define this concept we employ David Aaker's (2004)'s definition of the concept: "*The corporate brand defines the firm that will deliver and stand behind the offering that the customer will buy and use*" (Aaker 2004: 6). Aaker (2004) specifies that the brand has access to organizational and product associations, which means that the corporate brand is the all-embracing identity of the company (ibid; Cornelissen 2014: 73). In order for companies to build strong brands they must shape how consumers think and feel about the company and its related activities (Keller 2001: 15; Mind Tools 2015). In relation to this, we argue that a company via communication is able to strengthen its corporate brand, as the company in this way can build great experiences around the brand and hereby positively strengthen consumers' feelings, beliefs, opinions and perceptions of the company (Keller 2001: 15).

Last but not least, we would like to define the concept of the digital society, as this concept constitutes the final cornerstone within our field of investigation. When speaking of the digital society we do not postulate that the society is made up by the digital, or in fact that the society's essential characteristics have been created because of the development of digital technology. Instead the term implies that we live in a society permeated by the digital, where digital tools frequently mediate people's actions. In this way we adopt Allan Martin's (2008) rather figurative understanding of the digital society (Martin 2008: 151). In this relation we find it relevant to define the term digital media, since these media take up a great role in the digital society and hereby in people's lives. In this project digital media are seen as those media that are interactive, incorporate two-way communication and operate on the basis of the Internet (Logan 2010: 4). Special attention is given to social media such as Facebook and LinkedIn, as well as media such as review sites and e-mail.

## 1.4 Delimitations

This section describes the delimitations we have found appropriate in the project in order to specify the scope of the investigation field.

We acknowledge the existence of many different stakeholder groups who may be affected by the digital development and hereby are of relevance to investigate when discussing companies' roles today (Cornelissen 2014: 43). But since consumers today, as previously mentioned, take up a completely changed position, we have primarily chosen to focus on this stakeholder group. Therefore, it is beyond the scope of this project to understand other stakeholder groups' positions in the digital society. However, since the aim of the project is to analyze how companies today should approach communication, we have found it relevant to also refer to employees in the analytical sections, as this group overall represents the company and hereby is responsible for delivering the company communication. More specifically, the employees are included in order to analyze how companies through this stakeholder group can accommodate the consumer requirements in the digital society.

Furthermore, since we in the thesis investigate the rise of the empowered consumer and the implications its behavior have on how companies should approach communication, we restrict the investigation on companies operating on the basis of business-to-consumer models. Business-to-consumer models characterize companies that connect directly with the end user and thus sell products or services directly to personal-use customers (Griffin 2015b). As a result, we delimit the project from exploring the consequences the digital development has had on companies operating on business-to-business models, which conversely refers to commerce between two or more businesses (ibid.).

Communication does not exist in a vacuum, and we are aware that consumers are influenced by many kinds of communication activities both on online and offline platforms. However, in this project we focus mainly on understanding the communicative aspects of the digital sphere related to the consumer-company relationship, since it is the digital development that has led to the changed dynamics in this relationship (Hendrix 2014: 149; Kucuk 2012: 1). We would like to highlight that the Internet has been a reality for many years, but what is new is the tremendous proliferation of the Internet combined with the widespread diffusion of social media, which have led to completely new



ways of communication and interacting (Nielsen 2014: 2; Digital Insights 2014; McKinsey & Company 2013: 3). Thus, the focal point of the thesis is how consumers' use of digital media change the way companies should approach their business and communication processes in general. As a consequence, we do not emphasize the role of traditional mass media in today's consumer-company relationship.

Finally we are aware of the fact that the digital society more or less is a worldwide phenomenon that cannot entirely be limited to one country due to the global interconnectivity the digital technologies bring (Castells 2010: 500). Nevertheless we argue that consumer behavior and implications of the digital development vary from country to country due to cultural differences and the fact that different adoption levels of digital media exists (Guldager 2015). Therefore in order to specify the scope of the project, we have chosen to base the investigation on insights from Danish consumers and delimitate the project to focus on the Danish market.

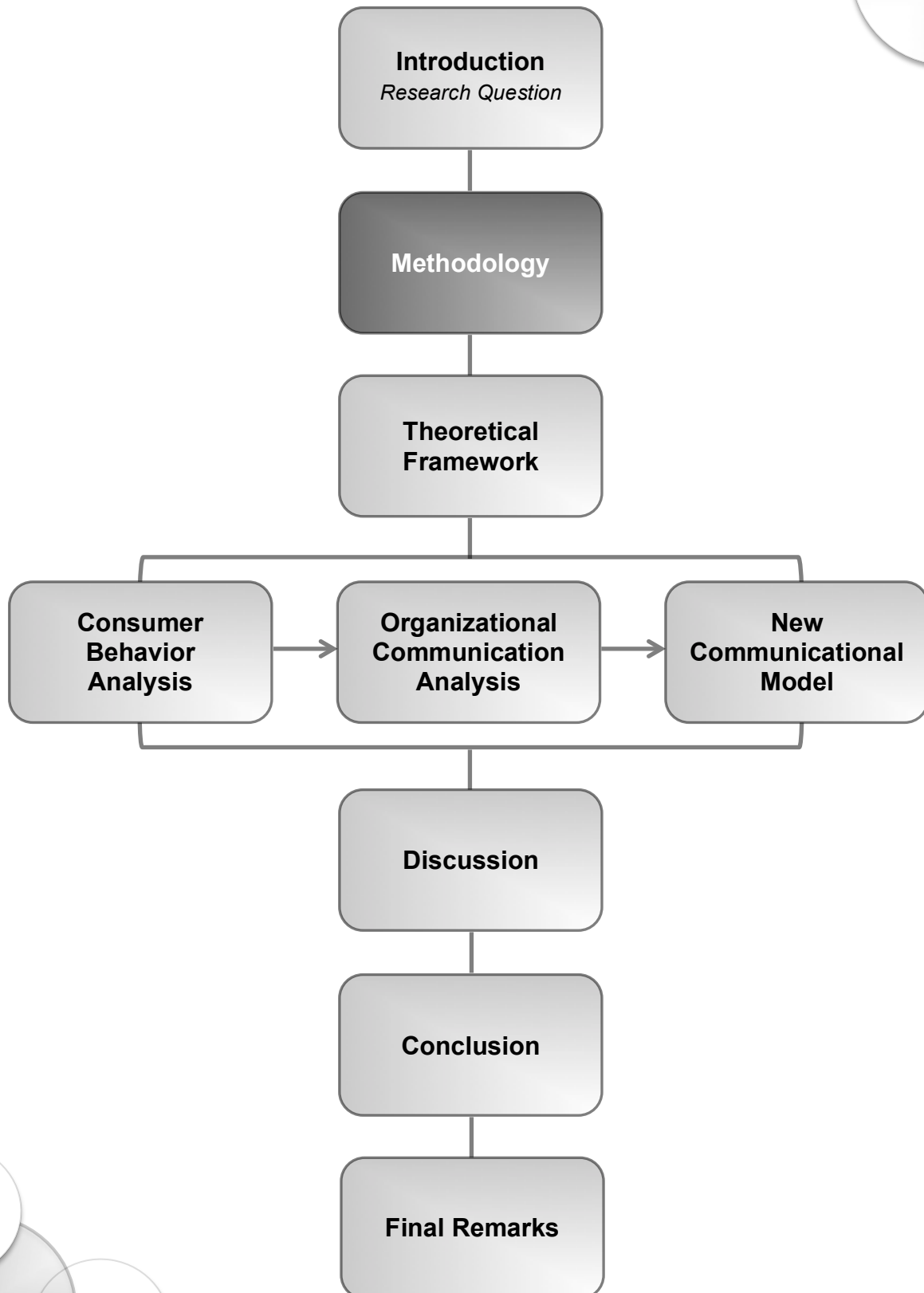
## **1.5 Contribution**

To understand the relevance of the project, we will in the following highlight how the thesis contributes with new knowledge both in terms of theoretical and practical character.

To our knowledge many aspects related to the changed consumer-company relationship needs to be uncovered and examined in-depth (Labrecque et al. 2013: 266; Kucuk 2012: 1). Thus, despite the previously mentioned importance of understanding consumers' empowered position and the effect this position has on companies' communication, investigation of the subject is still in its infancy. We therefore argue that this thesis is of high importance and value today. With our study we contribute with new literature on strategic organizational communication, as we specifically shed light on how the digital development affects the way companies should approach communication. Besides the project's contribution to the theoretical literature, it also provides managers with an updated strategic communication model, which they can use in their decision-making processes. Specifically, by using our developed model companies will to a higher extent be able to meet the needs and wants of consumers in present day and create stronger bonds with them. We argue this will lead to increased brand value and create the foundation for strengthening the corporate brand in the market.

# CHAPTER 2

## METHODOLOGY



## 2. Clarifying the Method applied in the Project

The following chapter clarifies the methodological approach we have applied in the project in order to investigate the area of interest. Overall, the method is divided into three sections: philosophy of science, analytical strategy and data collection. The first part specifies our scientific standpoint, which fundamentally affects how we as researchers approach the field of investigation and hereby how we in general access and gain knowledge. The second part describes how the project analytically is carried out and the reasoning behind this. Finally, the last part explains which data we find relevant to include in the project in order to answer the research question, and how we have collected this. The structure of the chapter looks as following:

### **Philosophy of Science**

---

- Social Constructionism
- Philosophical Hermeneutics

### **Analytical Strategy**

---

- Thinking outside the Box

### **Data Collection**

---

- Objectives for Data Collection
- Expert Interviews
- Consumer Interviews
- Company Cases

### 2.1 Philosophy of Science

Since the focus of the project is to gain a detailed understanding of the new consumer-company relationship, we have chosen to base our scientific standpoint on the perspectives of social constructionism and philosophical hermeneutics, as these perspectives make it possible to investigate the area of interest in-depth (Berger & Luckmann 1991: 13; Gadamer 2006: 29).

Social constructionism and philosophical hermeneutics are both well-established perspectives within the field of social science. Both represent an ontology, i.e. a way to consider the nature of being, as well as an epistemology, i.e. questions about the creation and growth of knowledge (Andrews 2012: 39; Berger & Luckmann 1991: 13; Feldman 2000: 54; Dobrosavljev 2002: 606; Gadamer 2006: 29). Where social constructionism has a strong focus on overall social processes in society and focuses on the world from a macro perspective, philosophical hermeneutics focuses on how individuals interpret the world and employs hereby a micro perspective (Andrews 2012: 39;

Feldman 2000: 55). Based on this understanding, social constructionism will in the project be viewed as our ontology of how we as researchers perceive the world, whereas philosophical hermeneutics represents our epistemological position in order to access the world. In other words, our ontology is constructionism and our epistemology is interpretivism. We believe that by combining these, we are able to focus on how the development of the digital society has changed the context for interactions between consumers and companies, and specifically understand what this means for the individual consumers and their expectations towards companies.

### **Social Constructionism**

We have chosen to take point of departure in Berger and Luckmann's (1991) notion of how the world is socially constructed. Specifically, we share their understanding that the construction of the world can be divided into three overall elements: externalization, objectification and internalization, which continually produce and reproduce the reality (Andrews 2012: 40-41; Berger & Luckmann 1991: 36). To elaborate, the social structures and institutions of society can be viewed as externalized human practices, as they constantly are created and reproduced via habits, routines and interpretations that arise during daily interactions. Over time these institutional formations take on a more permanent form and are hereby objectified. This creates a pre-established institutionalized world that consists of a number of fundamental norms and values, which over time are internalized by society to the extent that future generations experience these type of societal structures as objective (Andrews 2012: 40-41; Berger & Luckmann 1991: 36). These three elements indicate that society both exist as a subjective and objective reality (Andrews 2012: 41). In relation to our field of investigation, we argue that the shift in positions between consumers and companies is due to a change in the perception of reality that has been brought about by the digital development, which has become more and more institutionalized during the last decade.

### **Philosophical Hermeneutics**

In short, hermeneutics means interpretation and involves the art of understanding (Gadamer 2006: 29). We employ Gadamer's (2006) philosophical hermeneutics as our standpoint, since we believe that understanding of a given phenomenon is not limited to the phenomenon itself, but instead is always embedded in a pre-given framework of understanding (ibid.). This means that people cannot approach an area objectively. Gadamer (1976) emphasizes that there is always a previous understanding prior to our current understanding, which means that we as researchers are embedded

in a historical and cultural context and that our scientific background and academic culture, among others, affect how we perceive and approach the field of investigation in this project (ibid: 45; Gadamer 1976: 9).

An important concept in Gadamer's (2006) philosophical hermeneutics is horizon fusion, which represents the state where understanding and meaning occur (Gadamer 2006: 45). All individuals possess their own horizon of understanding, and each time two parties interact and manage to understand each other, a fusion of their horizons occur. Horizon fusion does not necessarily involve agreement or consensus, but merely that one is able to comprehend and understand what the other communicates about (Højberg 2009: 324). When transferring this line of thought to the project, it means that we have sought to understand the horizons of the individuals interviewed and hereby create a fusion of horizons between them and us, in order to comprehend what meaning is embedded in their statements.

### ***Research Approach***

By employing philosophical hermeneutics as our epistemology, it is important to recognize the fundamental importance of the hermeneutic circle, as this notion affects our specific research approach undertaken in the project. To be more specific, the hermeneutic circle represents that understanding of a phenomenon takes places between the interaction of a part and a whole, which means that the parts of a phenomenon do not exist and cannot be understood without the whole being included in the field of observation, and vice versa (Feldman 2000: 57). In order to incorporate this principle in the project, we have chosen to employ an inductive reasoning approach. Inductive research is characterized by collecting data to build theory and is therefore usually an iterative process, involving tracking back and forth between data and theory (Bryman & Bell 2011: 573). This is reflected in our project by the fact that we periodically have gone back and forth between different parts in the project, e.g. method, theory, and analytical sections, and the project in its whole. We have found this to be of high value as we, during the development of the project, have altered the overall direction taken and the different sections included due to the uncovering of new insights. We have hereby embraced a high degree of uncertainty by not knowing exactly which direction the project would take. Hence, inductive reasoning is by nature an open-ended and exploratory approach (Trochim 2006). Though this approach can be perceived as risky,

we believe that it have been very beneficial and also necessary in order to answer our research question in the best way possible.

It is important to note that research rarely is entirely inductive, nor is this the case with this project, as the starting point of the project has been based on an interest in whether the theoretical framework Corporate Communications makes due in the digital society (Bryman & Bell 2011: 573). Specifically, from the beginning of the project we have been steered by a wish of investigating the usefulness of Corporate Communications in the new corporate landscape. However since we have been approaching our field of investigation with an open mind, we argue that we have reduced the deductive element in the project.

## **2.2 Analytical Strategy**

As previously implied, our three developed sub questions constitute the bases for developing three analytical sections; a consumer behavior analysis, an organizational communication analysis, and a new organizational communication model analysis. These three sections have the purpose of combined answering our overall research question.

### **Thinking Outside the Box**

First of all, we find it essential to start the analysis with an examination of the behavior that characterizes the empowered consumer, as consumers today are crucial for companies to understand when communicating due to their changed position in the market (Nielsen 2014: 4; Mediacom 2012: 4; Kucuk 2012: 6). By uncovering this, we are able to subsequently examine the consequences the behavior of the empowered consumer constitute in regards to company communication and hereby the usability of Corporate Communications, which is the focus of the second analytical part. Hence, the gained knowledge from the first analytical part creates the foundation that is required in order to conduct the second analytical part.

We are especially keen on taking the described analytical strategy, as this enables us to investigate the usefulness of Corporate Communications with an open mind. It appears that researchers throughout the years have tried to alter and adapt Corporate Communications by looking through the already established elements in the framework, thus only discovering minor shortcomings (Cornelissen 2000: 121; Christensen & Cornelissen 2011: 390; Cornelissen et al. 2012: 1098). We support the idea that *“the future does not fit into the containers of the past”* and that it therefore

instead is essential to start with an open-minded investigation that is detached from the framework Corporate Communication in order to examine the usefulness of the framework. With this approach we are able to evaluate which communication elements that are of high importance today and hereby should be included in a new organizational communication framework, and in this way which elements of Corporate Communications that are of value, need modification or should be discarded. Hence, we do not reject the overall relevance of Corporate Communications, though we leave it up to our data to determine which involved elements that are still relevant.

Last but not least, in order to concretize and illustrate how companies today should approach communication in the digital society to strengthen their corporate brands, we gather the findings from the first and second analysis into an overall organizational communication model, which thereby is the focus of the third analytical section. Furthermore, in order to demonstrate the usefulness of the model, we validate it by referring to two real-life company cases; one case, that seems to follow the integrated mindset in the developed model and one that do not. In this way, we believe that it is possible to deduce whether our model lays the foundation for strengthening brands in the digital society. Specifically, we examine how Nordea and Danske Bank communicate. The reasoning behind the choice of cases will be provided in Chapter 6, since the cases have been chosen on the basis of the mindset built into our suggested communication model, which is presented in that chapter. It is here important to mention that we do not conduct in-depth case analyses, since this is not a part of the project's scope, rather the sections briefly touch upon relevant company insights in order to validate the model.

## **2.3 Data Collection**

To support our focus on gaining a detailed understanding of the new consumer-company relationship, we find it appropriate to employ a qualitative research method in our data collection, as this method is characterized by its emphasis on gathering in-depth knowledge of a phenomenon (Bryman & Bell 2011: 467). On the basis of this, combined with our philosophical standpoint, we will like to highlight that the project does not come up with a final conclusion or definitive truth (Kvale 2007: 127). Instead, what is achieved is an expansion of the academic field related to consumer behavior and organizational communication (Feldman 2000: 55).

## **Objectives for Data Collection**

In order to answer our overall research question and related sub questions, we have found it relevant to develop a range of data collection objectives that deal with different aspects related to our three analytical sections.

First of all, we have created several objectives that focus on gaining in-depth knowledge of the new consumer-company relationship in order to carry out our consumer behavior analysis and organizational communication analysis. Because we in the project have adopted an inductive approach it was of relevance for us to start the data collection with uncovering general aspects related to the new consumer-company relationship, and stepwise narrow down the focus of the investigation. The objectives regarding this aspect are as following:

1. Uncover general insights related to the new consumer-company relationship.
2. Understand the prominent consumer behavior that changes the premises for companies today.
3. Gain in-depth knowledge about the empowered consumer's thoughts and behavior.

Lastly, in order to be able to validate the developed organizational communication model, we have found it necessary to have a separate data objective regarding the collection of information on the two chosen company cases' communication approaches, which we relate our model to. The objective is as following:

4. Uncover knowledge of Nordea's and Danske Bank's internal and external communication approaches.

In order to comply with the data collection objectives, we have attached each of the three first objectives with their own interview type, and the final data collection objective is realized through secondary data. The forthcoming sections explain the specific choices related.

## **Expert Interviews**

In order to grasp the first data collection objective, we have found it relevant to start the project with interviewing four experts that each possesses key knowledge of a distinct area related to our



field of investigation (see App. A). Specifically, in order to uncover general insights and create a comprehensive picture of the new consumer-company relationship, we have included experts that could shed light on areas related to the corporate perspective, the consumer perspective, organizational branding and market tendencies.

All expert interviews were conducted based on a semi-structured interview guide, as this type of guide is characterized by being open and flexible and at the same time creating a focus in the interview (see App. B1-B4; Bryman & Bell 2011: 466). In this way the experts could speak rather freely about the given subject, which hereby fostered the occurrence of new general insights. The experts are listed below.

### ***Corporate Expert***

In order to gain knowledge about the corporate aspect related to the field of investigation, we interviewed Jacob Theilgaard, Leadership Development Consultant at Implement Consulting Group. Jacob Theilgaard was included as an expert, as he focuses strongly on the development of leaders and organizations and how these can meet the requirements that exist towards organizational life in today's digital society (Theilgaard 2015). As follows, he has in-depth knowledge of how companies internally should organize and communicate to accommodate the digital development.

### ***Consumer Expert***

To shed light on what it means to be an empowered consumer we interviewed Lone Rasmussen, Market Manager at Dansk Erhverv. Lone Rasmussen was chosen as an expert due to her and colleagues publication of the booklet: 'The consumer in Transition', which describes the main consumption tendencies today (Dansk Erhverv 2010). On the basis of this, Lone Rasmussen understands the expectations and behavior of the empowered consumer.

### ***Branding Expert***

To understand which main factors companies' needs to take into account when communicating in today's digital society, we interviewed Casper Henningsen, Managing Partner at Kunde & Co. Casper Henningsen works with digital communication and how brands can adapt to the new

consumer behavior, which means that he possesses experience in terms of how companies today can strengthen their corporate brands in the market (Henningsen 2015).

### ***Market Expert***

In order to gain knowledge about the realities that today characterize the market where both consumers and companies operate, we interviewed Lotus Hedebroe, Press Officer at Testr. Testr is a company that is founded on the idea of trading products with user reviews instead of cold cash, and acknowledges hereby the importance consumer opinions pose today. In this way Lotus Hedebroe, as a representative of the company, contributed with valuable knowledge of the power consumers have today (Testr 2015).

## **Consumer Interviews**

In order to accommodate the second and third data collection objectives, we have found it relevant to interview a number of consumers (see App. A). However, before going into depth with how we utilize consumer interviews to grasp the second and third objective respectively, we find it relevant to clarify the criteria we have recruited the consumers on the basis of.

Because the thesis explores the behavior of the empowered consumer in today's digital society, it was of high importance to interview consumers with a digital mindset. We therefore recruited consumers that were active online, especially on social media sites. To be more specific, we recruited interviewees that are active in online groups on Jubii Debate Forum, Trustpilot, Facebook and LinkedIn. During this process, we emphasized that we did not recruit people we know and are connected to, in order to avoid personal relations influencing the outcome of the produced data (Kvale 2007: 123). Furthermore, we decided on the age range of 16-45, as these consumers are the most active users online (Danmarks Statistik 2013: 11, 14). Last but not least, it was a criterion that the interviewees spoke Danish as their mother tongue, since every language is provided with a certain set of culture-specific frames (Luna et al. 2008: 279, 290). By ensuring that the interviewees had the same linguistic mental frame of reference as us, we believe the possibility of horizon fusion between the interviewees and us as researchers increased.

### ***Focus Groups Interviews***

To grasp the second data collection objective, we have found it relevant to carry out two focus group interviews. Focus group interviews give access to a large amount of interaction on a topic in a limited period of time, and are hereby of value when the objective is to identify a wide range of consumer insights that can create an understanding of the prominent consumer behavior that changes the premises for companies today (Morgan 1997: 22). In this way we could create the foundation for the third data collection objective, which focuses on gaining in-depth knowledge about the empowered consumer's thoughts and behavior via individual consumer interviews. As David L. Morgan (1997) states:

*“(...) Preliminary focus groups can provide a useful starting point for individual interviews that involve unfamiliar topics or informants. The basic idea is to use one or two exploratory focus groups to reveal the range of the future informants' thoughts and experiences prior to the first individual interview” (ibid.).*

We conducted two focus group interviews rather than only one, as this provided us with different reference points of the data, which we could then examine and compare to each other. When having data from two groups, we are more confident in concluding that the uncovered consumer behavior is a reflection of the reality and not only a reflection of one single group's dynamic (ibid: 44). Furthermore, each focus group interview consisted of six participants, as the rule of thumb for focus group interviews states that this size makes it possible to sustain the discussion and also to control it (ibid: 43). In order to make room for both the participants' own interests in regard to the topic and also cover topics from our preexisting agenda, we chose to base our interview guide on a funnel strategy (see App. C1-C2; Morgan 1997: 41). This means that we started the interview with a free conversation, where we then moved on to a more structured discussion of specific questions (Morgan 1997: 41).

### ***In-depth Interviews***

As described in the previous section, we have chosen to grasp the third data collection objective, by conducting individual consumer interviews, as this type of interview make us capable of going into depth with the empowered consumer's thoughts and behavior related to the most prominent consumer behavior discovered in the focus group interviews. Thusly, we had a fairly clear understanding of which focus to apply in the individual interviews. However, since we did not want

to exclude the opportunity of also letting new themes arise in these interviews we based the interviews on a semi-structured interview guide (see App. C3; Kvale 2007: 57).

When it comes to the number of individual interviews, we found it appropriate to conduct ten, as we hereby could be sure to identify the main underlying thoughts, which are attached to the behavior of the empowered consumer. This is supported by the fact that 90-95 % of opinions related to a given subject emerge during the first seven to eight interviews (Ringberg & Gupta 2003: 610).

### ***Coding of Consumer Interviews***

Since the conduction of our interviews provided us with extensively rich data, it was essential to arrange the data to create an overview of the most prominent consumer behavior characteristics and related thoughts (see App. F). In order to do so, we applied the technique of open coding, as this enabled us to break down, examine, compare, and categorize the data (Kvale 2007: 105; Bryman & Bell 2011: 578). Specifically, open coding relies on classifying data into three hierarchical levels; concepts, categories and core categories. By applying open coding, we first divided the data into useful concepts, which subsequently were gathered in several distinctive categories. Finally, it was possible to identify the most prominent tendencies that characterize the empowered consumer, since open coding as the last step involves grouping the categories into several overall core categories (Bryman & Bell 2011: 578).

Because we as researchers believe that each individual holds its own horizon of understanding, as previously mentioned, we have found it relevant to each give our interpretations of the data (Højberg 2009: 324). In this way we were able to uncover more insights compared to if only one of us had done the coding. And a mutual frame of understanding of the data was created, as both of our interpretations were included in the project, which hereby have added depth and value to the thesis (Gadamer 2006: 45).

### ***The Quality of the Interview Findings***

When conducting research a variety of concepts are often applied in order to determine the quality of the findings, and special attention is given to the principles of reliability and validity (Bryman & Bell 2011: 41-42). Reliability relates to whether reproduction is possible, where validity refers to whether the research study investigates what it sets out to investigate (Kvale 2007: 122). However,

among qualitative researchers there has been some discussion regarding the relevance of these concepts, as they seem to rely too much on quantitative reasoning (Bryman & Bell 2011: 394; Kvale 2007: 122). Accordingly, in order to account for the quality of the findings in this thesis, we will disregard the concept of reliability, as we embrace the fact that interviewees' answers are context sensitive and hereby are not able to be reproduced (Kvale 2007: 13). In terms of validity, a reinterpretation of the concept is necessary in order for it to be applicable for qualitative interviews (Bryman & Bell 2011: 394; Kvale 2007: 122). In qualitative research, validation becomes an issue of the quality of the researcher's craftsmanship, which hereby involves a discussion of the different factors that affect the interview situation and thus the data produced (Kvale 2007: 123). The following section will therefore discuss this.

### Power Asymmetry in the Interviews

According to Steinar Kvale (2007) interviews are characterized by being a professional conversation and entail in this way a clear power asymmetry between the researchers and the interviewees (Kvale 2007: 14). It is the researchers who ask the questions and the interviewees who answer (*ibid.*). With this in mind it was essential for us to remove our interviewees' focus from the existing power asymmetry in order to foster an atmosphere where they felt like opening up and sharing their thoughts and experiences (Kvale & Brinkmann 2009: 52). This was a priority of ours since the project is based on applying an open approach in the investigation and further since we wanted to uncover as many insights as possible in the interviews. For example, we started all interviews with presenting the purpose of the project and the procedure of the interviews, as the interviewees in this way could get a grasp of us, and better allow themselves to talk freely about their experiences and feelings (Kvale 2007: 55). We also tried to downplay the unnatural situation of the interviews by using open-ended questions, as this fostered a feeling of personal interaction (Andersen 2003: 227). In addition, it was a great priority of ours to be attentive listeners and show interest in the interviewees' statements in order to create contact (Kvale 2007: 55). Moreover, we rounded off the interviews with a debriefing, where we mentioned some of the main points from the interviews and asked the interviewees if they had anything else to say, hereby reducing the tension and anxiety, which can occur at the end of an interview (Kvale 2007: 55). Thus, the interviews were based on thorough and thoughtful considerations to get the most valuable and valid data.

It should be highlighted that the notion of power asymmetry primarily applied in the interviews with the consumers, as the expert interviews were conducted based on their expertise and leadership, which means that their powerful positions in the interviews cancelled out the prevailing power asymmetry (ibid: 70). Therefore, it was more important and demanding for us to create contact and trust in the interviews with the consumers compared to the experts.

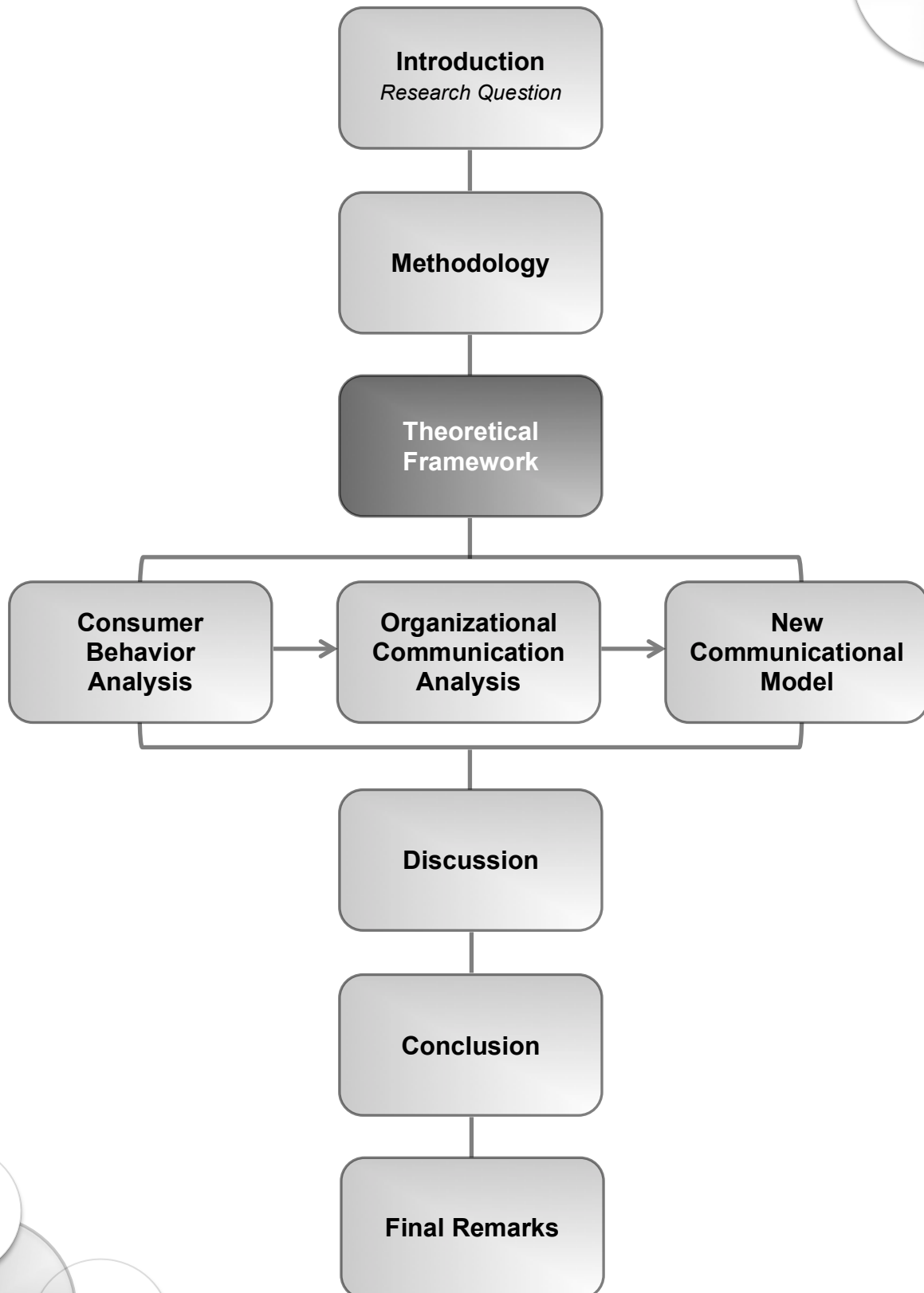
## **Company Cases**

As previously mentioned, the validation of our developed model is based on briefly referring to two companies' communicative approaches, Nordea's and Danske Bank's. Therefore to grasp the final data collection objective regarding uncovering information of Nordea's and Danske Banks' communication, we draw upon secondary data and hereof-deduced assumptions. To be more specific, we include information retrieved from the two cases' official company websites and social media sites, as well as articles in which representatives from either Nordea or Danske Bank express themselves about their workplaces. These sources of information are included in order to gain insight into the companies' corporate identities, and internal as well as external communicative approaches, since the validation takes point of departure in these three communicative areas.

We argue that the communication taking place on the companies' social media sites provides us with a fairly authentic reflection of how the companies communicate externally. However, due to the bias nature of the cases' official website information and the employee expressions in the news paper articles, we are not able to say for certain whether these statements, which are used to analyze the companies corporate identities and internal communication approaches, mirror reality. However, as we do not have access to more accurate knowledge we choose to assume that all information about the companies' different communication approaches fit reality. Thus not to say that there does not exist other nuances of their communication, but these are outside the scope of this validation.

# CHAPTER 3

## THEORETICAL FRAMEWORK



### 3. Outlining the Theoretical Foundation

This chapter outlines the theoretical framework the project is based on. We would like to highlight that it is the findings from our coding process of the data that has determined which theories to build the project upon, besides the theory Corporate Communications that from the beginning of the project was a matter of course.

We have found it relevant to divide the theoretical framework into two overall sections. Firstly, a section that provides an understanding of today's digital settings that hereby supports our investigation of the behavior of the empowered consumer. Secondly a section that sheds light on different company aspects related to Corporate Communications and in this way provides a tool to examine organizational communication. The first section will be applied in the consumer behavior analysis, where the second section will be used in the organizational communication analysis. The two theoretical sections combined create the foundation for the third analysis, as this part is centered on developing a new organizational communication model and therefore focuses on bringing the already discovered findings from the two previous analyses into play. The structure of the chapter looks as following:

#### **The Digital Settings**

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- Reliance on Networks
- Digital Media
- Online Communication
- Consumer Power
- Value Creation
- Connecting the Theories

#### **The Organizational Perspective**

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- Corporate Communications
- Organizational Structure
- Organizational Culture
- Connecting the Theories

### 3.1 The Digital Settings

Because we in this project are dealing with a phenomenon that has arisen as a result of the digital development, we find it essential to clarify the settings of the digital society. These settings are relevant to draw upon when analyzing the behavior of today's empowered consumer, since these can be used to explain how consumers have been empowered and hereby shed light on key aspects



of today's consumer behavior. The theories used to clarify the digital settings will be elaborated in the following.

## **Reliance on Networks**

In order to create an overall understanding of the settings the digital society is build upon, we include Manuel Castells' (2010) social theory of the network society, since this theory characterizes the structures of the digital society (Castells 2010: 500). Broadly speaking, the rise of the network society has led to a significant historical transition, which has changed the way we communicate and interact (ibid.). According to Castells (2010), the most fundamental structure of the digital society is its reliance on networks, which is prominent in all kinds of activity (ibid; Castells 2000: 5). While networks are an old form of social organization, the networks today are empowered by new digital information and communication technologies, which constitute a global system that embraces flexible decentralization (Castells 2010: xviii; Castells 2000: 5).

A fundamental dimension, that is crucial to understand in the network society, is the transformation of space and time (Castells 2010: 407, 460). To be more specific, the world has been brought closer together as a result of the digital network system, which has caused an increase in disassociation between spatial proximity and the performance of everyday life (ibid: 424). This means that given activities and actions no longer are bound to specific geographic locations, but instead can occur independently of the location of the individual who performs the action. Castells (2010) refers to this as space of flows (ibid: 408). Moreover, the rise of the network society conquers time barriers, as new communication technologies make it possible to be in direct contact with people from around the world despite the different time zones that may apply. Thus, time is today no longer bound to physical places, which means that space of flows fosters what Castells (2010) describes as timeless time (ibid: 460, 494-495).

In relation to the above, it is relevant to clarify the basis, which the different digital networks rest on, since it is the networks, as stated, that constitute the digital society (ibid: 500). A network is based on a set of interconnected nodes that work on the binary logic of inclusion/exclusion. This means that networks have no center but only include what is useful and necessary for the existence of the network. Specifically, each network is based on a certain set of rules, which are imposed to

all its members, i.e. nodes, and these members will therefore have to play within these rules in order to stay included in the network (Castells 2000: 15).

According to Castells (2011) a node can be defined as any actor in the society that takes part in a given network, however we have chosen to focus on consumers and companies as nodes, since these two parties constitute the focal point of this project (Castells 2011: 773; Castells 2000: 16). Moreover, since every node in the digital network has the ability to include or exclude other nodes from the network, power has today moved into the networks. This differs from how it was before the digital development, as power here was embedded in organizations and institutions and was organized around hierarchies and centers (Castells 2011: 773; Castells 2000: 19). This acknowledgment is essential to our project, since it provides us with the foundation for understanding the shift in power that has occurred between consumers and companies. Thus, Castells (2010) provides us with a macro perspective to analyze the general digital settings, which foster an empowered consumer.

## **Digital Media**

To be able to analyze how power unfolds between consumers and companies in the digital networks in-depth, we supplement the theoretical section with Joshua Meyrowitz's (1998) theory about media literacy. Meyrowitz's (1998) theory concerns the specific elements a media is made of, which hereby can be used to explain the rules and settings that apply in the different digital networks today, as we view digital networks and digital media as being one and the same.

However, before clarifying Meyrowitz's (1998) theory about media literacy, we find it important to note that the theory is developed in a time before consumers adopted digital media in earnest. Though despite this fact we argue that his theory still is applicable and relevant when describing digital media's basic elements (Kosut 2012: 217). Meyrowitz (1998) states that there exist three overall ways that can be used to view a medium (Meyrowitz 1998: 106).

First of all, Meyrowitz (1998) states that media can be understood as channels that hold and send messages (ibid: 97). This view focuses on that there is something inside, and somehow separable from the medium, that can be analyzed and studied (ibid: 98). In other words, attention is on the content involved rather than on the specific medium, and therefore Meyrowitz (1998) defines this viewpoint as media content literacy (ibid: 97).

Another way of conceptualizing media involves seeing each medium as its own language, which means that each medium has its own unique grammar. Meyrowitz (1998) argues that unlike media content, which crosses easily from medium to medium, media grammar variables are peculiar to media (ibid: 99). Therefore it is essential to understand the specific workings of each medium in order to be able to identify the media grammar rules that apply (ibid: 100). Meyrowitz (1998) refers to this type of media view as media grammar literacy (ibid: 99).

Finally, the last view on media is that each medium can be perceived as a type of setting or environment that has relatively fixed characteristics that influence communication in a particular manner, which is defined as medium literacy (ibid: 103). Meyrowitz (1998) emphasizes that this aspect involves understanding how the nature of the medium shapes key aspects of the communication on both a micro and macro level. When focusing on the micro level it is all about understanding how the choice of medium over another can affect the particular communication and hereby how the messages are portrayed. In terms of the macro level, Meyrowitz (1998) highlights that the entrance of new media may lead to social changes, as it may alter the boundaries and nature of social situations and hereby reshape the relationships among people (ibid: 105). In this way Meyrowitz (1998) supports Castells' (2010) statement regarding that the occurrence of digital networks has changed the way people communicate and interact, which further supports the focal point in the thesis concerning that consumers has been empowered as a result of the digital development (Castells 2010: 500).

Based on the above description of media literacy, we define a digital medium as a specific environment that involves certain grammar rules and contain some kind of content. Hereby, we argue that each digital medium sets the stage for different kind of behavior and interactions. By combining and employing the media elements from Meyrowitz (1998)'s theory, we have been given a frame to analyze the expectations consumers attach to the different digital networks they operate in, which is of high importance due to the empowered position they hold today.

## **Online Communication**

We find it relevant to supplement the theoretical section of the digital settings with Ib Gulbrandsen & Sine N. Just's (2011) theory of online communication in order to gain knowledge about which communication and interaction possibilities the digital media have provided the empowered

consumer with. Gulbrandsen & Just (2011) identify five main features, which distinguish online communication from more traditional modes of communication (Gulbrandsen & Just 2011: 1098).

First and foremost, Gulbrandsen & Just (2011) characterize online communication as negotiable and uncontrolled, since digital media provide online users with easy access to content produced by others and also the opportunity to play an active role in generating content. Specifically, online content can be saved, deleted, replicated, edited and even retrieved, which results in the fact that online communication always is 'in-the-making' (ibid.). Secondly, online communication is defined as time-space free, which draws upon Castells' (2010) definitions of timeless time and space of flows (ibid; Castells 2010: 407, 460). As previously stated, anyone can communicate online anytime anywhere, which breaks up the notion of communication as a linear sequence (Gulbrandsen & Just 2011: 1098-1099; Castells 2010: 407, 460). Thirdly, online communication also rests on the feature of hypertextuality, which can be described, as the opportunity online users have to choose their own unique route online. As Gulbrandsen & Just (2011) state: "*The reader enters at any node and chooses any path through and about the network*" (Gulbrandsen & Just 2011: 1099). A fourth feature that characterizes online communication is hyper-public, which involves online communication's role in extending the possibilities of publicly sharing content that previously belonged to the private sphere (ibid.). The last feature of online communication is two-way mass communication, which indicates that online communication can be a direct conversation between few parties, and at the same time allow other users to view the interaction and hereby becomes the communication also an indirectly interaction with the masses (ibid: 1100).

The described features of online communication provide us with key knowledge of the digital communication settings, which is essential to understand when examining the behavior that characterizes today's empowered consumer. To be more specific, since Gulbrandsen & Just (2011) provide us with a set of lenses which we can use to understand how online communication differentiate from more traditional modes of communication, we are able to pinpoint how consumers can use online communication as a powerful tool in their interactions with companies (Gulbrandsen & Just 2011: 1096).

## **Consumer Power**

We also find it relevant to include theory that can help us understand what it specifically means to

be an empowered consumer, which is why we include S. U. Kucuk's (2012) theory of consumer power (Kucuk 2012: 1). Kucuk (2012) highlights that consumers today are able to influence and partly control the fate of companies (ibid.). Before the digital development began in earnest, companies either presumed that consumers were easy to control or denied the existence of consumer power because of a general consumer inability to practice power (ibid.). However, this situation has changed, as a result of the increasing digitalization. Kucuk (2012) emphasizes that the rise of the empowered consumer can be discussed in terms of two concepts: exit-based power and voice-based power (ibid: 3).

Exit-based power is defined as the action of consumers leaving the company consumption cycle, and this action has therefore a direct economic impact on companies (ibid: 3). And today it has never been easier to switch from one company to another, since online digital networks provide much greater transparency in terms of which brand offers that exist in the market (Kucuk 2008: 4). It can be argued that increased online presence has made it easier for consumers to perform exit-based power.

Consumers are not just exiting markets but are also raising their voices and are hereby creating consciousness in markets (Kucuk 2012: 3; Kucuk 2008: 6). Voice-based power can be positive or negative, and can provide companies with important and beneficial information. And as a result of the digital development, it has become much easier for consumers to raise their voice in public and thereby influence other consumers' preferences. As an example, consumers have today, via online negative voice-based communication, the power to affect and motivate a much greater amount of people to collectively exit a company compared to earlier (Kucuk 2012: 3).

Based on Kucuk's (2012) two discussed power concepts, we are able to analyze these specific power actions, which consumers exercise in relation to companies today.

## **Value Creation**

Finally, it can be assumed that the digital development has influenced consumers' expectation towards companies and in this relation how companies create value to meet the expectations of consumers today. Hereby we find it relevant to end the digital settings section with including Howard E. Butz & Leonard D. Goodstein's theory of value creation (1996) in order to be able to

examine this aspect (Butz & Goodstein 1996: 63). Despite the fact that this theory is developed in the 1990's, we argue that the involved concepts are still of value today as they are based on general notions of how companies can create value. According to Butz & Goodstein (1996), companies must focus on meeting consumers' needs and wants in order to create value and gain a competitive advantage in the market (ibid.). The more value the company adds to a product or service, the more distinctive the product or service becomes to the consumers. It should here be pointed out that it is consumers who decide whether there is created value or not.

Butz & Goodstein (1996) define consumer value as “(...) *the emotional bond established between a customer and a producer after the customer has used a salient product or service produced by that supplier and found the product to provide an added value* (ibid.). We will like to stress that we, in this project, not only perceive consumer value as the bond established after a purchase. We also see it as the general relationship consumers have with companies, which involve the knowledge consumers have acquired about a company throughout time together with the experiences they have had with the company. Noting, when we in the project refer to consumer value, it includes a more broad understanding compared to Butz & Goodstein's (1996) definition, which makes us capable of analyzing the expectations consumers have towards companies in general today (ibid.).

Butz & Goodstein (1996) differentiate between three levels of consumer value; the expected level, the desired level and the unexpected level (ibid: 67). The expected level of value concerns the standard expectations that consumers have towards a specific business or industry. Therefore, at this level companies provide those goods and services that consumers have come to expect. At this level there no strong foundation exists for establishing an emotional bond between the company and the consumers (ibid: 68). The desired level, address when companies include features that add value for consumers but are not expected because of the standards within a company or industry. Companies that have an understanding of what their consumers truly care about have the opportunity to create value at this level. In relation to this, it is essential to highlight that once a company establishes a desired level of value, it can have severe consequences if the company fails to maintain that level (ibid.). The unexpected level, involves when companies find ways to add value that is beyond the consumers' conscious expectations or even desires. By creating value on this level, companies establish the foundation for a strong emotional bond between them and the consumers (ibid: 69).

As a consequence of the digital development, we argue that it has never been more important to meet and exceed consumers' expectations, since consumers have gained an increased opportunity to raise their voices and affect other consumers' decisions, as previously described (Kucuk 2012: 3). By including Butz & Goodstein's (1996) three levels of value creation, we are able to investigate and understand what it today takes for companies to create consumer value and hereby how they can strengthen the corporate brand.

## Connecting the Theories

All the described theories constitute our theoretical section related to the digital settings, and combined create a holistic approach to view and examine the behavior of the empowered consumer and how this behavior affects the premises, which companies operate on the basis of today. In order to illustrate how the different theories support and complement each other, we have developed the below figure:

**The Digital Settings**

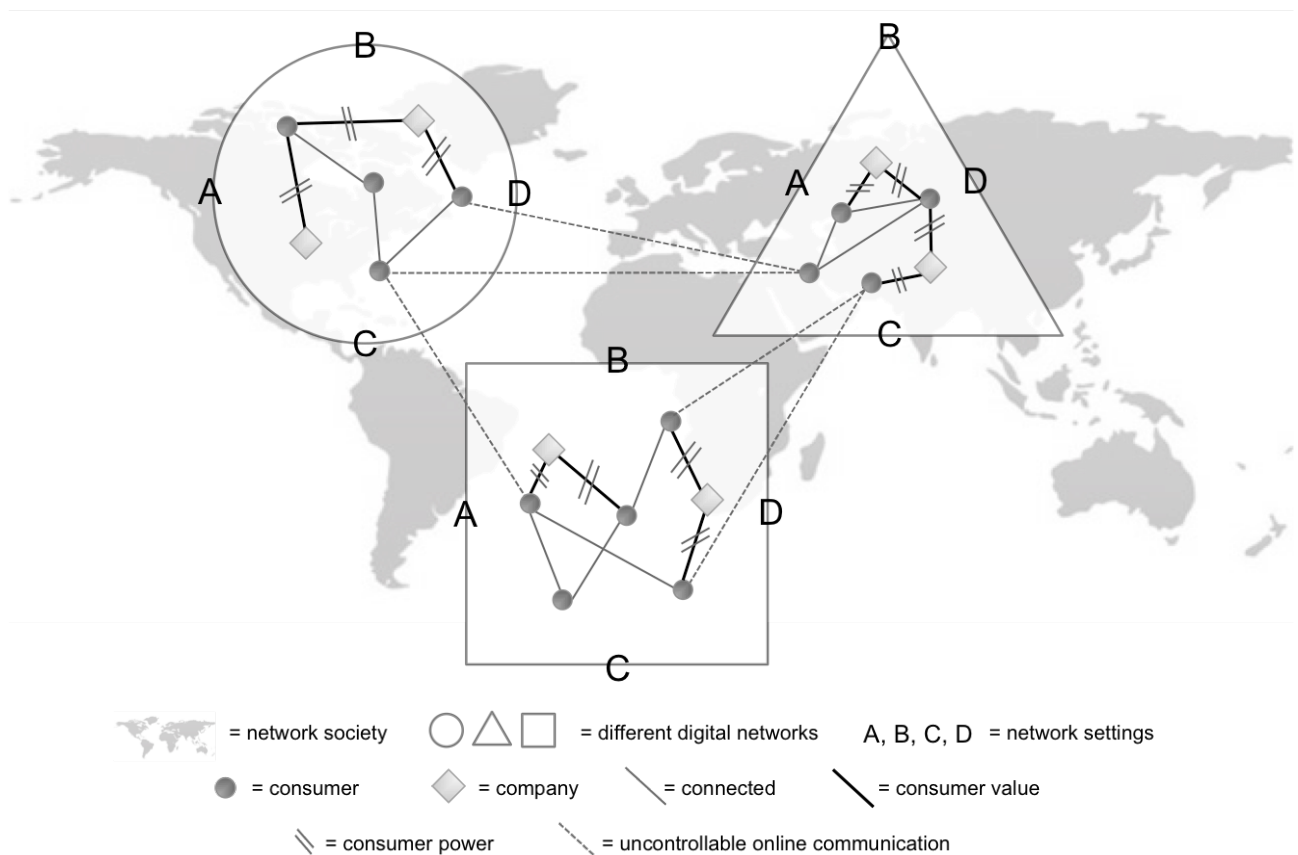


Figure 3a: Theoretical connections related to the digital settings section (Inspired by Castells 2010: 500, Castells 2000: 15; Meyrowitz 1998: 97-103; Gulbrandsen & Just 2011: 1098-1100; Kucuk 2012: 1-103; Butz & Goodstein 1996: 63, 67-69).

## 3.2 The Organizational Perspective

The foundation for the theoretical organizational perspective section is the framework of Corporate Communications, since this theory, as previously mentioned, has inspired us to conduct the overall investigation of the thesis due to its lack of adaption to the digital society. It is therefore essential to clarify what the theory stands for in order to be provided with a reference point we can use to analyze which organizational communication elements that still are of importance today and which that no longer fit with the corporate landscape.

### Corporate Communications

In order to paint a detailed picture of Corporate Communications, we include Lars T. Christensen's (2011, 2009, 2008) and Joep Cornelissen's (2014, 2012) view on the theory, as these two theorists are seen as the most dominant and acknowledged researchers within the framework in recent times (CBS 2015; VU 2015). Christensen (2009) and Cornelissen (2014) have both combined<sup>1</sup> and separately produced literature about the framework, where they define, modify and critique the aspects involved (Christensen et al. 2009: 207; Cornelissen 2014: 8). The two researchers are used intertwined in the project as they approach the theory from the same theoretical standpoint and at the same time provide different inputs related to the theory.

Corporate Communications is based on the idea of providing organizational managers with a way of thinking about and approaching communication to strengthen the organizational branding efforts (Cornelissen 2014: xv). Corporate Communications is defined as *"the notion and the practice of aligning symbols, messages, procedures and behaviors in order for an organization to communicate with clarity, consistency and continuity within and across formal organizational boundaries"* (Christensen et al. 2009: 207). Hence, Corporate Communications focuses on managing all communicative expressions of the organization to hereby "speak with one voice". An important characteristic of Corporate Communications is in this way the focus on the organization as a whole and the importance of projecting itself consistently across different markets and stakeholder groups – internal as well as external (Cornelissen 2014: 4). In order to do so the framework entails creating a common mindset within the organization that takes point of departure in the idea of unity (Christensen & Cornelissen 2011: 387).

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<sup>1</sup> See Christensen & Cornelissen (2011).



According to the framework, the top management plays a fundamental role when striving for alignment. The top management must commit to and support activities that ensure alignment throughout the organization and is therefore also responsible for removing barriers that prevent this (Christensen & Morsing 2008: 25). This indicates that Corporate Communications not only is based on the concept of alignment, but also on the implicit notion of centralized control and power (Christensen & Cornelissen 2011: 396). In fact, Christensen et al. (2009) indicate that the reason why the concept of Corporate Communications appeals so much to managers is because it legitimizes control of all communication functions (Christensen et al. 2009: 208). It should here be noted that the framework has been criticized for its all-encompassing control perspective, as there exist some negative consequences when managers too strictly try to manage and control the communication and the employees. For example this can undermine employees' wellbeing and inhibit organizations' adaptability (Christensen & Cornelissen 2011: 395). Therefore, Christensen & Cornelissen (2011) have stressed that organizations should loose some of the control and open up to different voices within and outside of the organization in order to create a more dynamic company (ibid: 394).

In relation to the already discussed, the framework of Corporate Communications highlights the importance of a corporate identity, as it is this basic profile that creates the foundation for the act of alignment (Cornelissen 2014: 8). The identity is based on a number of core values, beliefs and aspirations that are commonly captured in a mission, a strategic vision and more general corporate culture of the organization (ibid: 70). To be more specific a corporate identity is defined by Cornelissen (2014) as *"the profile and values communicated by an organization"*, and the concept is further elaborated with the notion of projecting this profile to all its important stakeholder groups in order to create a consistent and unambiguous image of the organization (ibid: 6, 8). Thus, despite the fact that Christensen & Cornelissen (2011) emphasize the importance of including other voices in the company communication, this understanding is not incorporated in the latest definition of a corporate identity (Christensen & Cornelissen 2011: 394; Cornelissen 2014: 6). This indicates that Corporate Communications still fundamentally is based on a simplistic and narrow line of thought towards the involvement of stakeholders and the creation of a corporate identity.

With the above in mind, we argue that the core of Corporate Communications primarily promotes a sender-oriented and linear approach. This is further supported by the fact that stakeholders are

partly perceived as passive targets, since the framework assumes that send out communication automatically will be perceived and read by the stakeholders (Christensen & Cornelissen 2011: 391; Christensen et al. 2009: 213). We argue that the mindset Corporate Communications takes point in, does not correspond with the development of the digital society and the rise of the empowered consumer. This demonstrates that there is a need for modification in order for the theory to fit with the digital society and thereby be a beneficial tool for companies to base their communication upon. This is supported by the fact that Cornelissen (2014) highlights that the proliferation of digital media “(...) mark a clear break from traditional communication models and message flows” and fundamentally changes how companies should approach communication (Cornelissen 2014: 258). Cornelissen (2014) acknowledges that there has been a shift in the consumer-company relationship that affects the usefulness of Corporate Communications. However, he does not suggest how the framework should be adapted in order to meet the challenges arisen in the new corporate landscape (ibid: 259).

Based on the above, we have been provided with a detailed understanding of what Corporate Communications entails. Though, in order to create an even more detailed point of reference we can use when conducting the second analysis, we find it relevant to supplement the framework with in-depth explanations of aspects related to the internal organization approach which the theory implicitly sets the stage for, but not explicit clarify. To elaborate, we include the aspects of organizational structure and organizational culture, as these two aspects create the foundation for the performance of Corporate Communications (Cornelissen 2014: 29-30; Christensen et al. 2009: 208).

## **Organizational Structure**

According to Cornelissen (2014), Corporate Communications involves top-down control and coordination and integration within the organization through horizontal structures, which implicit supports the notion of basing the organization on a functional structure (Cornelissen 2014: 29-30; Daft 2012: 110). We therefore find it relevant to supplement the theoretical section of the organizational perspective with Richard L. Daft's (2012) view on functional structure.

Daft (2012) states that the functional structure makes it possible to group activities and employees together by common functions (Daft 2012: 110). By relying on the functional structure individual

functions are created that each handle one aspect of the organization, such as HR, communication and IT, making each function accountable for a separate goal related to the company's performance (ibid.). By grouping the employees into these functions, the employees develop specialized capabilities within their given area, which provide the company with valuable expertise and depth of knowledge. Moreover, the functional structure implies centralized control, as the top management is responsible for coordinating the overall efforts of each function and in this relation meshing the functions together into a cohesive whole (ibid; Griffin 2015a). By relying on a functional structure the company fosters control through top-down hierarchies (Daft 2012: 110).

With this theory in mind we are provided with a foundation to examine which internal organizational structure companies should be based on today in order to accommodate the digital development and hereby create the foundation for strong company communication

## **Organizational Culture**

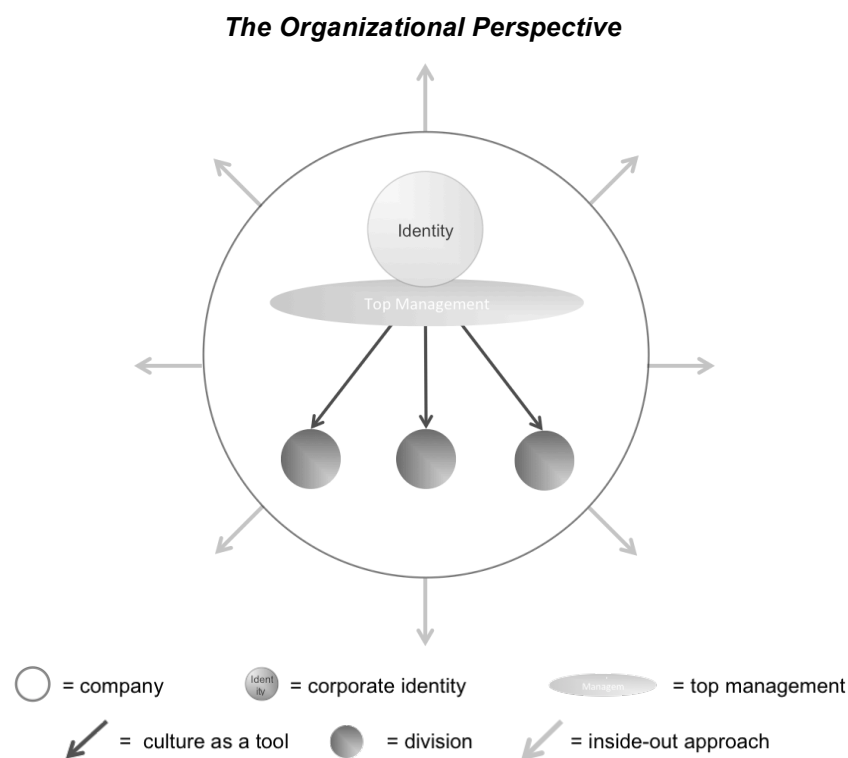
As already mentioned, Corporate Communications is centered on aligning all messages and behaviors in order to communicate consistently within and across organizational boundaries (Christensen & Cornelissen 2011: 385). This aspect, combined with the fact that the framework makes it the managers' responsibility to align the organization internally, suggest that Corporate Communications is based on a functionalistic perspective on culture (Christensen et al. 2009: 208; Cheney et. al. 2011: 87). We therefore include George Cheney et al.'s (2011) clarification of a functionalistic culture to elaborate what this type of culture entails.

The functionalist perspective on organizational culture relies on the understanding that a strong organizational culture is a *"system of unique ideas, values, and symbols organized and controlled by management in its efforts to integrate the organization's members around a shared set of meanings"* (Cheney et al. 2011: 87). Thus, the values and beliefs a company is founded upon serve to help the organization integrate and align employees so they all share the same organizational goals and perspectives (ibid: 88). In this relation, Cheney et al. (2011) argue that culture is something a company *has*, functioning as a tool to control the employees (ibid: 87).

Based on the above we have been given an understanding of a specific way of approaching organizational culture, which can be used as a reference point when investigating and analyzing which cultural approach is the most appropriate in the digital society.

## Connecting the Theories

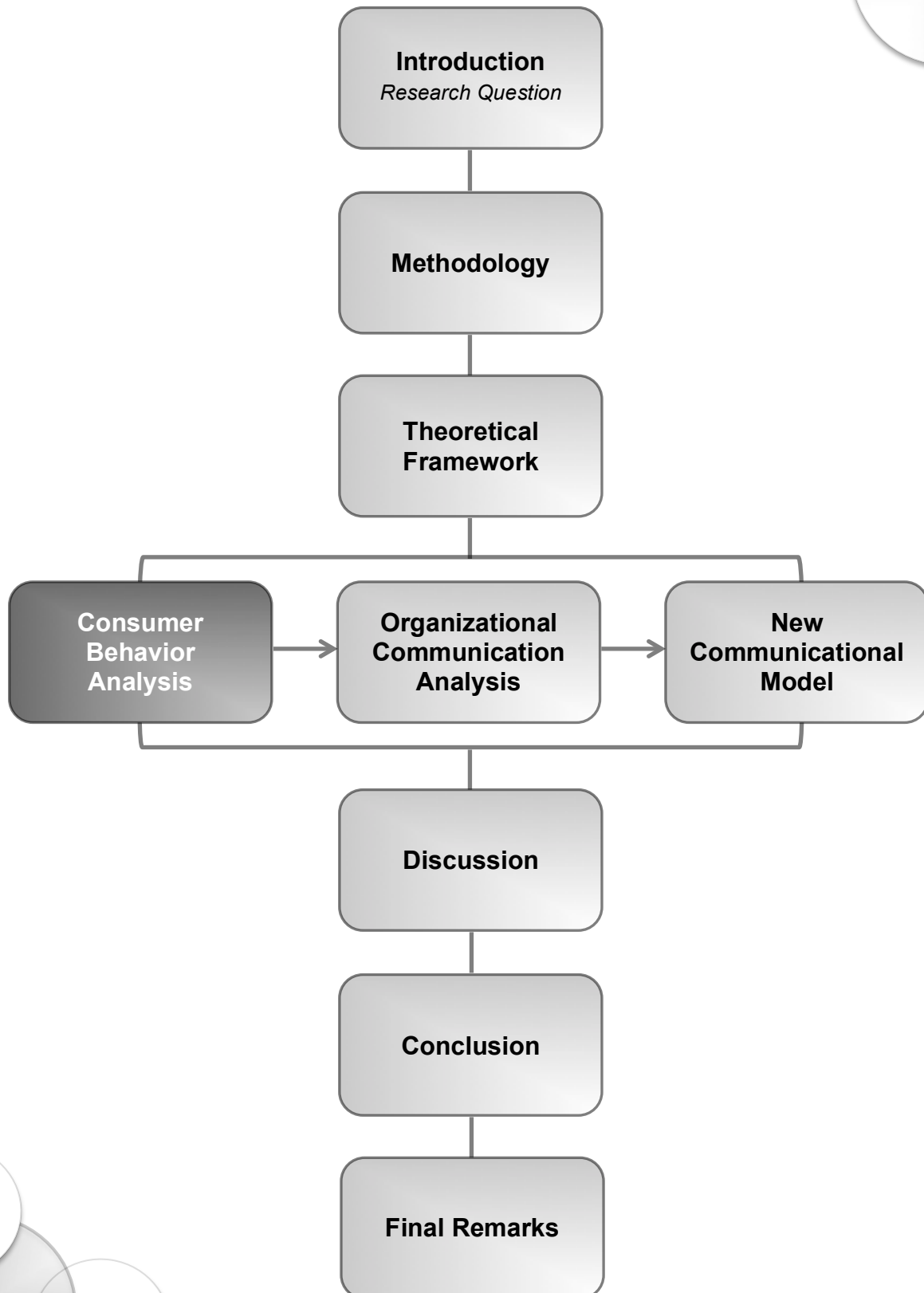
With the above theories related to our theoretical section of the organizational perspective, we have created a detailed reference point in terms of what Corporate Communications entails, which we hereby can play our findings from the first analysis up against. With this reference point in mind we are able to give our suggestion on how companies today should approach communication in the new corporate landscape, in order to accommodate and adapt to the changed market conditions. To demonstrate how the combination of the theories related to the organizational perspective complement each other, we have developed the following figure:



*Figure 3b: Theoretical connections related to the organizational perspective section (Inspired by Cornelissen 2014: 8; Christensen & Cornelissen 2011: 391; Christensen et al. 2009: 207; Daft 2012: 110; Cheney et al. 2011: 87).*

# CHAPTER 4

## CONSUMER BEHAVIOR ANALYSIS



## 4. Mapping the Behavior of Today's Empowered Consumer

This chapter examines the behavior of today's Danish consumers in the digital society. In this relation, we analyze how this behavior fosters an empowered consumer, which fundamentally affects the consumer-company relationship. The outline of this chapter is based on our coding of the conducted consumer interviews, where three main themes were discovered (see App. F). In order to supplement our findings and analytical section, we include some of the latest public consumer research studies (App. E1-E12). The structure of the chapter looks as following:

### **General Digital Behavior**

- Online Consumer Presence
- High Accessibility
- Consumer-produced Brand Content

### **Inclusion/Exclusion in Digital Networks**

- Content Relevance
- Environmental Settings
- Unwritten Grammar Rules

### **Expectations**

- Basic Company Requirements
- Consumer Centralization

### 4.1 General Digital Behavior

*“Consumer behavior is rapidly changing, with “digital” activities growing rapidly in every sphere”* (McKinsey & Company 2013: 3). Today, consumers have more access to and are deeper engaged with content than ever before, all due to the proliferation of digital devices and media. For most modern consumers, digital media have become such an integrated part of their daily routine as their everyday life and digital life are now wholly intertwined (Nielsen 2014: 2). Thus, the ever-expanding arrays of digital media have fostered a new type of consumer, as it fundamentally changes the way today's consumers interact, communicate, discover and purchase (McKinsey & Company 2011: 1). The related section therefore clarifies and elaborates the general digital consumer behavior, in order to make companies aware of which fundamental factors they should incorporate in their future strategic communication, in order to meet the demands of the new consumer.

## Online Consumer Presence

Everyday digital technologies become increasingly important for Danish consumers, and consumers are more or less constantly connected to the Internet (App. D1 Theilgaard; App. D2 Rasmussen; App. E1-E12). One of the interviewed consumers expresses: *“There are not many times during the day, where I am not online. At my home we often have a connected computer turned on. If not, I just use my phone”* (App. E3: l. 24-25). The other interviewees all agree that connecting to the Internet is one of the first things they do in the morning and one of the last things they do at night (App. E1-E12). Consumer reports show that in general the average Danish consumer spends two hours online every day, where the younger generation, age 15 to 29 use it more than three and a half hours a day. The time amounts may not seem to be much at first glance, however, since consumers access the Internet sporadically throughout a day in timeframes of 2-3 minutes, it creates a constantly online presence (ibid.). In terms of connecting to the Internet, 65 % connect daily via a computer, where 51 % connect via their mobile phone and 35 % via a tablet (DR 2014: 18, 20). Thus, Danish consumers are more online and more mobile than ever before, which hereby fosters an empowered consumer position, as they are capable of making purchases anytime and anywhere they want (App. E1-E12; App. D2 Rasmussen). This correlates with the fact that online communication is characterized by being time and space free (Gulbrandsen & Just 2011: 1098). Seen from a company perspective, an increasing online consumer presence means brands have gained an increasing opportunity to connect with consumers.

## Social Interaction

In the conducted interviews it became clear that it is especially the social aspect of digital media that takes up a lot of the consumers' online time (App. E1-E12). This is supported by data from one of the latest reports from Danmarks Statistik regarding the Danish consumers' use of IT, which states that 91.5 % of the 16-34 year olds in the Danish population are connected to some kind of social network (Danmarks Statistik 2014: 19). For most consumers, social media are not just communication platforms they log on to every now and then; these have actually become an integrated part of the consumers' lives, as it allows easy communication between consumers and their social network (App. E1-E12). *“When I lived abroad it was so easy to be in contact with my parents and friends from home, and now when I am home, it has been really easy to be in contact with the people I met abroad”* (App. E5: l. 40-42). In many aspects, social media has replaced traditional communication such a phone calls, texting and to some extent physical contact, and have

thereby created what is referred to as ‘the mediated life’ (App. E1-E12; Hansen 2007). As one interviewee explains:

*“In the past I might have called, but now I communicate via Facebook. Here I can easily ask about my friend’s visit at the doctor, if I can see that she is online. In some way you can say that I am more social online compared to offline”* (App. E7: l. 172-175).

Corporate expert Jacob Theilgaard expresses that the popularity of social media may be due to the possibility for individuals to be closer to each other despite their different individually locations (App. D1 Theilgaard). In general, all interviewees feel that social media has opened up for the opportunity to take care of their personal relationships, despite the fact that they sit alone only with their computer, phone or tablet in front of them (App. E1-E12). Thus, it appears that the boundaries for social interaction have moved. An important understanding is that this not only applies for the relation between consumers, but also for the relation between consumers and companies (ibid.). As one interviewee explains: *“It is much easier to make contact with today’s companies. Many years ago you often ended up with questions that you did not ask, because it was too difficult to make contact with the company”* (App. E7: l. 420-422). Also, as another interviewee phrases it:

*“Amazon.com operates in all parts of the world, which is very nice, because even though it is four o’clock in the morning here in Denmark, I can be in contact with them just by calling the US department or by writing in their live chat”* (App. E2: l. 422-424).

In this way, digital media make it possible to conquer time barriers, and hereby opens an instant information exchange throughout the globe between consumers and companies, which corresponds with the fact that today’s society rests on timeless time (Castells 2010: 460). Furthermore, because brands are increasingly represented on social media, companies are moving away from being perceived as big and distant to instead being companies at eye-level (App. E11). As one of the interviewed consumers expresses: *“It is perhaps a bit simplistic thinking, but by being represented on Facebook the company is no longer just a website, it is more like a friend, who I just write to when I need help”* (App. E1: l. 329-331). It can hereby be argued that the different players within the social networks interact with each other on equal terms, no matter their background as consumers or companies (App. E1-E3, E5, E7, E9-E11). Accordingly, today’s companies have a unique chance of interacting and connecting with consumers on a much more personal and intimate level compared to earlier.



## High Accessibility

The interviewed consumers highlight that the digital development has created a setting that makes them feel much safer in purchase decisions, which also supports the fact that we are today dealing with an empowered consumer. Specifically, quick distribution, and an increased level of information can be highlighted as some of the biggest advantages of the digital development (App. E1-E12; App. D1 Theilgaard; App. D2 Rasmussen).

## Quick Distribution

Today's society is organized around space of flows, which allows for quick and easy distribution of content no matter of physical location (Castells 2010: 407; App. D2 Rasmussen). One of the consumers expresses: *"I just sold my apartment, which I did by announcing it on Facebook. After a few days my apartment had received 600 more views, just because my friends on Facebook shared it with their friends"* (App. E3: l. 77-79). From a company view, this creates the opportunity of raising awareness of the corporate brand to a much higher extent compared to earlier. A company now has the possibility of reaching an average of 200 more targets if just one consumer decides to distribute the company's communication in one of the consumer's online networks (DR 2013). However, as positive it may seem, quick distribution also has a downside. It makes it much more challenging for companies to control the settings in which consumers receive the brand message, as consumers gain partly control over the message after companies have released it into cyberspace. From here consumers can determine its further distribution into different social networks (YouGov 2013: 7; Gulbrandsen & Just 2011: 1098).

## Increased Level of Information

In close relation to quick distribution comes an increased level of information, which makes the consumers much more knowledgeable (App. E2-E3, E7-E8, E10-E12). According to consumer expert, Lone Rasmussen, and corporate expert, Jacob Theilgaard, the Internet has made the market much more transparent, as company information, which was previously enclosed, is now available online (App. D1 Theilgaard; App. D2 Rasmussen). Our interviewed consumers support this, as for example one of them explains: *"You can search for anything and you can get quick answers. If you are interested in something, you are able to find much more information about it compared to how it was ten years ago"* (App. E7: l. 285-286). Also, the Internet makes it possible for the consumers

to compare different corporate brands in a quick and easy way, which was rather time-consuming before:

*“When you are in a physical shop, you are limited to being in that shop. On the web you can be in five different stores, all at the same time. Within five minutes, I can find out, which product that is cheapest”* (App. E4: l. 148-150).

Thus, in today’s digital society consumers are enabled to better evaluate the different organizational offers, which makes them increasingly capable of taking control and hereby make focused consumption decisions (App. E1-E12; O’Brien 2011: 32-33).

## **Consumer-produced Brand Content**

With the blossom of the digital society and the high access to networks of information, today’s consumers have become quite skeptical (App. D2 Rasmussen; App. E1-E12). This has led to the fact that consumers tend to dig up as much information as possible from multiple sources before deciding on interacting with a particular company (Dansk Erhverv 2014; Leggatt 2013; App. E1-E3, E7-E8, E10). As a consequence, 85 % of all planned purchases are today initiated on the Internet (FDIH 2014).

There is one kind of information that seems to overshadow every other information source online, which is brand information produced by consumers (App. E1-E12; App. D2 Rasmussen). Before the digital development, consumers could more or less only expose their opinions about companies to their closest relations. Today, they have the opportunity of publishing this kind of information on the Internet and hereby share it within their different digital networks (App. E1-E12; Castells 2010: 407; Kucuk 2012: 2). As expressed by one of the consumers: *“In the past we were only able to tell our nearest, but now it is possible to communicate it to everybody”* (App. E1: l. 389-390). Consequently, communication that previously belonged to the private sphere has now moved into the public, which supports online communication as being hyper-public (Gulbrandsen & Just 2011: 1099; App. D2 Rasmussen). Some of the latest consumer research studies support that many consumers take advantage of this opportunity, as it is highlighted that 54 % of the Danish users of social media are actively commenting on products or companies online (App. D2 Rasmussen; Nørgaard 2013; YouGov 2013: 7). This includes both positive and negative comments, which are posted on companies’ public online sites, and also sites such as blogs, rating sites and consumers’

own Facebook walls (YouGov 2012: 15). Based on this, we argue that consumers are increasingly taking control over brand content instead of just passively consuming it. Thus, consumers have via digital technology been given a rather powerful voice in the market, which implies that they consume under some rather privileged conditions compared to earlier (Gulbrandsen & Just 2011: 1098; Kucuk 2012: 3).

The above shows that consumers today utilize the opportunity to exercise voice-based power online and can hereby positively or negatively influence a much greater amount of people's decision-making with their communication compared to earlier. Worst-case scenario for companies is that existing consumers choose to perform exit-based power on the basis of this, hereby leaving the consumption cycle of the company (Kucuk 2012: 2). Consequently, the digital society has changed the rules for consumers and companies, which is important for organizations to understand, in order to take advantage of the digital development and not perish because of it.

The interviewees highlight that consumer-produced brand content provide them with an enriched understanding of what they can expect from the individual corporate brand, which they are unable to gain from other information sources (App. E1-E12). As two of the interviewees phrase it:

*"If I am in doubt about what I should buy and what I should choose, I think it is nice that I can get first-hand knowledge from someone who have tried the product themselves" (App. E11: l. 209-211).*

*"I tend to follow other people's advice, and it is very unusual that I just go into a place that I know nothing about. Very often I make a purchase, because I have heard from others that it is good. I want to be sure that I get a great experience" (App. E2: l. 922-924).*

Thus, the rich networks of consumer reviews foster an empowered consumer further (App. D2 Rasmussen). The reason why consumers value peer-to-peer reviews in such a high extend, may be explained by the fact that consumer reviews can be identified as an online version of word of mouth, which (...) *usually is perceived as more credible and trustworthy (...)*" (Liu 2006: 74). Word of mouth has for a long time been important to consumers, also before the digital development, but digital media have significantly changed the message flow and hereby intensified the communication in an exponential and uncontrolled way (Sahelices-Pinto & Rodríguez-Santos 2014: 244). As highlighted by market expert Lotus Hedebroer: *"Word of mouth is alpha and omega,*

*which it has been for a long time. Now, because of the Internet, it is just in new ways and towards more consumers at once” (App. D4 Hedebrøe: l. 130-131).*

The above supports the understanding of communication being negotiable and uncontrolled in the digital society. With the possibility of actively producing, retrieving, and storing voluminous data, online content is always ‘in-the-making’ (Gulbrandsen & Just 2011: 1098). This indicates the existence of a communication clutter as never before and that company-produced communication hereby competes with a rather large amount of other available pieces of information, which makes it hard for companies to control the perception of who they are in the market. However, on the positive side, online consumer comments and reviews are a potential gold mine of consumer insights (App. D2 Rasmussen; App. D3 Henningsen; App. D4 Hedebrøe; Kucuk 2012: 3).

## **4.2 Inclusion/Exclusion in Digital Networks**

Historically, power has been embedded in organizations and institutions, and has been organized around a hierarchy of centers (Castells 2000: 19). However, in the digital society, the exercise of power has fundamentally moved into the digital networks, as these networks break down centers and disorganize hierarchy, herewith giving everyone – both consumers and companies – power to exercise (ibid: 15; Castells 2011: 773). Therefore, this section starts with an examination of how power unfolds in digital networks, since companies must understand this aspect in order to create the foundation for being included in the consumers’ different digital networks. Further, it is crucial for companies to understand how consumers are specifically behaving in the different digital networks in order to conform to the rules of the digital game and hereby be able to constitute a relevant contributor in the networks (Meyrowitz 1998: 105). Thus, following the discussion of power is a detailed assessment of consumers’ behavior in different digital networks, where Facebook, Instagram, Twitter, LinkedIn, and e-mail are the focal point, since the interviewed consumers revealed that these are the digital networks they use the most (App. E1-E12).

## **Content Relevance**

The conducted interviews show that today’s consumers are quite selective in terms of what kind of content they tend to follow and engage with in the digital networks, which is a result of the possibilities arisen from the digital development (App. E1-E12). When consumers search for content online, they choose their own unique route through the networks of information, which

means they constantly have to make choices about what content to include and exclude in their online journey, which Gulbrandsen & Just (2011) refers to as hypertextuality (App. E1-E4; Gulbrandsen & Just 2011: 1099). Two of the consumers explain it in the following way:

*“My experience is that if someone continues to post about the same thing or something that does not interest me, they are spamming my network. Then I block all posts from them. I am very interested in sorting what kind of information my newsfeeds have. Of course it is a shame if it is a good friend, who you would like to see some things from, but I cannot stand all the trivialities”* (App. E2: l. 327-331).

*“If a company can provide good entertainment value and otherwise give me inspiration, tips and tricks, and good offers, then I am happy. They must understand the consumers and what drives them, rather than just focusing on selling. I have unfollowed a few on Twitter and Facebook, as their communication was not relevant to me”* (App. E3: l. 306-310).

This means that consumers exercise the power of inclusion and exclusion in relation to both friends and companies, resulting in the network logic of inclusion/exclusion being applicable to all actors in the digital networks. Thus, both consumers and companies are compelled by the rules in the digital networks, meaning that all actors that do not contribute with relevant content are excluded (Castells 2000: 15; Castells 2011: 775). It is therefore essential that companies understand what type of content consumers want in each digital network, in order to be considered a relevant contributor. In particular, companies need to understand what Meyrowitz (1998) refers to as media content literacy, which concerns that communicators should be capable of analyzing what messages should go into which digital network (Meyrowitz 1998: 97; App. D3 Henningsen; App. E1-E12). The following consumer statement supports this:

*“It shows that you want to engage with your customers if the company puts some work into understanding what content people want. Fit the content to the channel, instead of just throwing it all on. Thus it is all about being able to read and understand the needs of different channels”* (App. E10: l. 185-187).

Thus, in order to evaluate which content that is relevant in the networks, companies must understand the different environmental settings and rules that apply in each digital network, and how to communicate accordingly (Meyrowitz 1998: 105).

## Environmental Settings

All interviewees emphasize that use of digital networks can be divided into purpose and situation, as each network represents slightly different values, which hereby creates the settings for sharing different kind of content (App. E1-E12). This makes consumers switch between several networks when they are communicating with their family, peers, companies, etc. in order to post the right content in the right medium (App. E1-E3, E7-E12). One interviewee states in this regard: *“It gives you different channels to voice different opinions. If you only had one platform, then perhaps you would have put it all out in one place. But when you have multiple, you sort the content”* (App. E11: l. 150-152).

Generally speaking, Facebook and Instagram are seen as the most social digital networks, whereas Twitter, LinkedIn and e-mail lean more toward the formal side. To be more specific, Facebook is described as the most used digital network because of its broad purpose. One of its main functions is for the users to communicate and coordinate with their close relations. *“Most people have a profile on Facebook, and then you have a group where you can write all at once. Then you do not need to send messages in a crisscross pattern. It just works better”* (App. E2: l. 65-67). In addition, the interviewees explain that they mainly include friends and family in this network, which makes it more of a private forum compared to some of the other networks. However, despite the private settings of the network, consumers also follow companies here, as Facebook makes it possible to be provided with great deals and updates about the company (App. E1-E12). When it comes to the use of Instagram, it is all about getting inspiration, which is retrieved from various kinds of contributors, including friends, trendsetters and companies. Here it is costume to post special photos of day-to-day activities and also find fun, inspiring, artistic, and beautiful pictures. With Instagram comes the opportunity of controlling the content the consumers are exposed to, in a much larger extend compared to some of the other digital networks, which the interviewees really enjoy. In fact, they have become quite tired of Facebook in recent years has begun to be filled with a lot of unnecessary and irrelevant information (ibid.). One interviewee explains: *“I think that this is what makes Instagram cool. For me Facebook and the newsfeed in it has become sort of a trash can for all kinds of stuff”* (App. E1: l. 202-203).

In the opposite direction of the social media scale is Twitter, which is explained to be more of a business-related network, as the interviewees here follow and share the latest news related to certain

industries (App. E3, E8, E10, E11). Specifically, the consumers use Twitter to gain business insights and learn about companies' and opinion leaders' take on specific subjects. One interviewee states: *"I use Twitter very professionally. I keep myself updated on news via Twitter, in relation to both domestic and international areas. For example, I follow BBC news, Computerworld and various journalists"* (App. E3: l. 35-37). Further, LinkedIn is also perceived as a more professional network, as the interviewees here connect with co-workers and other professionals (App. E1-E12). The interviewees explain that they use this digital network much less active compared to the other media: *"I do not really write messages on LinkedIn, it is more to connect with an old colleague"* (App. E12: l. 48-49). In addition, the interviewees also mention e-mail as a more formal digital medium, which they in fact use rather often (App. E1-E12). Compared to the majority of social networks, the interviewees regard e-mail as a tool where "less is more" and where they only want the absolute most important information. One interviewee explains:

*"For me, social media is where I am sitting leaned back and scrolling through different things. Where I actually do not really have anything on my mind and the news just come. With my e-mail, I am actively looking and I do not want to scroll through a lot of junk mail to find the one mail that is relevant to me"* (App. E4: l. 270-273).

Based on the above, it is clear that each digital network has different environmental settings with relatively fixed characteristics influencing the behavior and communication thereon, which corresponds with Meyrowitz's (1998) understanding of media as environments (Meyrowitz 1998: 103). Consequently, companies need to know how different networks sets the stage for how the content should be delivered, in order to be able to communicate properly and get the most effect out of their communicated messages (ibid; Castells 2000: 19). This means that when companies for example communicate on Facebook, they need to understand that this network builds on a personal feel whereas LinkedIn relies on a professional setting. Further, when companies communicate in different digital networks, it is important to note what kind of message flow the networks set the stage for, as this may influence the opportunity of getting consumers to notice the company messages. For example, company communication might disappear in the noise on Facebook and companies may therefore have a stronger fundament for being noticed on Instagram.

### ***Environmental Settings Change over Time***

Even if companies understand how the environmental settings look today, they should not rest on their laurels, as the constant development of new media transforms the organization of social life, and hereby creates new forms of interaction changing the actions taken place in the old networks (App. E1-E3, E7-E8, E11; Meyrowitz 1998: 105). One interviewee highlights: *“We have seen an extremely explosive growth of social media, where before there were only Facebook and Twitter. Now there are thousands of other social sites that each have a specialization that makes you want to use them instead of the big sites”* (App. E8: l. 71-74). Thus, when Facebook and Twitter were launched in 2004 and 2006 they were the only two widespread social media networks, which meant that all online social interactions took place in these environments (Phillips 2007; Carlson 2011). Now, with the explosion of other digital networks, the behavior previously seen on Facebook and Twitter has been transferred to some of the new media (App. E1-E3, E7-E8, E11). As further explained:

*“I still check Facebook more than I check Instagram. But if I try to think a little further back, I probably posted more pictures on Facebook in the past compared to today. Today it is easier just to post pictures on Instagram. I am not a big advocate of posting photos on Facebook anymore”* (App. E7: l. 229-233).

The environmental settings of the digital networks are therefore not set in stone and may be subject to change over time. Hence, companies need to constantly be in tune and monitor the behavior of the consumers in these networks, in order to capture the trends and be able to provide content in the most optimal way to increase their chances of being included in the different digital networks.

### **Unwritten Grammar Rules**

According to Meyrowitz (1998) each digital media comes with a set of grammar rules that need to be followed in order to communicate properly and be perceived as a relevant contributor (Meyrowitz 1998: 99). This notion also applies in relation to the discussed digital networks. As one interviewee explains:

*“People communicate in different languages and with different intervals through the various channels, which also is the way that companies need do it. When a company communicates, it needs to be in different languages since you cannot communicate in the same way on Twitter or Facebook as you can in e-mail. It has probably something to do with the settings, but also with the fact that people have different needs and expectations towards the different platforms”* (App. E10: l. 85-89).



As it was clarified in the analytical section regarding environmental settings, Facebook and Instagram are perceived as more relaxed networks compared to e-mail and LinkedIn, which means that the interviewees expect the language in the former environments to be more informal and “loose” (App. E1-E2, E6-E9, E12). For example, Instagram is primarily a visual medium, and if text is included here, it is mostly in the form of hashtags, as this creates a feeling of fun and youthfulness (App. E1, E7). The relaxed settings in Facebook and Instagram are further supported by one of the interviewees stating: *“Probably more smileys are used on Facebook and Instagram. Not because they cannot occur in an e-mail, but you should know the person a little better before using smileys there”* (App. E12: 1. 78-80). Conversely, consumers expect formal, structured and professional communication in e-mail correspondences, and on LinkedIn, which is why greetings such as ‘Dear’ and ‘Best regards’ are used here (App. E3, E7-E8, E10-E12). In this relation, it should be highlighted that Twitter can be seen as a hybrid between the professional settings and the more relaxed, since the users of the platform focus on the delivery of business related news in a brisk and smart manner (App. E3, E8, E10, E11).

Thus, by regularly examining the media grammar literacy of the different digital networks, companies can stay updated on the dos and don’ts in each digital network and thus optimize the possibility of communicating in a language that consumers will value (Meyrowitz 1998: 99; Castells 2000: 15).

### 4.3 Expectations

Back in the late 1990’s it was noted by the market theorists Butz & Goodstein (1996) that it is utmost necessary for a company to understand consumers’ needs and wants in order to establish a strong emotional bond with them (Butz & Goodstein 1996: 63-64). In relation to the digital development, we argue that this understanding is more crucial than ever, as we are today dealing with an empowered consumer that can share opinions with the masses in the split of a second and hereby affect others to include or exclude the company from their networks (see 4.1 General Digital Behavior; 4.2 Inclusion/Exclusion in Digital Networks; App. D2 Rasmussen; Kucuk 2012: 2). Corporate expert Jacob Theilgaard supports this notion by expressing:

*“For businesses to be competitive today, it is required that they have an ability to understand their customers. Being able to understand your customers, not in relation to marketing studies, but really understand them. Being able to adopt a customer*

*perspective from the outside and into the organization is alpha and omega”* (App. D1 Theilgaard: l. 85-89).

Also, market expert Lotus Hedebroe emphasizes that if companies do not understand the needs of today’s consumers, companies will not be able to build bridges to them, which consequently can lead to the loss of consumers (App. D4 Hedebroe). Therefore, this section examines the expectations of today’s consumers in regard to companies and their presence on digital media.

## **Basic Company Requirements**

In all of our consumer interviews it was made clear that expectations towards companies are context specific and that these among others depend on industry, type of product, and familiarity with the company. However, the interviewees also stressed that they do in fact have some basic requirements that need to be fulfilled by every company in order for them to consider having or maintaining a relation with a company. Specifically, the interviewees highlighted online company presence, quick response and transparency as the basic criteria, which will be elaborated in the following (App. E1-E12).

### **Online Presence**

One of the basic requirements companies need to fulfill is to have an online presence (ibid; App. D3 Henningsen). One of the interviewees explains: *”If the company does not have a website or a Facebook page, and if I am not able to find them through Google, then the company does not exist”* (App. E2: l. 611-612). Thus, a consequence of consumers’ constant online presence is that they have come to expect companies being represented online as well, and it has a rather negative effect on the corporate brand if the consumers cannot find any information about the company online. In fact, a lack of online presence makes the organization seem untrustworthy (App. E3, E9). Also, it is prioritized that a company is represented in several different digital networks, as this increases reliability and makes it easier for the consumers to evaluate the company. *“A company must be found in several places, so it is not just a small hole in the nothingness”* (App. E9: l. 503-504). The most important element is that companies have a page where the consumers can read about the business and its services, making the company website a crucial touchpoint. In addition, company pages on social media can also suffice for this purpose. This indicates that it is the content rather than the digital network itself that creates the value in this specific situation (App. E1-E3, E5, E9). However, consumers do actually get annoyed if a company does not have any social media

presence, which makes social media presence an expected value necessary for companies to fulfill, in order to be considered valuable (App. E1-E3, E6-E7, E10; Butz & Goodstein 1996: 68). One interviewee says: *“I think it is an outdated business if they do not have a Facebook page”* (App. E2: l. 623).

### **Quick Response**

The interviewed consumers make no secret of the fact that they have much less patience today compared to earlier (App. E1-E12). As a result of always being online and on to the next new thing, the interviewees expect quick responses from the people and companies they are communicating with. Specifically, consumers generally expect companies to react within a day or two, no matter which digital media that is involved (App. E1-E3, E7-E12). Thus, initiatives that foster quick responses are highly embraced and valued by the consumers. As an example, several of the interviewees mention they often use the chat function on company websites, as this is a quick and easy way to send messages to the company and start a dialogue (App. E3, E7-E8, E10). However, if the chat function does not involve a fast response, it decreases the value of the function even more than if the initiative had not been there (App. E1-E3, E7-E12). As Butz & Goodstein (1996) emphasize, once a company has established a level of expectation, failure to maintain the level is dangerous (Butz & Goodstein 1996: 68). This is further supported by several of the consumers, as they express they feel a great amount of irritation if a company has a profile on for example Facebook, but is not actively using it. Consequently, this affects the consumers' general perception of the corporate brand negatively (App. E1-E3, E7-E12). One interviewee states: *“If you are going to be on social media as a company, then you should do it properly”*, which among other things include responding rather quickly to consumer inquiries (App. E11: l. 507-508). Therefore it is crucial that companies only implement systems they have well-thought strategies for and resources enough to maintain.

### **Transparent Business**

As a consequence of the great amount of information consumers now have access to, they have come to expect transparent companies (App. E2, E4, E5, E9, E10; App. D2 Rasmussen; App. D4 Hedebroe). One interviewee explains: *“Transparency is alpha and omega, because when you google the product you will find out nevertheless, so if the company is straightforward, they appear much more credible”* (App. E3: l. 443-445). By transparency the interviewees mean that company

communication should be based on openness and honesty (App. E2, E4, E5, E9, E10). This corresponds with the fact that consumers today also value a clear corporate identity, as it increases their understanding of what kind of company they are interacting with (App. E1-E3, E4, E8, E10-E11). Hence, transparency is a basic value consumers expect from companies, indicating the importance for companies to keep implementing initiatives that foster this element (Butz & Goodstein 1996: 68-69). In this relation it is important to note that companies should not only consider transparency by the fulfillment of expected consumer needs, but also reflect on how they can utilize the aspect of transparency in desired and unexpected ways, as this is a source for creating great value (ibid; E1-E3, E4, E8, E10-E11).

## **Consumer Centralization**

As already noted, consumers are not what they used to be and therefore it is no longer enough to only fulfill the basic needs of consumers, at least not if companies want to have loyal consumers (Honigman 2013). Thus, creating excellent experiences for consumers are key to developing long-lasting relationships and hereby gaining competitive advantage in the market (App. E1-E12; Butz & Goodstein 1996: 63-64).

### ***Proper Treatment***

An excellent experience starts with a proper treatment (App. E1-E12). As one of the interviewed consumers highlights: *“It strengthens my willingness to buy a second time, if you know you are being treated properly. If I am not treated properly, or they are unprofessional and make me feel small, I will certainly not shop there again”* (App. E2: l. 473-475). Another interviewee mentions:

*“If I am calling because my product is delayed, then the company should not be defensive. They must be investigative and be open to the fact that it is them, who have made a mistake. Many times I have experienced that companies are defensive and say it is not their fault”* (App. E5: l. 218-220).

Thus, a proper treatment where the company listens to and engages in an open dialogue with the consumers can be identified as being on the desired level of initiatives adding value to the corporate brand. Again making it crucial for companies to deliver on if they want to establish an emotional bond with the consumers (App. E1-E12; Butz & Goodstein 1996: 63-64). This is further supported by one of the interviewees stating: *“Companies should listen to and take feedback from their customers”* (App. E3: l. 352). It should here be highlighted that it has always been important for

companies to treat their customers properly. However, it has become even more relevant today due to the increased transparency, meaning that any unprofessional side of a company will rise to the public surface quickly (Gulbrandsen & Just 2011: 1098; App. D3 Henningsen). Though, if companies receive online negative feedback, they have a chance of reducing the damage it may cause. Several of the interviewees state when companies engage in dialogue with consumers on review sites, it indicates that it is a company that focuses on proper consumer treatment and it is in this way possible for companies to turn a negative brand experience around (App. E1-E3, E7-E9).

### ***Being a Unique Consumer***

Another central aspect that is part of an excellent consumer experience is the creation of personalization and uniqueness (App. E1-E3, E5, E8- E9, E11; App. D2 Rasmussen; App. D4 Hedebrøe). One interviewee expresses: *“The more personalized the company can be to the individual customer, or at least give the perception that the communication is customized for you, the more value it adds”* (App. E10: l. 245-247). Another interviewee supports this notion by referring to an actual experience she had with a company:

*“On the Facebook page, she [the owner of the company] always writes a story of every piece of jewelry she is making and for whom it is created for. She is very good with storytelling. You feel that you are the most important customer in the world”* (App. E3: l. 325-328).

Thus, today consumers want to feel important to the company, even though they know that the organization has many other consumers and agendas. In this relation several of the consumers embrace the fact that it makes them feel special if the company ask them for advice and suggestions related to for example products and offers (App. E3, E7-E10, E11; App. D4 Hedebrøe). Further, it was revealed through the interviews that consumers value highly when companies deliver an unexpected service, as this really makes the consumers feel special (App. E1-E12). It was among others expressed:

*“I got a personal card with the package that I had ordered, which read: “Hello. We hope that you enjoy your blouses. Here are two pieces of chocolate you can enjoy”. It was super sweet and the card was hand-written. I think it made the experience really great. Of course it would not be the same if it happened every time, or if everyone did it, but that is not the case, so I felt special”* (App. E9: l. 456-461).

Thus, when companies go the extra mile they create unexpected value, which is needed to produce strong customer bonding (Butz & Goodstein 1996: 69). However, even though digital networks make it possible to bring consumers and companies closer together, they also distance companies from the consumers. Some of the interviewees feel at times their interactions with companies have become very impersonal after the blossom of the digital society (App. E5, E8-E9). A particular example is when companies use generic communication phrases in direct correspondences with consumers. The consumers hereby get the impression that they are not important enough to get a proper answer, which fundamentally has a negative effect on the consumers' perception of the corporate brand (App. E1-E3, E7-E12).

### **Flexibility**

In order for companies to provide proper treatment and make the customers feel unique, it is quite crucial they understand the importance of flexibility (App. D1 Theilgaard; App. D2 Rasmussen; App. D3 Henningsen). To be more specific, companies should use the knowledge they gain in interactions with consumers to optimize the company processes (App. E1, E3, E8-E12). One interviewee highlights that if a company notices that consumers start to get unsatisfied about a certain experience, the company should investigate the problem and quickly incorporate the insights into the organizational system in order to avoid the same problem in the future (App. E10). Corporate expert Jacob Theilgaard elaborate this aspect:

*“I think companies should have the courage to show their mistakes and also show their ability to fix the mistakes. None of today’s customers believe that companies are perfect. Of course mistakes are made, it is only logic. The important thing is that you are adept at correcting them”* (App. D1 Theilgaard: l. 180-183).

In addition, all interviewees state they are pleased and generally want to do business again with a company, if the company shows the capability of bending the organizational system in order to create a more optimal interaction with the consumer. Thus, as a consequence of the digital fluidness, consumers have come to desire a certain degree of flexibility from companies, and get annoyed when organizational systems withhold companies from being able to accommodate the consumer (App. E1-E12). As one interviewee explains:

*“When a company cannot help me because of a system, I think they are idiots. They will have to change, if they want to succeed in the digital world. Companies appear to*

*be hugely unprofessional if their businesses are so constrained by rigid systems and rules” (App. E10: l. 280-283).*

Another consumer elaborates on this aspect by referring to the common known situation of having posted a question on a company’s Facebook page and being asked to send an e-mail instead, which the company then can process:

*“I get annoyed of course. I have already taken the time to write the post on Facebook and then I am told I should write it somewhere else. Copy, open my mail, and paste, and all that stuff. So although it sounds a little arrogant, it is an extra thing I need to do. Today when everything goes so fast with the Internet, you are used to things moving quickly. Companies need to keep up, if they want to give the customers the added value that makes me think it is cool to be a customer there” (App. E8: l. 392-397).*

This quote indicates that consumers specifically desire flexibility in terms of how companies are handling the consumer inquiries. The consumers want the company to take the lead and responsibility of notifying the relevant people who internally are related to fixing the problem instead of making it the consumers’ job. As another interviewee explains:

*“I do not want to explain my problem again and again. If I need to be in contact with more people, it is the company's job to inform the other employees about my case. You should be addressing the company as a whole, the company needs to handle the different elements internally and not bother the customer with them” (App. E5: l. 417-420).*

Thus, companies can benefit from thinking about how they are sending people around in their ecosystem. Here it is important to note that this does not only apply in relation to the online platform, but also online and offline in between, as the interviewees do not distinguish between these (App. E4, E6, E9; App. D2 Rasmussen; App. D3 Henningsen). Both consumer expert Lone Rasmussen and corporate expert Jacob Theilgaard support this finding, as they state that consumers do not think about whether they use technological or non-technological touchpoints, and it is important for companies today to master all touchpoints and be where the consumers are (App. D1 Theilgaard; App. D2 Rasmussen).

Branding expert Casper Henningsen rounds up the importance of companies being able to adapt the company to the consumers’ needs and wants with adding one very crucial feature to the overall mix:

*“Being competitive has many levels. You need to have a constant presence, adapted to your users and customers. But you also need the ability to reflect beyond all the data and everything happening and still drive your market and create new needs and do something unexpected”* (App. D3 Henningsen: l. 77-80).

Hence, even though it is crucial to understand and meet customers’ present expectations and desires, it is fundamental to keep in mind that companies also need to be proactive and able to create future needs in order to sustain as a valuable player in the market (Butz & Goodstein 1996: 60).

#### **4.4 Sub Conclusion**

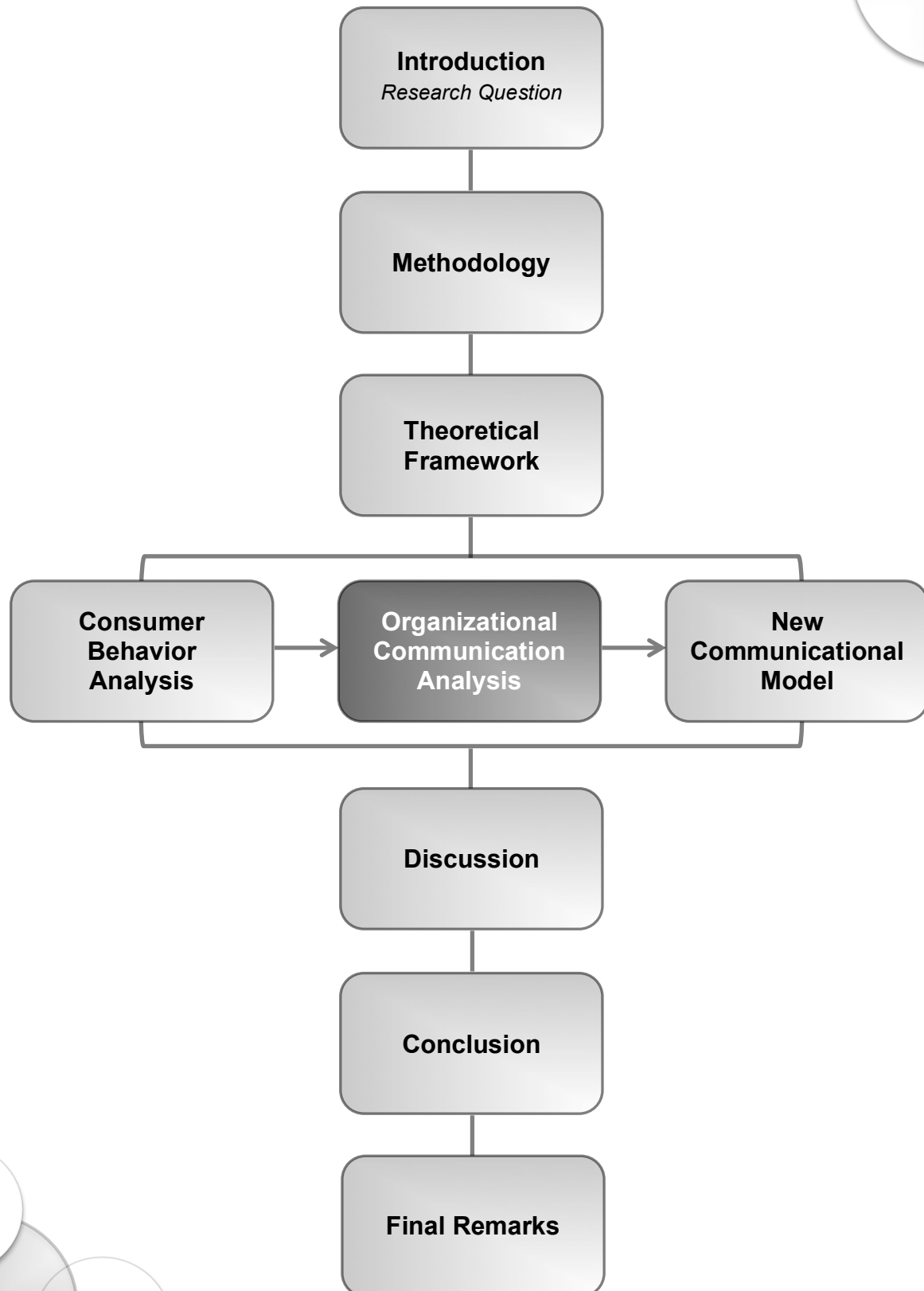
With the development of digital media and the increased adoption of these, consumers have been empowered in many ways. Consumers are today much more knowledgeable about corporate brands, which makes consumers capable of making controlled consumption decisions. Further, more and more consumers are utilizing the opportunity to affect a corporate brand’s reputation positively and negatively in the market by making online reviews. And last but not least, consumers have today been provided with the opportunity to be rather selective about what brand communication they want in the daily information flow in their digital networks and in this way also which pieces of information they want to exclude from these networks. Consequently, as a result of the digital development consumers have gotten a new set of requirements, which companies need to fulfill in order for consumers to consider interacting with them. As an example, online presence, quick response, transparency and flexibility are all requirements consumers hold towards companies today. Companies need to understand the changed demands if they want to create value for the consumers and foster a positive corporate brand perception.

The general premises companies operate on the basis of has changed, as the empowered consumer makes it difficult for companies to control the settings in which they communicate and how the corporate brand is perceived in the market. Moreover, companies have been provided with increased opportunities to bond with consumers, since the digital development allows for more intimate ways to communicate and interact. Also, with the increasing level of consumer-produced brand information, companies have the opportunity of gaining in-depth knowledge about the consumers’ wants and needs, which is crucial in order for companies to deliver an excellent experience. Thus, we argue that the empowered consumer fundamentally affects how companies today should communicate and interact, which we will elaborate on in the next chapter.



# CHAPTER 5

## ORGANIZATIONAL COMMUNICATION ANALYSIS



## 5. Evaluating the Usefulness of Corporate Communications

This chapter examines the usefulness of Corporate Communications in the digital society. The section takes point of departure in the findings from the consumer behavior analysis in order to shed light on which aspects of the framework are still valid, need modification or should be discarded. Our focus here is on which consequences there exist for organizational communication when understanding the behavior of today's empowered consumer, and in this relation which principles today's company communication should be built on in order for the company to be attractive.

### 5.1 New Circumstances require new Principles

As highlighted, the framework of Corporate Communications is built on the principles of alignment, “speaking with one voice” and centralized control, which unfolds into a goal of projecting a consistent and unambiguous image of what the organization is and stands for (Christensen & Cornelissen 2011: 387). However, as discovered in the consumer behavior analysis, there is today a clear break from traditional linear message flows due to the interactive and free-flowing conversations now taking place online (see 4.1 General Digital Behavior). Furthermore, due to the ever-changing market, organizations need to react quickly, and constantly align with the consumers' expectations about the company's communication in order to survive (see 4.3 Expectations; Christensen & Cornelissen 2011: 390). Thus, there seem to be conflicting characteristics between how today's society works and how Corporate Communications is constructed, which can be illustrated in the following way:

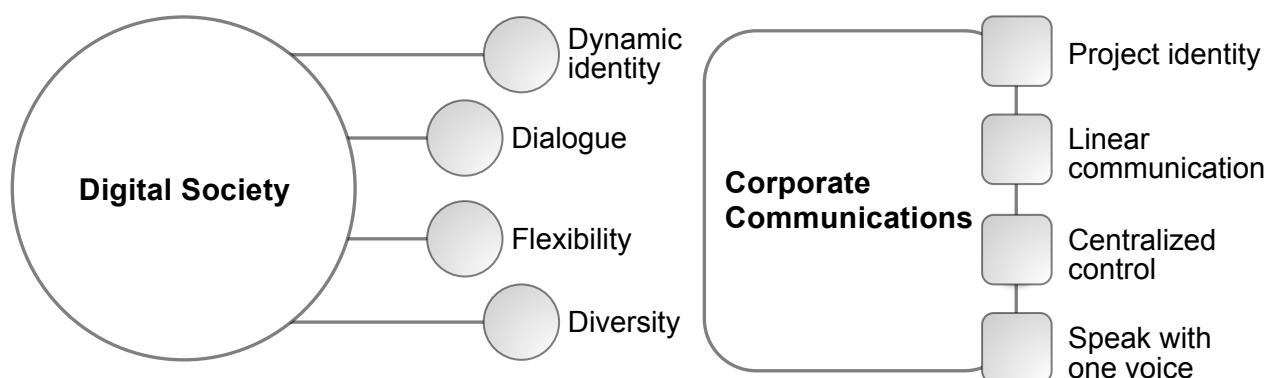


Figure 5a: Digital Society vs. Corporate Communications

Despite our delimitation to primarily base the project on insights from consumers and in this way understand their view and expectations towards companies it does not imply that we only touch

upon external aspects of company communication. Our consumer findings indicate that it is essential to also discuss internal communication aspects in order for companies to accommodate the requirements in today's society. The structure of the chapter looks as following:

#### **The Importance of a clear Corporate Identity**

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- Corporate identity is a Two-sided Matter
- Keeping the Corporate Identity in Balance

#### **Creating Attractive Communication**

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- Being Relevant
- Engaging with Consumers

#### **Fostering Responsiveness**

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- Restructuring the Organization
- Holacracy as an Example
- Outcome of Holacracy Principles

## **5.2 The Importance of a clear Corporate Identity**

In a fast-paced and competitive world where consumers have innumerable brand options available, organizations need clear and strong identities to establish solid presence in the marketplace (Hawkyard 2015). As it was discovered in the consumer behavior analysis, today's consumers value clear corporate identities. Specifically, a clear corporate identity provides consumers with a sense of transparency, as it gives them an understanding of what they can expect in return for their loyalty towards a particular brand. Hereby, consumers are able to differentiate between the many brand offers that are a reality in the digital society (see 4.1 General Digital Behavior; see 4.3 Expectations). Jacob Theilgaard, corporate expert, supports this notion, as he highlights that a clear identity is key to strengthening the corporate brand in the market:

*“The identity is what you sign up for. If the company has a strong ‘why we are put in the world’ expression, both in terms of values the company stands for, what its purpose is and where it is heading, then it is possible to gather people around the brand, because they want to be a part of the project” (App. D1 Theilgaard: l. 302-305).*

Branding expert Casper Henningsen adds to this notion by stating that a clear brand story is what brings the company together in an otherwise fragmented world (App. D3 Henningsen). In this way it can be argued that it is beneficial for companies to pay special attention to their corporate identity and strategically decide on a set of core values, a mission and a vision, which Corporate

Communications also advocates (App. D1 Theilgaard; App. D2 Rasmussen; Cornelissen et al. 2012: 1096). We find it necessary to highlight that a corporate identity has no value if it is just based on empty statements conveyed in shiny ad campaigns (see 4.3 Expectations; App. D2 Rasmussen; App. D3 Henningsen). This correlates further with the framework of Corporate Communications, as it is proposed that the corporate identity should live and breathe within the company in order to provide value (Cornelissen et al. 2012: 1094; Cornelissen 2014: 8). And due to the transparency the digital society brings, it has never been more important to live the brand story. In other words, companies operating in the digital society need to walk the talk in order to appear trustworthy (see 4.1 General Digital Behavior).

## Corporate Identity is a Two-sided Matter

As discovered in the consumer behavior analysis, more and more consumers communicate about brands online, which means that alongside the development of digital media, brand stories have increasingly been placed in the hands of the consumers. This promotes consumers as co-creators of the corporate identity, whether the company like it or not (see 4.1 General Digital Behavior). Further, the constant flow of information means that the consumer-based brand content takes up a lot of the focus in cyberspace. Therefore the reality today is that companies no longer solely drive brand messages, but that, in fact, consumers take up this function more and more (see 4.1 General Digital Behavior; Sklar 2013). We therefore state that the word consumer has been given a new meaning in the digital society, as it no longer only refers to “*a person who purchases goods and services for personal use*” (Oxford Dictionary 2015b). The concept of consumer should be extended with an understanding of consumers as essential players in creating companies’ identities in the market.

The shift between how consumers have been perceived in previous years, counter the crucial position they take up today, is illustrated in the following figures; going from a linear understanding to showing the complexity existing today.

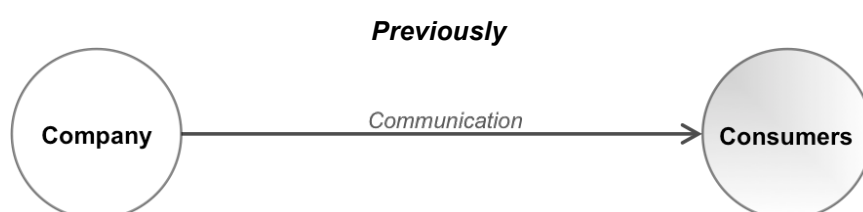


Figure 5b: A simplistic and outdated understanding of consumers and how they form their perception of brands.

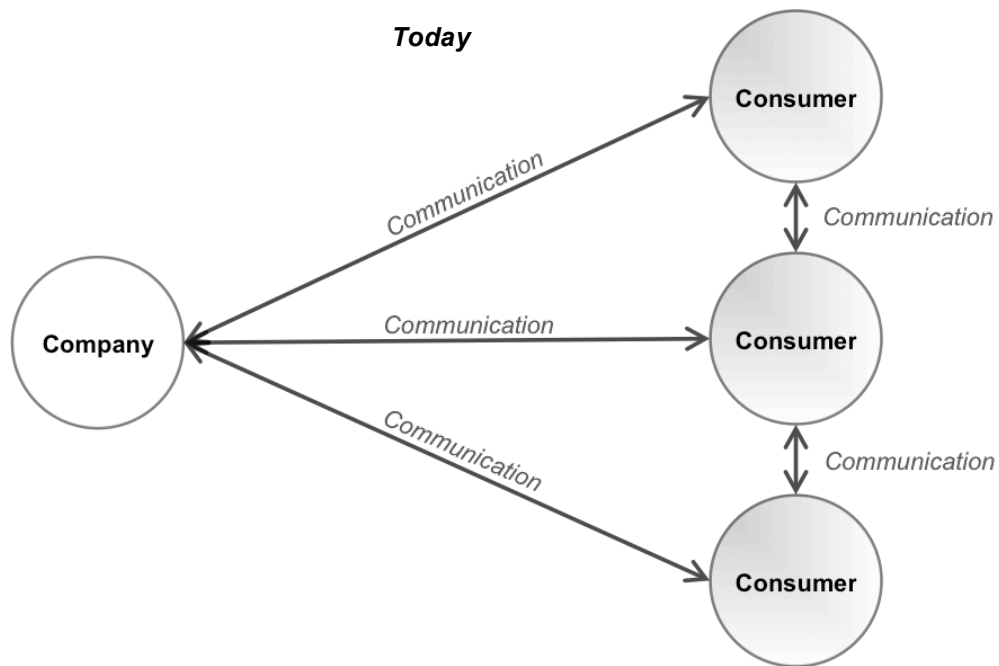


Figure 5c: Consumers form their perception of a company based on a complex network of information and act as co-creators in the development of the corporate identity.

Despite consumers' increased involvement in the creation of corporate identities, the framework Corporate Communications does not take this into account as it is based on a rather simplistic understanding of the concept of corporate identity. The latest definition of the concept applies phrases such as 'the corporate identity is the profile *communicated by* the organization', and 'corporate identity is the basic profile that the organization wants to *project* to all important stakeholders' (Cornelissen 2014: 6, 8). Thus, the related terms used in describing the corporate identity are related to the actions of the company, implying it is primarily an organizational matter. Hereby the definition is based on a linear, inside-out approach (ibid.).

Based on the discussed it can be argued that the concept of corporate identity calls for adjustments in order to be more applicable with the digital society. We advocate it should be combined with an outside-in approach in order for companies to avoid appearing fragmented, which is the risk due to the increasingly consumer-produced brand stories (Civichino 2012: 15). Specifically, companies need to realize that they cannot operate only on own identity perceptions, but instead should integrate and adapt the identity to also be in line with the surrounding perceptions of the company. Thus we suggest that companies base the corporate identity on both company and consumer inputs in order to develop a strong identity that hereby will appeal to the empowered consumer.

## Keeping the Corporate Identity in Balance

It is important to note that even though the identity concept should be broadened with the consumer as an essential party, companies should not disregard the importance of having a core, which the communication can be based upon. If a company just response unconditionally to its surroundings, trying to be something for everyone, there is an evident risk that the corporate brand will loose itself. The company is hereby reduced to a mirror image shifting when markets, fashions and trends change, which contradicts with the empowered consumer's expectation of a clear corporate identity (Hatch & Schultz 2009: 119; see 4.3 Expectations). According to Mary J. Hatch & Majken Schultz (2009) it is important to understand that a healthy identity is based on a delicate balance of what companies hear about themselves against what they know themselves to be (Hatch & Schultz 2009: 119). Lotus Hedebroe, market expert, supports this notion:

*“Of course you should not please the consumers too much, because then you will lose yourself, but you need to listen to them. If you exaggerate, it obviously becomes untrustworthy. You just run like the wind blows. It is all about a balance. Companies must stand for something and at the same time incorporate the consumers into the brand”* (App. D4 Hedebroe: l. 370-373).

Thus, keeping the identity in balance is centered on integrating both internal and external view points and making sure that the conversation does not tilt too far in one or the other direction (Hatch & Schultz 2009: 119).

## 5.3 Creating Attractive Communication

Furthermore, because consumers today are communicating greatly about companies online, companies should also focus on trying to influence and take advantage of the online conversations that are already taking place about them instead of trying to control them. And in this way foster that messages about the brand live positively within the networks (Lea 2012). In order to do so, it is essential for companies to understand how they create relevant and engaging company communication, which will therefore be discussed in the next section.

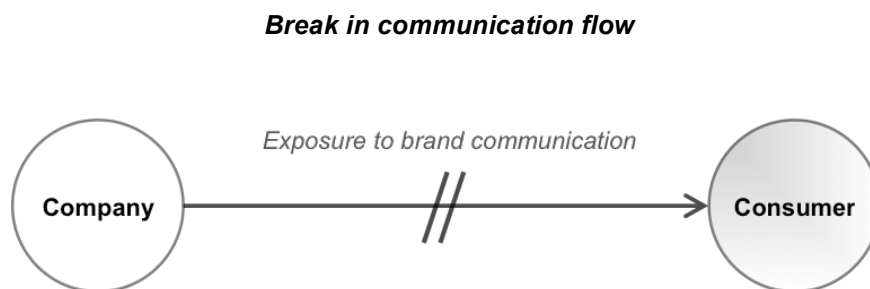
### Being Relevant

More often than not, companies tend to focus on being presented in social media networks, rather than focusing on being relevant in the networks (Dubois 2014). Just being presented in the different online networks do not equal that consumers will involve themselves with the company

communication. The consumer behavior analysis reveals that consumers navigate through the digital networks by the notion of inclusion and exclusion, and it is the perception of relevance that is the determining factor in whether companies are in or out of the digital networks (see 4.2 Inclusion/Exclusion in Digital Network). Of course the ability and the premise to be relevant have always been there, though what has changed is that:

*“Contact points were formerly equal to exposure and were also where the target group came. What is new is that the information-searching consumer no longer is certain to be at the receiving end of the communication. They are taking some decisions themselves”* (App. D3 Henningsen: l. 83-86).

Hence, it is even more important today to master the art of being relevant, as companies cannot expect consumers to automatically read their communicated messages, which Corporate Communications otherwise assumes (Christensen & Cornelissen 2011: 387). The break in the communication flow between companies and consumers can be illustrated in the following way:



*Figure 5d: Companies can no longer assume that consumers automatically will be exposed to the brand messages.*

In order for companies to get to the level where they can create relevant content, it is essential for companies to strategically consider which digital media to be present in. Branding expert Casper Henningsen supports this by stressing that the revolution of the digital society does not drastically change the way companies should approach communicational decisions. However, as stated in the beginning of the section, it seems that many companies approach digital media without critically and strategically thinking of how these support and align with their overall communication and identity. Instead companies are too occupied with using the scattergun technique (App. D3 Henningsen).

Therefore, we argue that it is important that companies still rely on some of the good old communication virtues. Companies should consider what their goal and reasons are for entering each network, as the consumer behavior analysis shows that each medium represents different values. Specifically, when assessing the digital networks it is essential to understand the tone of voice involved in the different networks, as companies will need to adapt to the type of jargon the network holds. Finally, it is crucial for companies to reflect upon where their target group is in order to make sure there is a chance of the communication being received (see 4.2 Inclusion/Exclusion in Digital Network).

### ***The Practice of Alignment***

Corporate Communications emphasizes that companies must coordinate and align all communication in order for them to speak consistently across different audiences and media (Christensen & Cornelissen 2011: 387). However, the degree of alignment and “speaking with one voice” involved in this effort is unclear and so is the question whether companies should communicate the same message on all channels.

Based on the consumer behavior analysis, we argue it is important to create diverse content in the different networks to meet consumers’ expectations about being met with different brand experiences (4.2 Inclusion/Exclusion in Digital Network). It is here important to note that this should not be understood as companies should create contradictory or inconsistent communication, as consumers still want to be met with an overall holistic brand experience and a clear corporate identity (see 4.3 Expectations). By providing consumers with diverse content experiences, companies create the foundation for staying included in the networks. And in this way we argue companies have the opportunity to positively influence the different brand conversations taking place among consumers in the different digital networks.

### **Engaging with Consumers**

It is not only important for companies to create relevant communication, but also actively engage with the consumers. The consumer behavior analysis uncovered that today’s consumers value dialogue-based and interactive forms of communication, which indicate that they want to take up a more involving part in the consumer-company relationship (see 4.3 Expectations).



We argue that engagement cultivates consumers to advocate for the company, which hereby is another aspect companies need to incorporate in their brand strategies in order to foster a positive corporate brand conversation among consumers in the different digital networks (see 4.2 Inclusion/Exclusion in Digital Network; see 4.3 Expectations; Sklar 2013; Gallup 2015). Hereby we add a somewhat new concept to the spectrum of organizational communication, since engagement in Corporate Communications only is thought of as an outcome of the communicative approach undertaken (Cornelissen 2014: 4, 8).

Since Corporate Communications is an overall communicative framework it does not contain practical communication strategies in terms of how to communicate most appropriately. Though, because we introduce a new communication aspect we find it relevant to briefly discuss three principles companies can use to positively extend the lifetime of their corporate brand in the online consumer conversations.

### ***Participate in the Discussion***

As previously stated, more and more consumers are taking their time to write about their good and bad brand experiences online, and the latter has the severe consequence of possible preventing other consumers from buying from the company or getting existing customers to exit the consumption cycle (see 4.1 General Digital Behavior; Kucuk 2012: 2). Thus, participating in the online conversations is crucial, since company participation can turn even the worst experience into a good one. The consumer behavior analysis shows that today's consumers value when companies show the commitment of answering the consumers' reviews, and that this can convert the negative brand perception into a perception of the company being emphatic and accommodating, despite the bad experience. In addition, this has the great side effect of showing external readers that the company is customer-focused, which is highly important today (see 4.3 Expectations; Gulbrandsen & Just 2011: 1100).

### ***Invite Consumers In***

If consumers' expectations are not met today, they will quickly move on to the next brand in line (see 4.1 General Digital Behavior; see 4.3 Expectations). The better companies can engage consumers and show they listen to their needs, the more likely the consumers will develop a positive attitude towards the corporate brand (see 4.3 Expectations; App. D1 Theilgaard; Wright

2015). Therefore we suggest that companies occasionally create different situations in which they ask for the consumers' opinions and ideas, and in this way invite the consumers "into the organization" (App. D4 Hedebrøe). Hence, we lean on the concept of crowdsourcing, which is when companies provide consumers with a platform where they can express and submit ideas in relation to the company (Huang et al. 2014: 2138).

### ***Get Personal***

To maximize consumer engagement, it is important to see consumers as individuals and not treat them as anonymous transactions (Sklar 2013). As highlighted in the consumer behavior analysis, consumers value personalized communication and dislike when generic communication is used in personal contexts (see 4.3 Expectations). Therefore, we argue that companies should focus on creating personal relations with consumers when communicating in the different digital networks (see 4.1 General Digital Behavior). And in this way utilize the opportunity these networks give companies to greatly bond with the consumers. Hereby we believe it is possible for companies to create close ongoing relationships and foster a positive corporate brand perception in the market (Bain & Company 2012: 1).

## **5.4 Fostering Responsiveness**

*"Change is the dominant fact of life in every business today. And the ability to master and exploit change has become one of the most sought-after management skills"* (McKinsey & Company 2015). Not only is it important to have managers who thrive and succeed in changing environments, but the actual organizations must also be equipped to adapt to changes (Business Case Studies 2015). Throughout the consumer behavior analysis it became evident that consumers' wants and requirements are constantly developing in line with the development of the digital media. In fact consumers desire that companies are able to react fast and have a certain degree of flexibility, in order for them to deliver a good brand experience (see 4.1 General Digital Behavior; see 4.3 Expectations; App. D2 Rasmussen). Thus, an important company requirement in today's corporate landscape is the capability of adapting to new, different or changing requirements.

As previously stated, Corporate Communications does not explicitly address how companies should organize themselves, but supports a functional organization structure as the framework advocates structural disciplining, regulation and control of communication (Christensen & Cornelissen 2011:

395; Daft 2012: 110). Many medium and large-sized organizations are organized in line with this, as they are based on top-down, manager-driven and function-based structures and hierarchies in order for them to be as cost-effective as possible (Daft 2012: 110; App. D1 Theilgaard; App. D3 Henningsen). The problem with this way of organizing is that it stands in the way of providing the consumers with a good experience (App. D1 Theilgaard; App. D3 Henningsen). To be more specific, by focusing on centralized control and efficiency, companies refrain themselves from sensing and incorporating valuable input from their surroundings. Both corporate expert Jacob Theilgaard and branding expert Casper Henningsen express that from a consumer perspective, hierarchies and structures are of no value today, and clarify that instead these affects the brand perception negatively (App. D1 Theilgaard; App. D3 Henningsen). They state that it is a lot easier for companies born today to shape themselves to the structures and tools that exist in the digital society compared to the “heavy” traditional companies, as they are actually shaped to fit another time era (App. D1 Theilgaard; App. D3 Henningsen). Hence, the digital society places new demands on the way companies organize themselves in terms of structure, processes and communication lines, which results in many companies having to rethink their management and organizational design in order to match the realities of today (App. D1 Theilgaard; App. D3 Henningsen).

## **Restructuring the Organization**

Where in previous years, functional autonomous divisions, also known as silos, have been the answer to managing complexity within the company, they now constitute a major disadvantage due to lack of information flow (Smith 2012). *“Managers tend to look up and down only within their own silos—never looking around or across—so all they see, and tend to think about, is their own silo”* (Aaker 2009: 1). Since everything is kept within the same line of command, silos foster inertia, which means that the divisions are not challenged to approach their areas of expertise from new angles. Also, silos create very long command lines in the organization, due to the hierarchical and dispersed divisions.

Consequently, organizing around silos makes it extremely difficult for divisions to work together. This fosters a culture that is challenged in terms of adapting to its surroundings, and inhibits the company in being consumer-oriented. Further, it makes it difficult for companies to establish a clear corporate identity, as the different divisions have different goals and priorities (App. D3 Henningsen; Aaker 2009: 19). The immediate thought could be to get rid of the silos. However, the

functions the silos bring are important in terms of creating accountability and responsibility within the organization. All organization needs a certain amount of structure in order to maintain itself over time and not let the burden of reinvention become too great (Cheney et. al. 2011: 20). Therefore the goal is not to destroy silos, but to eliminate the problems they cause (Smith 2012). As David Aaker (2009) states:

*“(...) The goal should not be to blow up the silos by centralizing and standardizing, even though some centralizing and standardizing may be part of the solution. The goal, rather, should be to replace competition and isolation with cooperation and communication” (Aaker 2009: 19).*

Hence, it is essential that companies incorporate transversely communication paths between divisions in order to foster cooperation within the organization. Corporate expert Jacob Theilgaard and branding expert Casper Henningsen supports this notion, as they state that it is about getting the way the Internet is built into the organization (App. D1 Theilgaard; App. D3 Henningsen). Thus, internal cooperation is the way forward for companies in order to be flexible.

## **Holacracy as an Example**

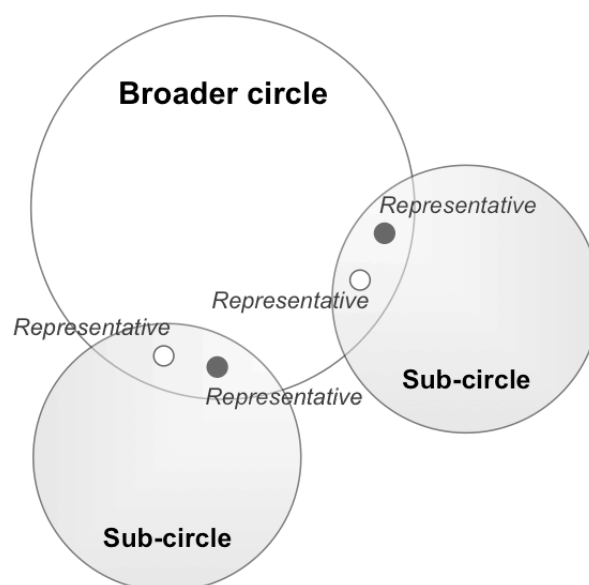
An entire organization is not restructured from one day to the other, and we are not arguing that one best practice fits all. Though there are some general ideas that support flexibility across divisions, which companies can draw upon (App. D1 Theilgaard). To demonstrate this, we give holacracy as an example. Brian Robertson, one of the partners in HolacracyOne explains:

*“Holacracy is an organic operating system for how we organize. It is not enough to just hold the principle of wanting to be flexible - a lot of organizations hold that principle and aren't very flexible – no, if we want to actually manifest that capacity into the organization, we need to build it in to the structures, processes and systems” (HolacracyOne 2012).*

Holacracy is based on the claim of employees functioning as excellent sensors, when it comes to finding opportunities for improvements related to the organization. However, often most employees have no place to go within the usual traditional top-down, manager-driven organizations, where they can turn these sensed opportunities into meaningful change. In this way traditional companies do not do a great job of harnessing the inputs employees sense, as their systems and processes are not set up for this (HolacracyOne 2013).

Holacracy supports Corporate Communications' focus on companies having a strong identity (HolacracyOne 2013; Christensen et al. 2009: 208). Where the two concepts differ from each other, is in relation to the involved level of control. Holacracy emphasizes that it is important that employees are able to act locally, meaning authority should be distributed around the organization instead of being centrally located within the top management, which Corporate Communications otherwise supports (HolacracyOne 2013; Christensen et al. 2009: 208). Specifically, Holacracy groups the company based on different sub-purposes, it may be a function, business line or product, which is illustrated through the representation of a circle. Each circle is autonomous, but also a part of a broader circle. The broader circle is connected to the sub-circle through a representative who sits within the sub-circle in order to bring tensions from the broader circle into the sub-circle. In addition, this representative has the task of making sure that the sub-circle is aligned with the broader circle. In this way an overall system alignment is secured within the organization, which Corporate Communications also advocate (HolacracyOne 2012; Christensen et al. 2009: 207-208). Though this is only half of the story. The other half is that each sub-circle has a representative sitting within the broader circle in order to make sure that the tensions sensed in the sub-circle also are incorporated into the broader circle. In this way a double linking system for processing tensions exist within the structure of Holacracy, which can be illustrated in the following way.

***The double linking system of holacracy***



*Figure 5e: A representative from the broader circle sits within the sub-circle and vice versa (Inspired by HolacracyOne 2013).*

Thus, Holacracy incorporates communication paths between functions, enabling internal and external stimuli to be quickly distributed and processed throughout the organization. Also, Holacracy loosens up the control and the total streamlining, as it gives the employees in the different circles, the opportunity to figure out what fits them the best to do their respective tasks within the circle's scope. Hence, instead of harmonizing and unifying all processes in order for everybody to meet the same standards, it encourages employees to think for themselves (App. D1 Theilgaard).

### ***Embracing Diversity***

A company's communication patterns create its culture, which hereby creates a space where a certain behavior is expected (Cheney et. al. 2011: 75, 77). Thus, a company's culture is an essential element to include when discussing how to become a more flexible company.

According to Holocracy, to support the focus on cooperation and flexibility within the organization, it is essential to have a culture that embraces a complex and ever-evolving totality of people, goals, actions, experiences and interpretations (HolacracyOne 2013; App. D1 Theilgaard; Cheney et. al. 2011: 98). In this way companies create an organic and flexible environment, where employees are encouraged to share sensed inputs and opportunities for improvement with the rest of the organization. Therefore we suggest that companies should lean on a symbolist inspired cultural approach today. In this way, employees are given the opportunity to actively engage with the corporate identity, and while learning the values, beliefs and practices of the organization, simultaneously shaping the organization through their interpretation of these elements (App. D1 Theilgaard; Cheney et. al. 2011: 89). This viewpoint contrasts with the functionalist cultural view Corporate Communications applies, as corporate identity just is seen as a fixed and predetermined product that needs to be transported smoothly through the organization and unpacked correctly by the employees (Christensen & Cornelissen 2011: 385). When companies meet their employees through a "broadcasting culture", there is created a rather closed environment where focus is on aligning the employees around a shared set of meanings instead of welcoming diverse thoughts and experiences. Thus, alternative beliefs and practices are within the functionalist cultural viewed as barriers of alignment instead of valuable sources of information. Consequently, creativity and flexibility are inhibited, meaning that companies are not adept at accommodating the surrounding expectation - at least not in any great extent (App. D1 Theilgaard; Cheney et. al. 2011: 89).

Based on this, we argue that companies need to open up to employee inputs in the same way as they include consumer inputs in the development of the corporate identity. In other words, companies should foster a culture where employees have the freedom to actively interpret and decide on how they want to live and breathe the corporate identity. When employees are not constrained by strict communication procedures they are able to deliver great and customized brand experiences. Hereby companies are able to meet consumers' present expectations about companies being flexible (see 4.3 Expectations).

## **Outcome of Holacracy Principles**

By adopting the linking system between divisions into the organizational structure and hereby delegate and share responsibility throughout the organization, companies foster flexibility and innovation. This enables the company to work quickly within and throughout the organization. In this way companies create a system allowing them to retrieve and distribute sensed internal and external inputs (HolacracyOne 2013; App. D3 Henningsen). Thus, the linking system builds companies to "fail fast", meaning that if a mistake is made the company is able to quickly correct it, since a system is put in motion enabling the tensions to be processed. Consequently, companies can meet consumers' expectations of being flexible and not letting structures and procedures dictate the consumer experience (see 4.3 Expectations). This is needed to strengthening the corporate brand in today's fast changing market (App. D3 Henningsen; Civichino 2012: 15).

We argue that one division that will benefit greatly from the linking system is the division responsible for customer inquiries. To exemplify the linking system, the department of customer inquiries will constitute a circle and at the same time have links to other departments. In this way, when tensions are sensed within the customer inquiry division, they can quickly be shared and distributed throughout the organization. Further, if other divisions sense tensions related to the division of customer inquiries these other divisions also have the possibility of passing the tensions along in order for them to be processed. Thus, the linking system enables the customer inquiry division to take the lead of the consumer inquiry, as it fosters easy corporation across the organization and hereby removes the consumers' burden of having to jump between divisions. And in this way consumers meet the companies as a unified whole, which is a fundamental consumer expectation today (see 4.3 Expectations; App. Theilgaard; App. D2 Rasmussen; App. D3 Henningsen).

## 5.5 Sub Conclusion

The organizational communication analysis shows that the behavior of the empowered consumer corresponds well with some of the basic aspects in Corporate Communications. It is especially the notion of a clear corporate identity, the importance of creating attractive communication and creating overall alignment within organizations that are still of great value in today's corporate landscape. However, the new expectations the empowered consumer holds, have resulted in the fact that a linear approach, a narrow perspective on "speaking with one voice", and a strong focus on control are no longer efficient. Instead there is a need for more dialogue-based communication, internally as well as externally.

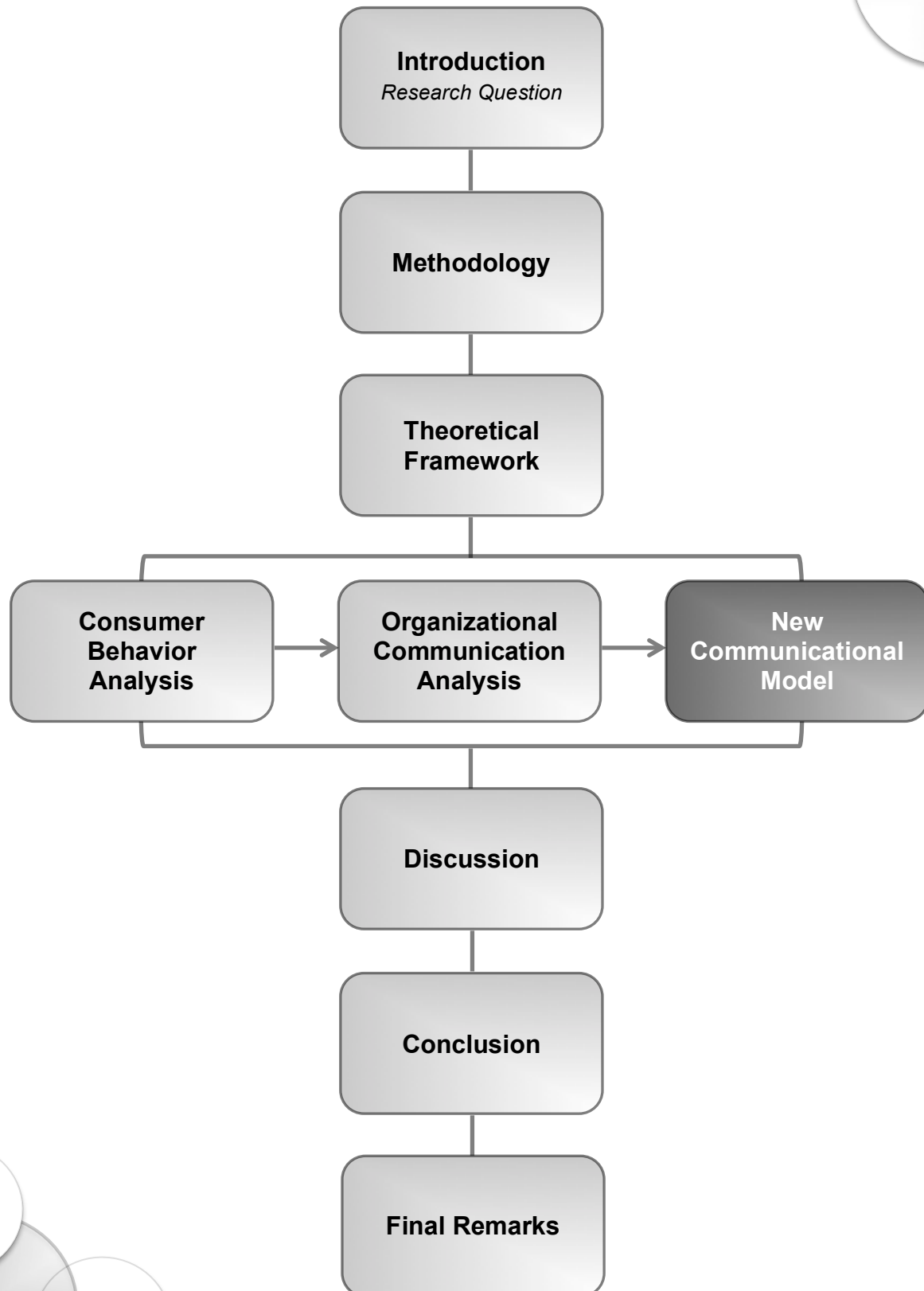
Companies must comprehend that consumers today are much more involved in the creation of the corporate identity. It is therefore important to incorporate the consumers' brand perspectives into the organization. Further, companies should no longer assume, as previously mentioned, that their communication automatically is received, as consumers today operate on the network logic of inclusion/exclusion. Thus, it is essential to create communication that is fitted to the individual settings of the different digital networks in order to create relevant communication and hereby be included in the network. Last but not least, it is important to foster cooperation internally and delegate responsibility throughout the organization in order to meet the consumers' expectations about companies being flexible and at the same time act as a whole. In this relation it is crucial for companies to foster a work environment that is open to employees' inputs and interpretations of the corporate identity, as this give the employees the possibility of delivering great, flexible and customized brand experiences.

To conclude today there is a need for a new communicational approach, integrating these fundamental elements that helps corporate brands to appear attractive.



# CHAPTER 6

## NEW COMMUNICATION MODEL



## 6. How to Communicate in the Digital Society

This chapter presents how companies should communicate in the digital society and is based on our findings from the consumer behavior analysis and the organizational communication analysis. In order to bring the different findings into play, we suggest a new communication model. To create the most optimal overview of the model, it is treated in three overall sections, which eventually are combined into the final model. Furthermore this chapter validates the developed model, which is done by relating it to practical case examples that show indication of having either a similar or dissimilar communication approach as the developed model. The purpose of this is to discuss whether the model creates the foundation for strengthening corporate brands. The structure of the chapter looks as following:

### **Empowering Organizations**

- Identity Conversations
- Implementing the Network Structure
- Understanding the Network Dynamic

### **Final Model: Corporate Conversations**

- Conversations are Key

### **Validating Corporate Conversations via Practical Cases**

- Market-oriented approach vs. Traditional inside-out Thinking
- Nordea
- Danske Bank
- Outcome of Corporate Conversations

### 6.1 Empowering Organizations

It has always been of high importance for companies to be equipped with a way of strategically organizing their communication. As Cornelissen (2014) acknowledges: *“Executives and practitioners within organizations need to be empowered with a way of thinking and with tools that can help them navigate the current corporate landscape (...)”* (Cornelissen 2014: xv). However, companies need to evaluate their communicational approach on an ongoing basis in order to keep up with new tendencies and expectations that exist in society (Kunde & Co 2015: 2). Specifically, new corporate landscapes bring new ways of communicating that are crucial to understand in order for companies to strengthening the corporate brand in the market. Therefore, we develop a new organizational communication model that equips companies to navigate in the present corporate landscape. To be more specific, the model provides an approach and mindset of how companies should manage their communication in general, by shedding light on both internal and external

aspects of company communication. Though, since it is the digital society that in a short amount of time has challenged companies in rather new communicative ways, we have chosen to base the external aspect of the model on how companies should approach communication in digital networks.

It is here important to highlight that even though our developed model incorporates elements from Corporate Communications it takes point of departure in a dialogue-based paradigm in order to fit with the requirements that exist in the digital society. Hereby it takes distance from the rather linear-based paradigm, which Corporate Communications is based upon (Christensen & Cornelissen 2011: 390).

## **Identity Conversations**

As it became clear in the above analytical sections, the first thing companies need to think of today in order to appear attractive is to create a strong and clear corporate identity (see 5.2 The Importance of a clear Corporate Identity). The corporate identity is what brings the company together in an otherwise fragmented world. A clear identity creates an understanding of what the company stands for, and is therefore the determining factor in the consumers' choosing of one corporate brand over another (see 4.3 Expectations). In this way, with a clear brand identity, companies increase their chances of standing out in today's market, which is saturated with competing brand messages and choices.

In this relation it is important to understand that the development of corporate identities not only should be based on a company's own desires, as company communication does not exist in a vacuum. Especially not today, as the fast spreading of the Internet has given consumers the opportunity to publicly contribute with their own stories about brands. Thus it has never been more important to acknowledge and understand the intended receivers' perception of the company communication, as they have a great say in how the corporate identity is perceived (see 4.1 General Digital Behavior).

## ***Consumers as Contributors***

It is especially important to consider consumers in the identity creation process, as it in the consumer behavior analysis was shown that they continue to produce and distribute an increasing

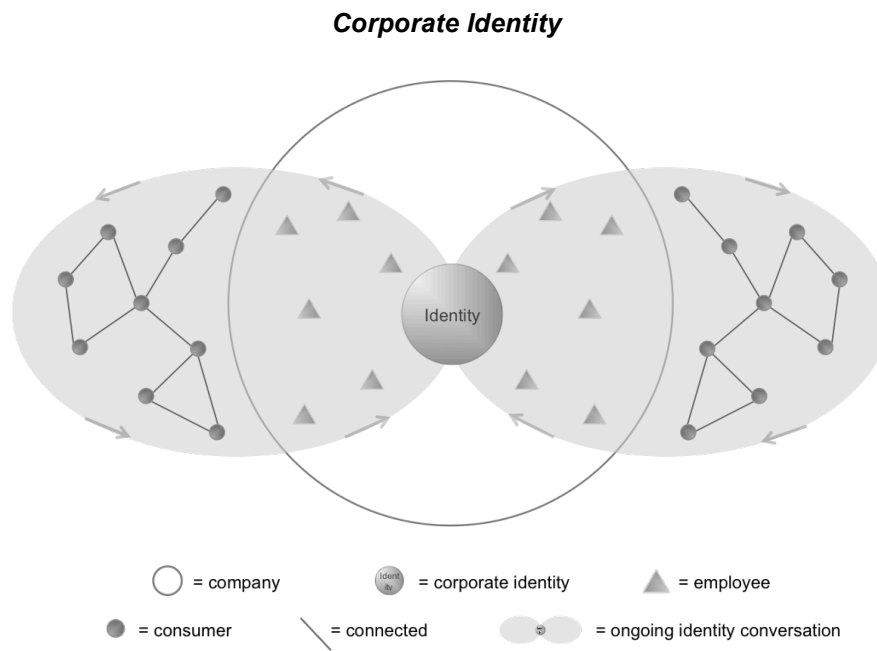
amount of brand content (see 4.1 General Digital Behavior). Today a complex network of brand information exists, which the company has no control of, but which greatly influence how consumers perceive the identity of the company (see 5.2 The Importance of a clear Corporate Identity). On an ongoing basis, it is hereby important that companies sense and incorporate external inputs in the corporate identity in order to avoid appearing narcissistic and ego-centric. Specifically, a company's lack of feeling with the outside world will consequently lead to consumers no longer want to interact with the company (Hatch & Schultz 2009: 119). Not only is it important to incorporate sensed inputs in the corporate identity, but also engage in dialogue with the consumers about the identity. Hereby letting the consumers be essential partners in the corporate identity creation (see 4.3 Expectations).

### ***Employees as Contributors***

Another important contributor to the identity creation is the employees representing the company. They create the foundation for creating a positive and strong external perception of the company. Companies must engage in dialogue with their employees and make room for their interpretations of the corporate identity, as this motivates them to deliver on the brand promise and providing consumers with an excellent brand experience. Hereby, the company fosters an identity that lives and breathes within the organization, which is crucial to appear trustworthy as a company today (see 5.4 Fostering Responsiveness).

### ***A Balanced Identity***

When opening up for inputs in the corporate identity creation, it is important to make sure companies do not deviate from the essence of the corporate identity. Consequently, the corporate identity creation should be based on an act of balance between what the company associates itself with and what consumers and employees attach to it – hence, creating a dynamic corporate identity conversation (Hatch & Schultz 2009: 119). In order to show the corporate identity aspect, we have created the below illustration:



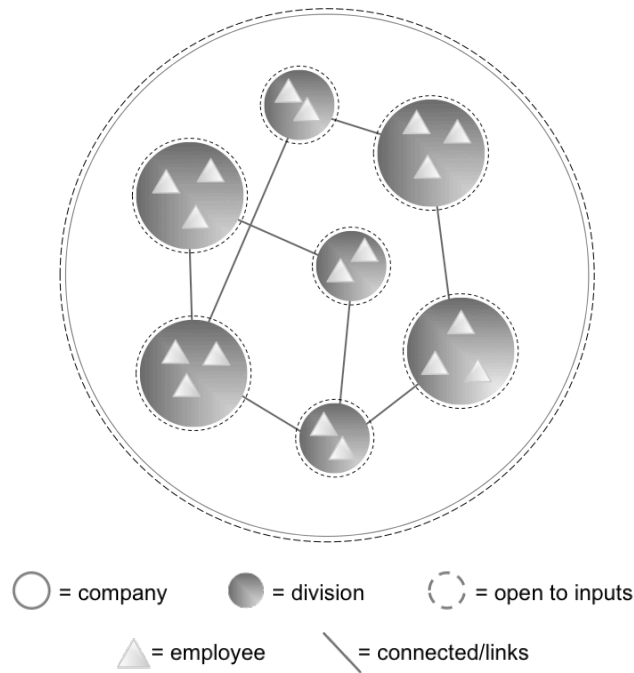
*Figure 6a: A strong corporate identity is based on a conversation between the core of the company, and the consumers and employees interpretations of the company. Thus, creating a balance between the core of the company and external and internal inputs (Inspired by Hatch & Schultz 2009: 120; Castells 2000: 15).*

## Implementing the Network Structure

In order to meet consumers' requirements in the constantly changing environment and be equipped to be a strong actor in the market, it was shown in the two previously analytical sections that it is important for companies to be flexible in their way of doing business. In the process of becoming a flexible company, it is relevant for organizations to implement the connectivity of digital networks into the organizational structure (see 5.4 Fostering Responsiveness). To be more specific, companies benefit from incorporating communication paths between divisions, as this fosters cooperation and breaks down the negative barriers that are generally related to operating on the basis of functional silos. In this way companies open up for a shared sense of purpose, necessary to strengthening the corporate brand (Aaker 2009: 19). Further it is important to give internal divisions and employees the opportunity of acting locally and hereby have a say in how they approach their respective tasks. This strengthens companies' possibility of providing an excellent consumer experience, since employees themselves are able to find the most optimal approach to accommodate consumers' needs, instead of being inhibited by predetermined organizational procedures. Thus, employees have the possibility in shaping the organization in the best possible way (HolacracyOne 2013).

Based on this, companies are able to foster a culture where employees feel a shared responsibility of sensing and processing tensions into positive improvements for the company (see 5.4 Fostering Responsiveness). This structure is outlined in the illustration:

### ***A flexible and adaptable organization***



*Figure 6b: Companies need to implement transversely communication paths between divisions and allow employees to act locally (Inspired by Aaker 2009: 19; Holacracy 2013).*

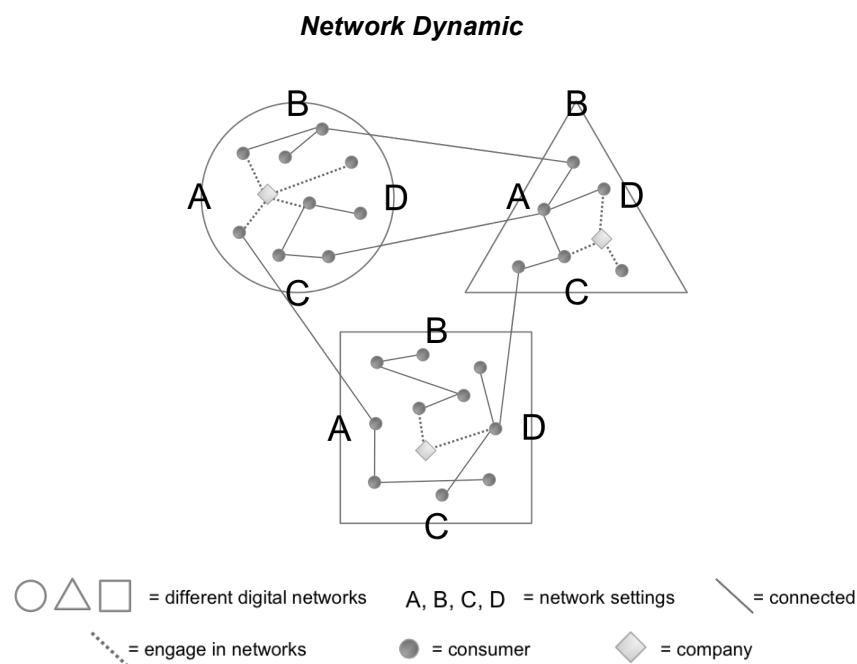
## **Understanding the Network Dynamic**

As it was discussed in the organizational communication analysis, the information flow from company to consumers has changed, since company messages sent in today's digital society no longer automatically lead to exposure in the target groups (see 5.3 Creating Attractive Communication; App. D3 Henningsen). This is a result of the fact that consumers being given the power to include or exclude companies from their digital networks (see 4.2 Inclusion/Exclusion in Digital Networks). Therefore, it is today much more crucial for companies to create relevant content in order to get consumers to interact with the company.

In order to create relevant content online, companies need to understand the settings of the different networks where they interact with the consumers. Each network is based on individual environmental settings and grammar rules, which sets the stage for different kind of behavior and content (see 5.3 Creating Attractive Communication). To be more specific, companies need to adapt

their behavior to the different digital networks, in the same way as the consumers do, and thus create diverse messages and content that fit each particularly network. Of course the meaning embedded in the diverse messages should still be within the overall frame of the corporate identity in order to exude a holistic brand story (see 4.2 Inclusion/Exclusion in Digital Networks). Moreover, it is also essential for companies to engage with the consumers in order to strengthen their motivation for participating in conversations with the organization on an ongoing basis. This can be done in many ways, but generally it should be the understanding that consumers desire dialogue-based and interactive forms of communication that carries companies forward in the acts of engagement (5.3 Creating Attractive Communication).

The combination of creating relevant content and engaging with consumers are two key aspects, which companies need to incorporate in their strategic thinking today. These aspects not only help companies to stay included in consumers' digital networks, but also foster positive consumer attitudes, which is of the essence when consumers decide to utilize their voice-based power online (see 4.1 General Digital Behavior; see 5.3 Creating Attractive Communication). We have chosen to illustrate the understanding of how companies should approach digital networks in order to create relevant and engaging communication in the following way:



*Figure 6c: Companies need to understand the settings in each digital network in order to be included and further, act as an active party in the brand conversation (Inspired by Castells 2000: 15; Castells 2010: 407; Meyrowitz 1998: 98, 102).*

## 6.2 Final Model: Corporate Conversations

*“Globalization, new technologies, and changes in how companies create value and interact with consumers have sharply reduced the efficacy of a directive, top-down model of leadership. What will take the place of that model?”* (Groysberg & Slind 2014). Our answer to this question is clear: Corporate Conversations.

### Conversations are Key

Throughout the described sections it becomes clear that one fundamental factor is crucial for companies operating in the digital society and that is conversations. Conversations about the corporate identity, conversations with consumers, conversations between consumers, conversations with employees, conversations between employees, and the list go on and on. Thus, ‘corporate conversations’ is the element that brings all of the above-suggested organizational communicative elements together. In other words, companies need to engage with their external as well as internal audiences in order to survive in the constantly changing environments.

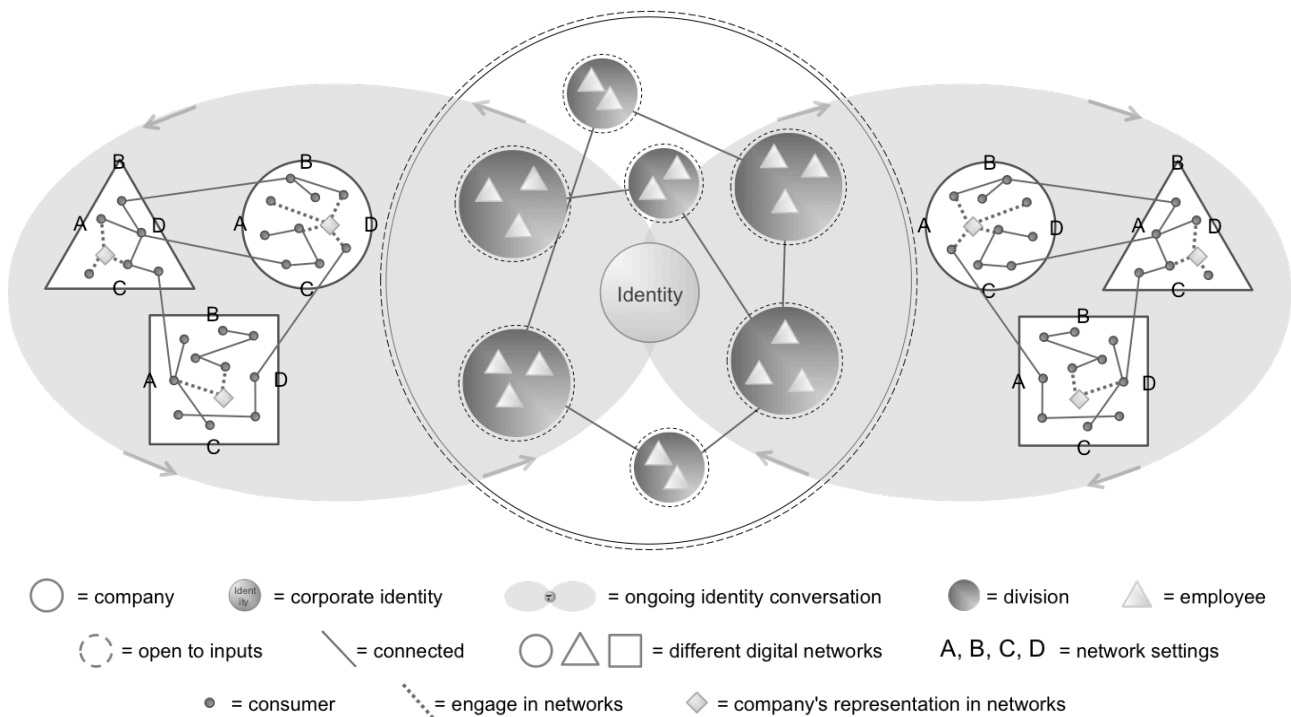
To be more specific, today’s empowered consumer desires dialogue and interactive communication with companies and has never been more involved in the creation of brand stories, which companies cannot or should not close their eyes for. By conversing with consumers, companies are able to foster engaged consumers and hereby positively influence the conversations already taking place about the company in the surroundings. Further, by foster internal conversations in the company, companies are able to foster flexibility and adaptability, as cooperation and knowledge sharing make the company able to quickly turn sensed inputs into rewarding realities. Thus, companies can utilize the advantages conversations bring to better meet the constantly changing expectations and requirements the empowered consumer holds.

With the aspect of ‘corporate conversations’ in mind, we argue that companies’ roles in the society have changed – going from merely being providers of products and services to being part of a shared network of information, where it is up to everyone to initiate and contribute to motivating and appealing conversations. Thus, companies should today embed themselves in the digital society as and organic and positive contributor, fostering relevant conversations. In this way, companies can take advantage of the new communication possibilities the digital society creates, instead of perishing because of them.



To sum up, ‘corporate conversations’ is the key factor that constitutes the act of strengthening the corporate brand in today’s digital society, as it makes companies capable of accommodating the expectations of the empowered consumer. Based on the discussion of which elements and hereby mindset a new organizational communication model should hold in order to grasp the realities of the new corporate landscape, we have developed the following model:

### ***Corporate Conversations in the Digital Society***



*Figure 6d: Companies need to converse and engage with both internal and external audiences in order to create a strong identity and coherent brand experience (Inspired by Hatch & Schultz 2009: 120; Aaker 2009: 19; Holacracy 2013; Castells 2000: 15; Castells 2010: 407; Meyrowitz 1998: 98, 102).*

As described in the beginning of this chapter, the external part of the model is built on an understanding of how companies should approach and communicate within digital networks. However, we will like to emphasize that a company should adopt the conversations and dialogue-based communicational approach in all strategic communications aspects within and outside of the organization in order to constantly developing and improving the company. This will equip companies to accommodate the ever-evolving challenges the digital society brings.

## 6.3 Validating Corporate Conversations via Practical Cases

As shown above, we have presented our suggestion of how companies should approach communication in the digital society. Since our developed model is primarily based on consumer findings and theoretical-founded discussions, we find it relevant to relate the model's integrated mindset to company cases in order to show it is valid not only in theory but also in real corporate life. To be more specific, this section of the chapter illustrates the usefulness of the model through the discussion of two company cases; a case that shows indication of following the suggested communication approach in the model and another that takes a more traditional communication approach. In this way we wish to evaluate whether the developed model fosters the foundation for strengthening corporate brands in the digital society.

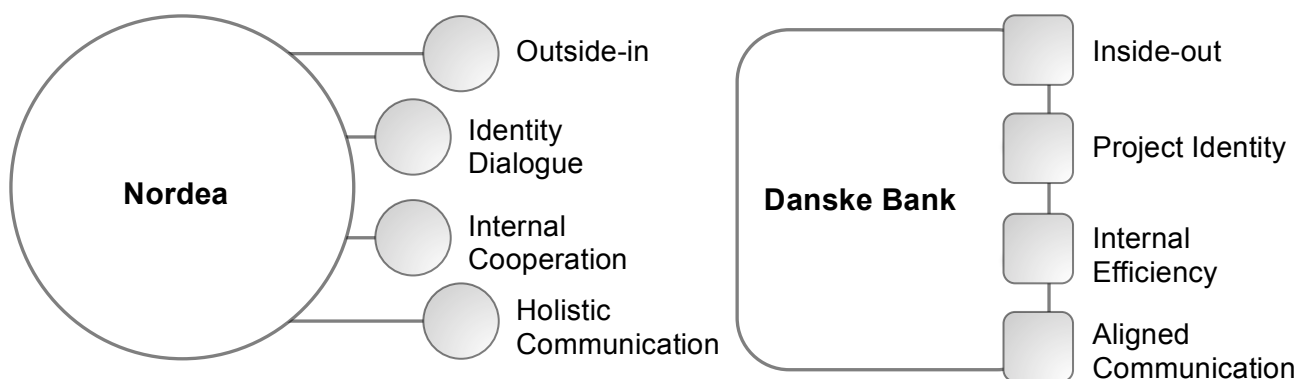
### Market-oriented approach vs. Traditional inside-out Thinking

We have found it relevant to compare two cases of approximately the same size and which operate within the same industry (Finanstilsynet 2015). Specifically, by taking this approach we assume that we are able to partly assign their corporate brand strengths in the market to their undertaken communicational approaches, as they are operating under the same market conditions and hereby have been facing the same external challenges along the way. We are aware of the fact that a corporate brand's strength in the market is a result of many different efforts such as pricing, product selection, etc. (Chand 2015). However, we focus on how the two cases' communication efforts have contributed to the brand positions the companies have today. Thus, we opt out of including other factors in the comparison, as the validation consists of assessing whether our developed organizational communication model creates a solid foundation for strengthening corporate brands today.

The two cases selected operate within the bank sector. This sector is chosen as trust and a good reputation within this industry is particularly crucial for companies' survival (Finanstilsynet 2011: 19). Thus even though consumers do not change "brand" in the bank sector as often as they do in other industries, a great image is still of high importance (Seerup 2014). Further, today most Danish consumers expect banks to offer excellent online service and communication, as this is imperative for the functioning of everyday life. Actually, being online is one of consumers' basic criteria for selecting a bank (ibid.). This implies that the bank sector is an industry that really needs to

communicate properly in the new corporate landscape in order to appear attractive, which is why we find it interesting to assess our developed model in this environment.

As earlier stated, the two chosen banks are Nordea and Danske Bank. Public data indicates that Nordea takes a rather market-oriented approach towards communication, whereas Danske Bank seems to communicate based on a more traditional inside-out approach (Nordea 2015a; Nordea 2015d; Danske Bank 2015a, Danske Bank 2015g; Johannesen 2012). In order to validate the model in the best possible way, we go through the three main elements, which it is founded on; corporate identity, organizational structuring and company communication in digital networks. We have illustrated each case's overall approach towards communication:



*Figure 6e: Nordea vs. Danske Bank*

In this way, Nordea shows indication of communicating based on a similar approach as our suggest model advocates, and contrary Danske Bank seems to take point of departure in a more traditional communication approach. We will elaborate on Nordea's and Danske Bank's communications approaches in the following sections.

## Nordea

Nordea's roots go deep and for almost 200 years the bank has served its customers. The bank's family tree includes more than 300 banks from the Nordic countries, which over the years have merged into one bank and corporate brand name (Nordea 2015b; Nordea 2015c).

### ***The aspect of Identity***

Nordea's corporate identity is based on the mission of '*Making it possible*' and the vision of being: "*A great European bank, acknowledged for its people, creating superior value for customers and shareholders*" (see App. G1). With these statements in mind it can be argued that Nordea takes an open approach towards its business, as the bank highly focuses on the satisfaction of its stakeholders. Further, Nordea's identity has assigned the three core values (see App. G1):

- Positive customer experiences
- One Nordea team
- It is all about the human

Nordea associates the first value 'Positive customer experiences' with a mindset of acting on the basis of its customers' needs and exceeding their expectations (see App. G1). This implies that Nordea emphasizes taking a consumer-oriented approach in their way of doing business. Based on this it can be argued that Nordea focuses on incorporating insights from the surroundings into the organization, which corresponds with our model Corporate Conversations that highlights the importance of companies opening up to external inputs (see 6.2 Final Model: Corporate Conversation). The other two values 'It is all about the human' and 'One Nordea team' can be understood as being more internally focused. With the former value Nordea highlights it is humans who make the difference and it is important to encourage people to take initiative (see App. G1). The latter value is associated with the importance of employees cooperating in order to create value (see App G1). This indicates that Nordea not only value external inputs, but also focuses on how their employees play a crucial role in providing knowledge and insights. Based on this, it can be argued that the bank views both consumers and employees as fundamental partners in the development of the organization, which implies that the bank focuses on the importance of having a balanced corporate identity. This is in line with the basic notion of the corporate identity in our developed Corporate Conversations model (see 6.2 Final Model: Corporate Conversations).

### ***Organizational Structuring***

In 2011 Nordea made a drastic reorganization, which meant the bank went from being divided by national borders to be divided based on its three main business areas (see App. G2; Kroneberg 2011). The motivation behind the reorganization was driven by a realization of a sharp country

division no longer being inherent in nature due to the development of the digital society. Thus, the bank unified all activities across the respective countries in order to move closer together and conduct business as one united Nordea brand (Rossau & Aagaard 2011). The bank emphasized that the restructuring was based on a wish of being better able to serve its customers (Kroneberg 2011). This is among others reflected in the fact that the new structure is based on the three main customers segments the bank serve; Retail Banking, Wholesale Banking and Wealth Management (Nordea 2011). Further, Michael Rasmussen, manager of Retail Banking, supports this: *“By moving closer together in three units, we believe that the distance to our customers becomes shorter. It should enable us to serve our customers faster and more efficiently”* (Kroneberg 2011).

The above indicates that Nordea founds its organization on a structure where cooperation between divisions is in focus. With this in mind, combined the former mentioned values, we argue that Nordea focuses on fostering a flexible culture, where employees have the possibility of taking initiative and responsibility. Further, we state that by removing the previously country silos, the bank reduces the barriers that can prevent knowledge sharing, and it is hereby possible to gather the employees around a common goal.

The described approach corresponds with the mindset towards organizational structuring the suggested Corporate Conversations model sets the stage for, in order for organizations to be able to adapt to the constantly changing environment and company expectations (see 6.2 Final Model: Corporate Conversations).

### ***Approaching the External Digital Networks***

In relation to Nordea's external communication, the bank utilizes a number of different digital networks, including Facebook, Twitter and LinkedIn (Nordea 2015d; Nordea 2015e; Nordea 2015f). Viewing the communication in these networks, it is clear that Nordea uses the sites for different purposes, as the bank in each network explicit states the objective of the site. Further it appears as the bank takes a consumer-oriented focus in the different digital networks, as Nordea manages to present the communication updates based on consumers' needs rather than merely promoting the bank's different services and products (see App. G3-G9). We will elaborate this further in the following sections.

## Facebook

On Facebook, Nordea mainly posts content related to tips and tricks, questions about the consumers' lives, and initiatives the bank offers to consumers in order to ease their everyday. These updates are presented with a high focus on the consumers and their needs, where Nordea and its offers recede into the background. Specifically, the bank makes updates regarding everything from car choices, flu season and Valentine's Day. This content is communicated in a rather "loose" tone of voice, including colorful and humorous expressions, slang and smileys (see App. G7). Nordea writes for example (see App. G7):

*"You're allowed to dream - if the loan certificate was for a million kroner, what kinda car would you buy?"*

*"Have you lost your voice during flu season? Then remember you can always chat with us – 24/7"*

*"Happy Valentines. Are you going on a date? And who is paying? (If you're sharing the bill then remember you can swippe :))"*

Nordea's informal approach towards the language applied in the network is further seen in the correspondences with consumers. When the employees answers consumers' questions, the correspondences always end with just typing the employees' name instead of incorporating a courtesy phrase, and often smileys are included (see App. G6).

Thus, Nordea uses Facebook as an intimate and personal way of being in contact with, listen to and engage with consumers, as the communication is relaxed, down to earth, and at eye-level.

## Twitter

On Twitter Nordea shares news, blogs and articles related to financial areas (see App. G4; Nordea 2015e). For example the bank shares information about investments and the American labor market, and the prospects of the Danish economy. The news primarily revolves around the financial market, instead of focusing on aspects related to Nordea as an organization (see App. G8). The language involved is based on formal and business-related expressions, as shown in the following statement:

*"#US: structural deterioration of labor market indicated by outward shift of #Beveridge curve suggesting higher #NAIRU" (ibid.).*

Thus, Twitter is used to endorse financial-related areas and in this relation associate Nordea as a seriously player on the business market.

## LinkedIn

On LinkedIn Nordea inform about career opportunities in the bank and provides consumers with other organizational insights (see App. G9; Nordea 2015f). For example Nordea shares information about how it is to work at Nordea and a report Nordea recently published regarding the Nordic economy (see App. G9). The applied language on the site is professional and formal, as illustrated in the following example:

*“Every quarter, Nordea Markets publishes Economic Outlook, an overview of the Nordic and global economies, including economic forecasts and risk scenarios” (see App. G9.).*

Hence, Nordea uses LinkedIn in a strictly professional manner and brands itself as an interesting and knowledgeable company.

## Summary of Communication in Social Media Networks

Based on the above, it is evident that Nordea approaches every digital network differently, both in terms of content and language applied. Yet, Nordea still manages to create a holistic brand experience, as the stories the bank tells on the different sites show different sides of Nordea and together create a complimentary and comprehensive picture of what the bank stands for (see App. G3-G9; Nordea 2015e; Nordea 2015f; Nordea 2015g). This demonstrates that Nordea communicates in line with how external communication should be approached according to the Corporate Conversations model (see 6.2 Final Model: Corporate Conversations). Specifically, it can be argued that the bank understands that each digital network is constituted by different environmental settings and that it is necessary to understand these in order to create relevant and engaging communication. Further, we argue by engaging with the consumers on the sites, the bank acknowledges that consumers today constitute a crucial party in order for Nordea to create a strong brand perception and presence in the market (see 5.3 Creating Attractive Communication).

## *In Touch with the Surroundings*

Based on the above discussion of Nordea, it is clear that the bank bases its organization on an open approach, meaning Nordea is a bank that continuously evolves and focuses on adapting to external

inputs. Thus, Nordea is a bank that makes a virtue of fostering conversations with the surroundings. In order to engage in conversations with the consumers and be where they are, Nordea bases the internal structuring of the organization on conversations as well, as the bank views this approach as key to serving today's consumers. In this way, conversations are the omnipresent factor in Nordea's communication, which corresponds with the mindset in the developed Corporate Conversations model (see 6.2 Final Model: Corporate Conversations).

## Danske Bank

Danske Bank's history goes back to the founding of Den Danske Landmandsbank in 1871 and has since merged with many other banks that hereby have contributed to the creation of what the Danske Bank brand stands for today (Danske Bank 2015d; Danske Bank 2015e; Danske Bank 2015f).

### *The aspect of Identity*

Danske Bank bases its corporate identity on the mission of "*Setting new standards in financial services*", which has the purpose of benefitting the bank's customers, investors, society and the bank itself (see App. H1). The mission is supported by the vision of '*Being the most trusted financial partner*' (see App. H; Danske Bank 2015a). These strategic statements are further supplemented with five core values (see App. H; Danske Bank 2015b):

- We deliver expertise and make knowledge relevant.
- We act with integrity and act responsibly.
- We create value and make a difference.
- We progress through agility, embrace change and are responsive.
- We believe in collaboration and engage, listen and act.

By individually examining the elements that together constitute the corporate identity of Danske Bank, it seems they correlate with the requirements the digital society imposes on companies (see 4.3 Expectations). However, when evaluating them from an overall perspective it is clear that the communication implicit revolves around what the bank itself wants to be associated with, rather than focusing on needs in internal and external surroundings. Hence, it can be argued that Danske Banks has a rather sender-dominated mindset, which do not attach particularly importance to how



its stakeholders can contribute with valuable inputs. This way of thinking contradicts with the mindset in the developed Corporate Conversations model, as the bank seems to primarily focus on projecting the core of the brand instead of creating an identity in balance (see 6.2 Final Model: Corporate Conversations).

### ***Organizational Structuring***

For many years Danske Bank organized the company according to the classical country-divided structure the bank sector is known for, but in 2012 chose to replace it with a structure based on the types of customers the bank serve. Specifically, Danske Bank created an organization built around the three business units: Personal Banking, Business Banking and Corporates & Institutions, which go across all its geographical markets (see App. H2; Danske Bank 2012b). It can hereby be stated that Danske Bank took a similar approach toward their organizational structure as Nordea did the year before (Jeppesen 2012).

A fundamental incitement for the re-structuring was the banks' opportunity to accelerate the already established costs-cutting plan (Fremmen 2012; Danske Bank 2012a). Lone Schjødt, regional director, expressed in this relation that the company based the restructuring on a lean-inspired philosophy, as it entails a focus on slimming and streamlining the organization (Arnholtm 2012; Danske Bank 2012a). By using lean principles, Danske Bank was able to rationalize and optimize the organization (Virk Startvækst 2014). It should here be noted that the business philosophy of lean also generally is associated with oppressive control of employees, lack of space for creativity and innovation, destructive internal competition, and a "zero-mistake" thinking (Due 2011). This is due to the main focus on optimizing the production rather than optimizing the people within the organization. And as a consequence it may hinder the organization in developing creative, innovative, independent and active employees (Skov 2006). With this in mind, we argue that Danske Bank approaches its work environment and perception of employees in a rather opposed way compared to what we state is ideal for companies today (see 5.4 Fostering Responsiveness). As emphasized in the Corporate Conversations model, it is crucial organizations foster an environment, where employees can take responsibility and have the motivation and opportunity to give their input in order to strengthen the company internally and externally (See 6.2 Final Model: Corporate Conversations).

### ***Approaching the External Digital Networks***

Danske Bank is present in various social media networks, including Facebook, Twitter and LinkedIn (Danske Bank 2015g; Danske Bank 2015h; Danske Bank 2015i). When viewing the bank's communication in the networks, it is unclear which purposes the different networks hold, as Danske Bank has not written any descriptions of what the bank uses the sites for. Moreover, when Danske Bank communicates in the different networks, it can be argued that the updates take point of departure in Danske Bank and not in the consumers and their needs. In other words, it seems that the messages are centered on promoting the bank and its offers rather than focusing on the consumers' everyday life and implicit showing how Danske Bank can be of assistance (see App. H3-H9). This will be discussed in the following.

#### **Facebook**

On Facebook Danske Bank primarily posts content about the bank's offers and services, tips and tricks related to the bank's activities, and questions about consumers' bank behavior (see App. H7). As noted above, Danske Bank presents its updates in a rather sender-dominated way, since the updates on Facebook more or less are centered on the functionality of the bank offers instead of generally letting the consumers and their bank-related needs be the focal point (see App. H7). Specifically, Danske Bank posts information about online bank meetings, MobilePay and the bank's 'Mobilbank'. The majority of the updates are carried out in quite a formal and impersonal language. The following sentences summarize Danske Bank's way of communicating on Facebook (see App. H7):

*“Recently we asked if you have tried to hold a meeting with us online. (...) Since 2013, when we introduced the Danish Web Meetings, the number of online meetings has increased by 1,600 %”*

*“Horsens Municipality focuses on mobile payment. From today the people in the city are able to use MobilePay in all 44 places, where they can pay to the municipality (...). Where is it possible to pay with MobilePay in your municipality?”*

*“Tip: Did you know that you are able to write messages to us via Mobilbanken? And have you tried it?”*

Danske Bank's formal way of handling communication, is further supported by the fact that the bank always ends the answers to consumer inquiries with polite phrases such as 'Thank you for your question', 'I wish you a good day' and 'Best regards' (see App. H6).

Thus, we argue that Danske Bank uses Facebook to be in contact with the consumers and also as a tool to promote the company as being knowledgeable, professional and competent.

### Twitter

Danske Bank seems to be using Twitter to primarily share information about technical problems and updates about the bank's MobilePay app (see App. H8). It is relevant to note that the site is only used to share information related to the Danske Bank itself (Danske Bank 2015h). The tone of voice in this site is quite informal, which is expressed in the following quote (see App. H8):

*“There are problems with online banking, mobile and tablet banking and MobilePay right now. Wait to use them if you can. We report when they are running again!”*

Hence, Danske Bank uses Twitter as a forum to inform consumers about technical related issues in regard to the bank's activities in a down to earth manner.

### LinkedIn

On LinkedIn approximately half of Danske Bank's updates revolve around information about the MobilePay app, and the other half consists of information regarding career updates and organizational insights (see App. H9; Dansk Bank 2015i). For example, Danske Bank posts about where consumers can pay with MobilePay, how it is to be a graduate student in the bank and that Danske Bank provides consulting about how to run an association (see App. H9). The posts are communicated in an informative and neutral language, as shown below:

*“Do you want advice on how you can run your association's economy as easy as possible? Our specialist unit 'Forening Direkte' advises all types of associations about topics such as easy self-service, investment, financing of projects, MobilePay Business and much more”* (see App. H9).

It can be deduced that Danske Bank utilizes LinkedIn as a sales platform and as a channel to show what the company offers as a workplace.

### Summary of Communication in Social Media Networks

With the above in mind, it can be stated that Danske Bank in general has different purposes in relation to the use of the distinctive social media sites. Thus, Danske Bank follows the overall notion in the Corporate Conversations model. However, taking a closer look at the communication,

it becomes clear that the bank often has a tendency of broadcasting the same content in the different networks. It is especially updates about the MobilePay app that take up a lot of space in each digital network, which is communicated with the same angle and message. Thus, it appears that Danske Bank does not strategically use the different networks to create a nuanced picture of the company. This indicates that the bank does not prioritize the communication needs of the receivers, but instead focuses on own wants. Consequently, we argue that Danske Bank goes against the underlying notion in the Corporate Conversations model regarding how companies should approach digital networks (see 6.2 Final Model: Corporate Conversations).

### ***Starting from the Inside***

As already highlighted, Danske Bank more or less base the company communication on an inside-out mindset. Further, it appears that the organization internally organize around the premises of centralized control, as the bank focuses on efficiency rather than creativity and flexibility. Based on this, we argue that Danske Bank has chosen to approach communication in a rather contradicting way than what our developed model Corporate Conversations sets the stage for (see 6.2 Final Model: Corporate Conversations).

## **Outcome of Corporate Conversations**

When comparing Nordea with Danske Bank one thing becomes clear, which is that the banks take two different approaches in terms of how to communicate. It can be deduced that Nordea takes a more micro-based approach towards its communication whereas it seems that Danske Bank bases most of the communication on a macro-level. Specifically we argue that Nordea makes a virtue of speaking at eye-level with its stakeholders, including both consumers and employees, and communicating on an understanding of the receivers' communication needs. When it comes to Danske Bank, it seems that the bank focuses on communication that takes point of departure in the bank as being a big and professional corporation. Hence, we argue that the bank primarily speaks down to its audiences, including consumers and employees, rather than speaking with them at eye-level (Brahm 2013). In addition, it can be concluded that Danske Bank seems to be occupied with telling how it sees the world, rather than founding the communication on how the receivers of the communication perceive the world (ibid.).

Thus, Nordea's general approach towards communication, internally as well as externally, creates an understanding of the bank as being an empathetic player in the market, where Danske Bank via its communication appears as big and distant. Whether Nordea's approach is more effective than Danske Bank's can be difficult to say with certainty, however the analytical company Brand-Finance has evaluated Nordea's brand to be 40.7 billion DKK worth, while Danske Bank's brand is assessed to be 16.6 billion DKK worth (Bentow 2014). Further, recent image polls within the bank sector show that Nordea performs very well on the Danish Market, and that the bank in general is characterized as being at the top of the bank industry (Hansen 2015; Seerup 2015; Rossau 2014; Jørgensen 2013). Image polls also show that Danske Bank's has the weakest image in the bank sector and that the bank's image generally is referred to as being stuck in the mud (Seerup 2015; Osbæck 2015; Madsen 2014). Moreover, in terms of satisfied customers, it seems that Nordea is performing much better compared to Danske Bank, as Nordea has 80 % 'satisfied and very satisfied' customers, where Danske Bank only has 68 % resulting in that Danske Bank runs with the title of being the bank with the most dissatisfied customers (Seerup 2015; Ritzau 2014).

In relation to the above, it should be mentioned that Danske Bank's image took a major drop in 2008 in relation to the financial crisis, and as Mikkelt Korntved, CEO of Loyalty Group, states (Nyholm 2010):

*"Once something has gone wrong, it takes a lot to reverse the negative perceptions among private customers. It takes effort. It takes more than words. Each customer must feel that there is something specific to them personally, and the development must be going on a while in order to be convincing"* (Madsen 2014).

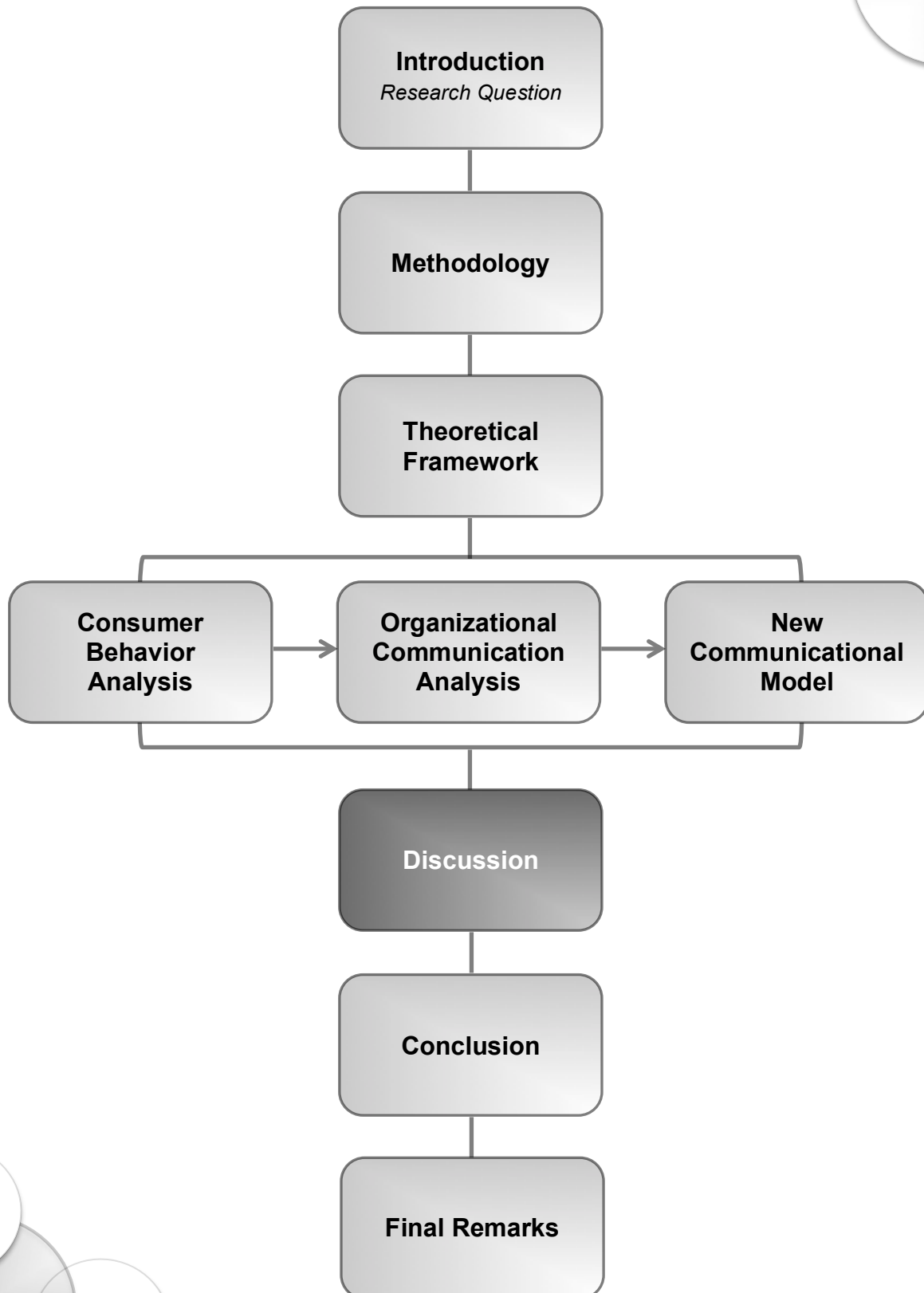
This may therefore have some effect on the bank's corporate brand today. However, because the crisis started many years ago, it can be argued that Danske Bank has had time to change the negative perception to the better. Also, Nordea has been subject to the same environmental changes as Danske Bank, but has still managed to position itself as a strong brand today. Thus it appears that there exist other factors that negatively are affecting the perception of Danske Bank, which we argue are strongly correlated to the banks' approach towards its communication.

Therefore, based on the above discussion of the two cases, we state that Nordea has found an approach that is of value to companies in the digital society. Our developed Corporate Conversations model is built on many of the same communicative aspects Nordea applies in the

bank's strategic thinking and practical execution (see 6.2 Final Model: Corporate Conversations). We hereby argue that the Corporate Conversations model is a great fit with the digital society, and an appropriate communication approach for companies to strengthen their corporate brands.

# CHAPTER 7

## DISCUSSION



## 7. How to Foster Corporate Conversations

In this chapter we discuss a number of possible organizational barriers companies should take into account in order to implement Corporate Conversations. Therefore the chapter draws continuously on the basic elements in the Corporate Conversations model in order to examine how companies can create an organizational environment where these communicative elements will flourish and establish themselves in the company's daily life. In this relation we provide a number of propositions companies can take point of departure in, in the process of implementing Corporate Conversations.

### 7.1 Breaking the Barriers of Implementation

Communicating on the basis of Corporate Conversations is not just something all companies can do over night, especially if the business is based on a more traditional, top-down organization and management thinking (see 6.2 Final Model: Corporate Conversations). Specifically, since the traditional communication approach contradicts with the mindset in the developed model, the implementation will in general involve changes to the entire organizational structure and system (Cheney et al. 2011: 324; App. D3 Henningsen). Therefore, we find it relevant to discuss some of the basic organizational barriers these types of companies may meet and should take into account when striving for Corporate Conversations. The structure of the chapter looks as following:

#### **Organizational Barriers**

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- Skeptical Top Management
- Resistance to Change
- Conflicting underlying Factors

#### **It takes Resources to get there**

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- The Continuous Strive for Corporate Conversations

We have found it relevant to base the discussion on a scenario in which the communication department within a company is motivated to implement Corporate Communications, as the model focuses on how companies can strengthen the corporate brand through communication.



## 7.2 Organizational Barriers

In the interview with corporate expert Jacob Theilgaard, we became aware of the fact that three fundamental barriers related to the implementation of major communication changes in organizations exist (App. D1 Theilgaard). The barriers can be categorized as skeptical top management, resistance to change and conflicting underlying assumptions, which we therefore find essential to elaborate in the following.

### Skeptical Top Management

In every traditional organization, it is the top management team that decides the future of the company, and who is consequently responsible for the company's success or failure, as it is the top management that decides and approves larger organizational changes (Cheney et al. 2011: 178). With this in mind, it is evident that the top management is on board with the idea of implementing Corporate Conversations in order for the change to be possible and successful. We therefore suggest the following proposition:

*P1: In relation to implementing Corporate Conversations it is crucial to get the top management on board in order for the change to be successfully implemented.*

Though, it may prove to be difficult to persuade the top management within traditional companies to implement larger organizational changes, as top management teams have a tendency to believe existing approaches are adequate (App. D1 Theilgaard; Wilhelm 2013; Lindegaard 2013). In other words, traditional managers may not be open to Corporate Conversations, as it takes point of departure in a rather contradictory way of doing business compared to the traditional organizational approach (Wilhelm 2013; Lindegaard 2013). This indicates that it requires a great effort to convince traditional managers about Corporate Conversations being the right decision for the company (Green 2013; Peck 2012).

### **Present a Business Case**

A central type of concern traditional managers may have towards the implementation of Corporate Conversations is that it is too comprehensive, expensive, difficult and time-consuming to implement due to the larger scale of change (Wilhelm 2013). Top management will naturally have a particular interest in the financial performance of the company and hereby emphasize financial accountability of different changes (Grønholdt & Martensen: 243; LaPointe 2005: 2). Consequently,

top management will not allocate time and resources to implement Corporate Conversations before they have clear proof of the change greatly benefitting the organization's performance (Lindegaard 2013). In order to persuade the top management about the change, it is relevant to present the change in a manner embracing and accommodating these kinds of top management concerns. Therefore we suggest developing and presenting a business case in order to propound the change, since this entails explaining how Corporate Conversations benefit the company strategically and economically (LaPointe 2005: 4; Green 2013). Specifically, a business case is based upon clarifying the benefits and limitations of the change, and assessing the risks associated thereto (Webster 2014). Practically speaking, this means that for example the business case shows calculations of the return on investment (ROI) and the predicted value of implementing Corporate Conversations (LaPointe 2005: 12). The presentation of the business case is hereby a way of showing the change being clearly thought through in terms of pros and cons, and specific measurements needed to execute the change, including timeframe and resources involved in the implementation (Green 2013). Based on the discussed we suggest the below to overcome the barrier of skeptical top management and hereby win their support:

*PI<sub>a</sub>: Propound Corporate Conversations via a detailed business case, which entails considerations such as benefits, resources and future prospects related to the implementation in order to win the top management support.*

## **Resistance to Change**

When a company has decided to implement Corporate Conversations, it is crucial that the top management consider how the change should be communicated within the organization in order to achieve acceptance and commitment. It is here important to note that people often develop quite different perspectives on a change and sometimes even the same person may see the change differently at different times (App. D1 Theilgaard; Cheney et al. 2011: 327). However, employees have a tendency to resist organizational changes, in fact so often that it may seem like resisting to change is a fundamental aspect of the organizational life (App. D1 Theilgaard; Cheney et al. 2011: 336). Due to the fact that Corporate Conversations involve a completely different mindset and alterations to the work processes, we assume companies of a traditional mindset will experience a great amount of critical employees in relation to the implementation (Cheney et al. 2011: 336-337). Consequently, a second barrier related to the implementation of Corporate Conversations is employees who resist the change (App. D1 Theilgaard). It is therefore fundamental to accommodate

the concerns of the employees and foster a positive attitude towards the change in order to achieve a successful outcome of the implementation. This lead to the following proposition:

*P2: In the implementation process of Corporate Conversations, it is important to foster positive inclined employees in order for the change to be successful.*

### **Start at the Top**

To achieve the stated proposition, companies can utilize a number of strategic change efforts (Cheney et al. 2011: 329). First of all, it is crucial to start the change initiative at the top of the company. We assume all eyes will turn to the top management for strength, support, and direction in relation to the implementation. Thus, it is fundamental that the top management embraces the new approach first, in order to show the rest of the organization that the managers themselves walk the talk and take the implementation of the new strategy seriously (Acquirre & Alpern 2014; Jones et al. 2004). The management team is hereby able to set the stage for the implementation by clarifying what the change overall stands for and which implications the change has for the future behavior of the company. In this way the managers create the starting point for a later dynamic identity conversation with the employees, which is an essential part of the Corporate Conversations model (see 6.2 Final Model: Corporate Conversations). Hence, we suggest the subsequent proposition:

*P2a: When striving for Corporate Conversations it is essential to start the implementation at the top in order to subsequently guide the employees and create the basis for a dynamic identity conversation.*

### **Identify Informal Leaders**

Secondly, companies should include informal leaders in the strategic plan for the implementation. In addition to those who hold formal positions of power in the organization, there exist a group of employees whose power is more informal as it is related to their expertise, the breadth of their network in the organization, or their personal qualities. Therefore these employees have a great amount of influence in relation to how initiatives are being received within the organization (Acquirre & Alpern 2014). Thus, it is fundamental to win these people's support in order to encourage them to advocate for the implementation rather than being negative inclined and possibly influence others to be against the strategy of Corporate Conversations. Due to their great amount of informal power, it is crucial to identify these people early and find ways to involve them as participants and guides in the implementation process (ibid; Cheney et al. 2011: 329). A great way

to do this is to run a network analysis and thus map out the employees' connections within the company and in this way find out who talks to whom and who are the prominent employees in the network of connections (Acquirre & Alpern 2014). Hence we propose the below to support positive employee attitudes:

*P2<sub>b</sub>: Identify informal leaders early in the implementation process of Corporate Conversations and win their support in order to encourage them as advocates of the strategy and hereby foster a positive attitude among the employees.*

### ***Engage in Dialogue***

Another strategic change effort companies can utilize in order to foster a positive attitude among employees is to engage in dialogue with all employees and hereby make them understand what the change specifically means to them (Cheney et al. 2011: 331; Acquirre & Alpern 2014). In this way it is possible to discuss the new roles and responsibilities Corporate Conversations brings and hereby how it affects the employees in their daily work-life. The company is hereby able to decrease the concerns the employees may have and in this relation assure of positive effects of the pending change (Acquirre & Alpern 2014). Furthermore, by engaging in dialogue with the employees, it is possible to make them feel valued and important in the implementation process. The employees get hereby the opportunity to present their point of views related to the change, which then creates an opportunity for the company to turn the employees' attitudes to the positive (App. D1 Theilgaard). In addition, it gives the company an opportunity to uncover important critical insights that hereby can be incorporated in the change process and foster a more effective and smoothly implementation. Thus, resistance to change should not always be perceived as a negative thing, as negative inclined employees are beneficial in identifying problems related to the change (Cheney et al. 2011: 338; Jones et al. 2004). By involving employees, companies make it possible to create a shared vision internally of how Corporate Conversations affects what the company stands for and where it is heading (Cheney et al. 2011: 329).

When taking a dialogue-based approach and welcoming employees' inputs in the implementation process, the company lives and breathes the mindset incorporated in Corporate Conversations. Thus, from the beginning the company shows the importance of conversations and creates hereby the foundation for future conversations (see 6.2 Final Model: Corporate Conversations). We suggest the following to foster a positive attitude among the employees:

*P2c: Companies should engage in dialogue with the employees during the process of implementing Corporate Conversations and in this relation welcome critical point of views in regard to the change in order to foster a positive attitude and hereby create a more smooth and effective implementation.*

## **Conflicting underlying Factors**

As already discussed, the implementation of Corporate Conversations is a rather comprehensive change for a traditional company and entails therefore a profound cultural change in order to make the company fit with the Corporate Conversations mindset. Based on this, it is important that Corporate Conversations is implemented in every aspect of the organization, down to the smallest detail (Cheney et al. 2011: 76). Thus, it is important to also take underlying cultural factors into consideration in the implementation process as these greatly affect the outcome of the implementation (ibid; App. D1 Theilgaard). A third barrier related to the implementation of Corporate Conversations is the underlying factors related to the traditional way of thinking as these factors affect the communication and behavior. Hereby inhibiting the mindset of Corporate Communications living fully in the organization (App. D1 Theilgaard). It is therefore important to remove these in order to achieve a successful implementation. This leads to the below proposition:

*P3: It is crucial for companies to consider and alter the underlying factors of their culture in order to achieve a culture that supports the mindset of Corporate Conversations.*

## **Alter the Language**

A fundamental underlying factor for companies to take into account when implementing Corporate Conversations is the use of language (Cheney et al. 2011: 84; Di Somma 2014). Language plays a fundamental role in “(...) *the bedding of new ways of doing things. Language actually defines a culture because it is literally how people connect – changing it significantly shifts the parameters of, and the context for, what is defined, accepted and encouraged*” (Di Somma 2014). This indicates that it is important to change the linguistic labels and categorizations used in the company to support and fit the culture with the mindset of Corporate Conversations (Cheney et al. 2011: 84-85). For example, instead of using phrases such as ‘owned by’ when something is uploaded on the company’s intranet, the labeling could say ‘shared by’, as this symbolizes collaboration and conversing instead of projection and control (App. D1 Theilgaard).

Bases on this, we argue that by changing the fundamental communication frames within the organization, it is possible to signal what kind of communication is desired in the new

organizational culture (ibid; App. D3 Henningsen). By doing so, companies are one step closer to a successful implementation of Corporate Conversations (App. D1 Theilgaard). We therefore suggest the following to overcome the barrier of language as a conflicting underlying factor:

*P3<sub>a</sub>: Companies should alter the language involved in internal as well as external aspects of the company to support the mindset in Corporate Conversations and hereby foster a successful implementation.*

### ***Alter the Office Layout***

In addition to language, another essential underlying factor is the organizational settings, i.e. the company's physical frames of the work environment, as this in the same way as language shapes the foundation of the company's culture (Cheney et al. 2011: 86). The physical arrangement of the office affects how employees perceive the company and their roles within it. More explicitly, the office layout sets the stage for what kind of interactions are possible and in this relation how employees can and should think in terms of solving their work tasks (Interior Concepts 2014). It is therefore important for companies to take this factor into consideration when implementing Corporate Conversations, as it can have a negative affect if the company retains the old way of organizing the office. To be more specific, traditional work office environments are known for isolated and confined spaces, where employees work independently and focus on own tasks, which contradicts with Corporate Conversations' focus on collaborations and dialogue (see 6.2 Final Model: Corporate Conversations). Instead companies should introduce a more open layout, as this encourage togetherness and make employees feel part of a more collaborative and creative company. This should not be understood as companies need to convert all areas to shared work spaces, as in some situations employees might still need to have a sense of privacy to be creative. The key is to create an office space that fosters a flexible work environment and at the same time have private areas where individuals or small groups of people can work together (Microsoft 2014). With this in mind, we suggest the subsequent in order to overcome the barrier office layouts can constitute in the implementation process:

*P3<sub>b</sub>: Companies should create an office layout that fosters collaboration and flexibility within the organization in order to align with the premises Corporate Conversations is built upon.*

### **7.3 It takes Resources to get there**

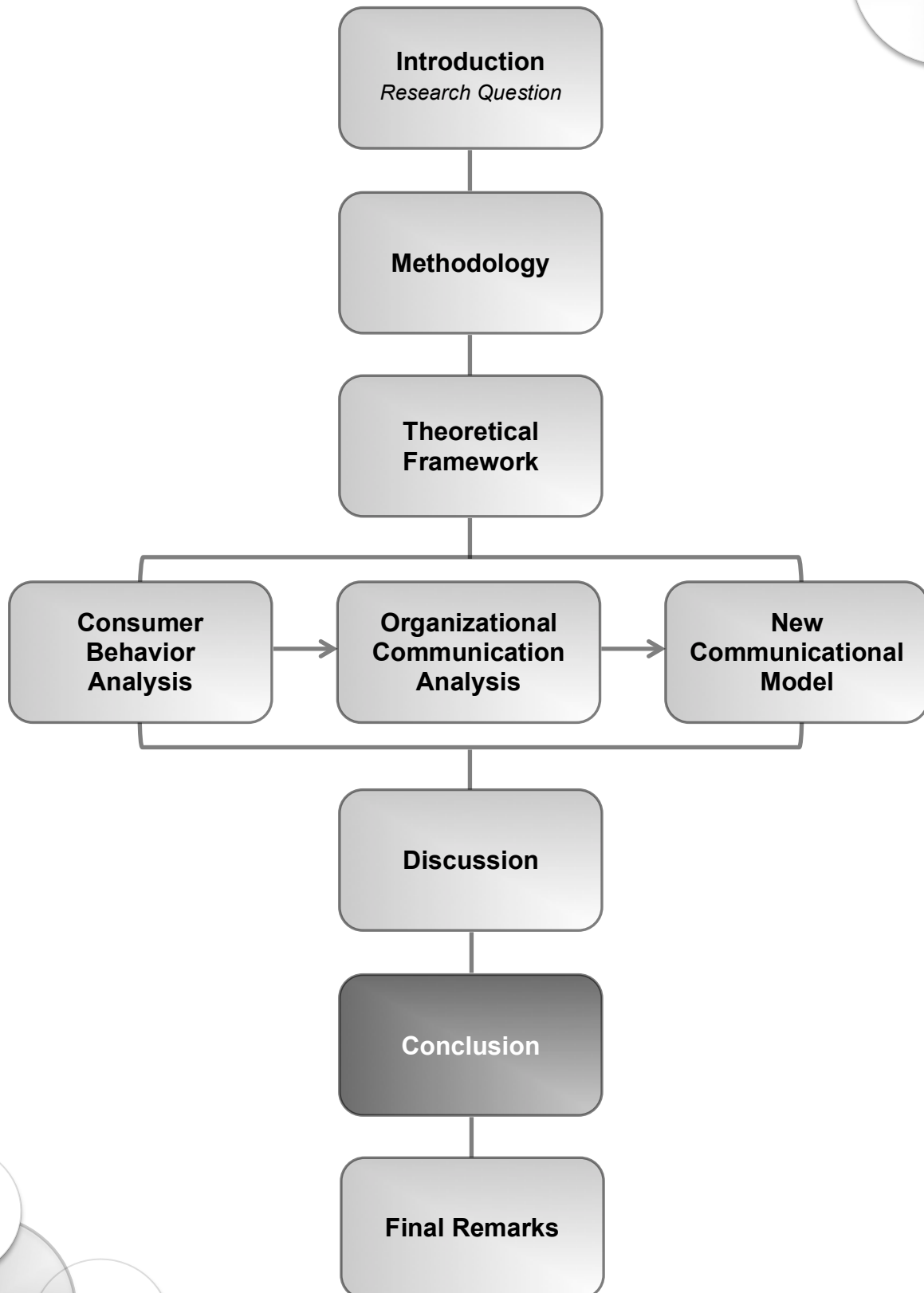
Based on the discussion, it is clear that, from a traditional company's point of view, a number of barriers exist related to the implementation of Corporate Conversations, which are critical to take into account and overcome in order to make the implementation a success. In this relation we have come up with a range of propositions companies can utilize. We are aware that the complete set of propositions requires some fundamental company resources, both in terms of time, capital and people involved, and therefore it can be out of reach for some companies to implement all of the proposed initiatives (Anderson & Anderson 2013). Also, some of the initiatives may be of greater importance to some companies compared to others. Thus, it is essential companies evaluate the proposed initiatives based on the respective companies' situations, to assess which initiatives are of high importance in the strive for Corporate Conversations.

### **The Continuous Strive for Corporate Conversations**

As a final comment it is here important to highlight that the implementation of Corporate Conversation should not be perceived as being a fixed process and thus having a specific time and end date assigned. Instead it should be seen as an ongoing process, where the organization adapts to inputs from its surroundings constantly in order to keep the premises such as adaptability and flexibility alive. The transition from implementing the mindset to living it full in the everyday life of the organization is therefore blurred and cannot be pinpointed.

# CHAPTER 8

## CONCLUSION

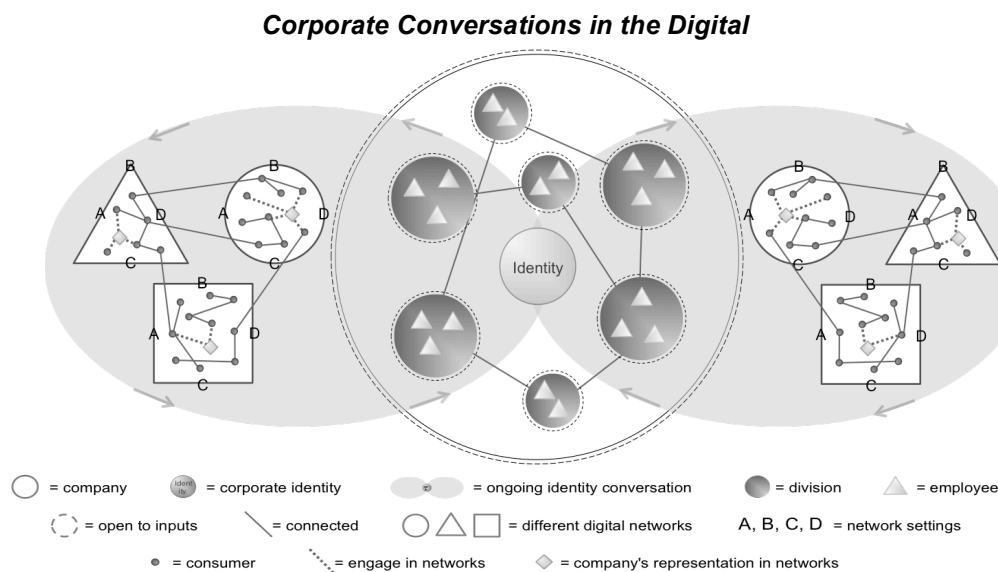




## 8. The Act of Strengthening the Corporate Brand

The corporate landscape has drastically changed. As a result of the digital development, consumers have been given a wealth of opportunities to compare and examine brands against each other, raise their voice in the market, and increasingly influence how corporate brands are perceived. Thus, we are today dealing with a new type of consumer. An empowered consumer. A consumer that more or less takes up the function of driving brand messages and hereby should not be perceived as a passive target that merely consume. Consequently, companies' positions in the market have changed and so have their foundation for creating attractive communication. Companies can and should no longer base their communication on a traditional inside-out approach, as this detaches the companies from their surroundings, resulting in companies operating in their own isolated bubbles. When operating on own desires rather than on the basis of surrounding expectations, companies have a risk of appearing narcissistic and ego-centric. This kind of company behavior encourages consumers to spread negative online word-of-mouth, as nothing goes unnoticed in the digital society. Thus, if companies do not provide great brand experiences and exceeds consumers' expectations the knowledge hereof will quickly spread to other consumers, which have the severe consequence of leading to a devalued corporate brand.

Therefore we have in this project developed and presented a new organizational communication model Corporate Conversations that equips companies in tackling the communicative challenges that exist today. Thus the model is a tool companies can base their communication upon in order to strengthen their corporate brands in the digital society. The model looks as following:



*Figure 8a: Companies need to converse and engage with both internal and external audiences in order to create a strong identity and coherent brand experience.*

The general premise in the organizational communication model is conversations. We argue that companies should found their communication on a dialogue-based paradigm, as this enables them to connect with important stakeholders. By connecting and engaging with stakeholders, companies open up for new insights they can use to improve and develop their business. In this way companies are able to constantly adapt to the changing needs and behavior in the market and hereby create the foundation for delivering great brand experiences.

Specifically, Corporate Conversations takes point of departure in the value consumers and employees provides to the company, and the model therefore turns to incorporating these stakeholders as crucial players in the company communication.

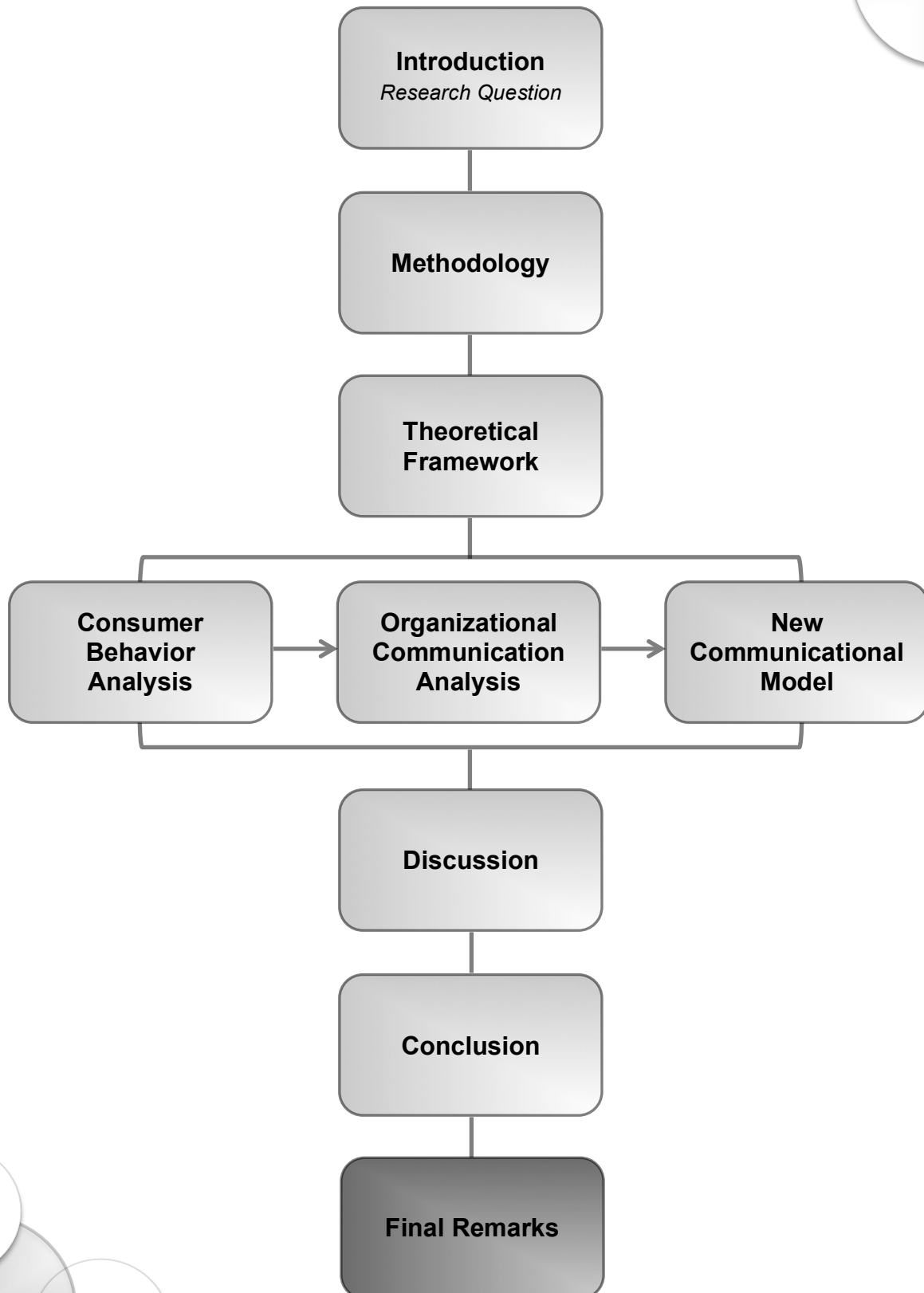
To get to the stage where companies are able to gain important consumer insights, it is fundamental that the companies engage in the different digital networks in which consumers today are spending much of their time and raising their voices regarding brands. It is important to understand that consumers view each digital network as its own environment that consists of different rules regarding what kind of content and behavior that is appropriate. By understanding how each network functions, companies are able to constitute as relevant participants in the networks and hereby create the foundation for consumers wanting to converse with the companies.

In order for companies to convert the gained consumer insight into practice, it is important a flexible and open internal work environment is put into place. Companies should encourage employees to contribute with their ideas and insights in order to create an organic organization that constantly adapts to the market dynamics. To be more specific, it is essential companies foster a culture that values knowledge sharing and alternative viewpoints and practices. In this way companies should implement the same mindset towards employees as we advocate is important in relation to consumers. In other words, conversing with employees is a crucial step towards building great consumer experiences and thus strengthening the corporate brand.

To sum up, conversations are the way forward and thus constitute the key element in companies' communication approaches towards strengthening their corporate brands today.

# CHAPTER 9

## FINAL REMARKS



## 9. Rounding up and reflecting on the Future

This chapter rounds up the project and provides an overview in terms of evaluating the past, present and future of Corporate Conversations. Specifically, the chapter considers the undergone work process of the project, the projects importance for companies, and relevant future investigations related to Corporate Conversations. The structure of the chapter looks as following:

**Learning Process**

**Managerial Implications**

**Further Research**

### 9.1 Learning Process

Since we in the project have undertaken an inductive reasoning approach and hereby applied iterative learning processes, we find it relevant to discuss the undergone processes to provide insight into how the project has become what it is today. In order to exemplify our learning processes, we will outline the main decisions, which the project has been developed upon.

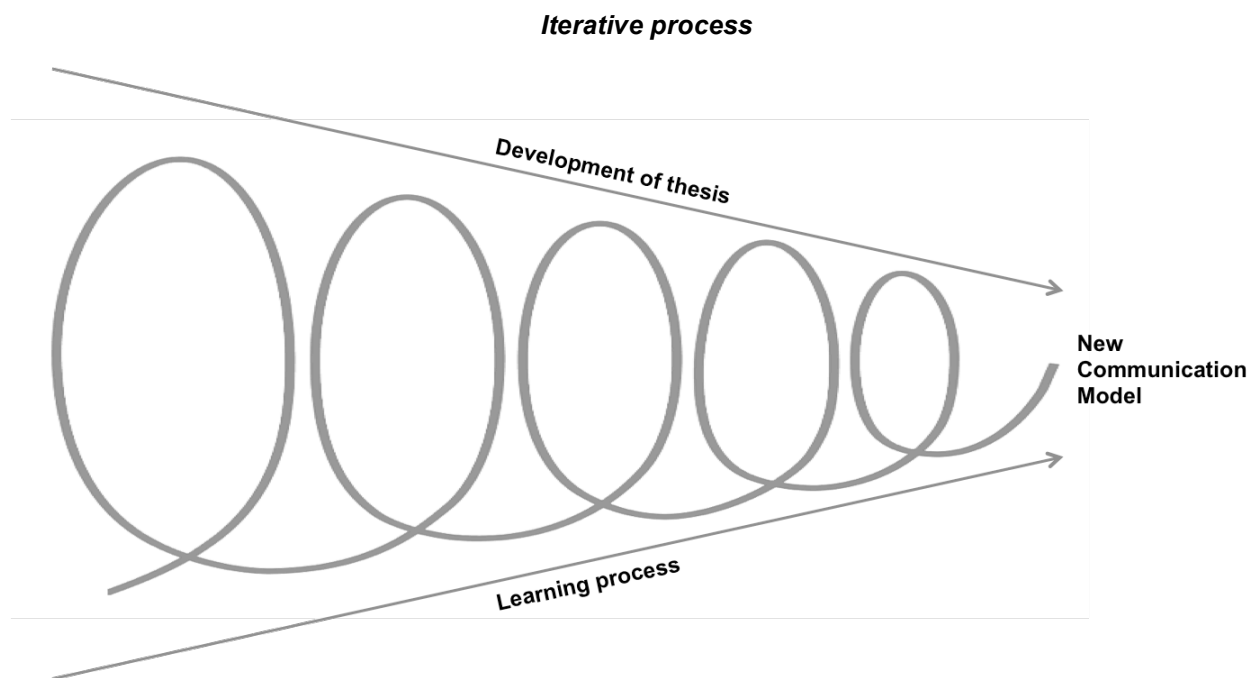
An example is that we in the beginning of the project had decided to include a specific company case to shed light on the company aspect in the consumer-company relationship. To be more specific, we wanted to achieve internal organizational insights on how a best practice case communicates and organizes in relation to the digital society. However, after we had worked with this approach for some time, it became clear that we in this way risked undertaking a too narrow approach. By basing the investigation on one company case, we felt obligated to base the project on the conditions of this particular company and were therefore afraid that this would remove our focus from understanding the expectations consumers have toward companies in general. Therefore, after closer consideration we discarded having a specific case, which hereby affected the focus of the thesis.

Another aspect where the iterative process is reflected is in relation to the conduction of our consumer interviews. In the process of preparing our focus group interview guides, we had unconsciously come to take a too narrow angle related to the new consumer-company relationship. Specifically, we had come to focus our field of investigation too much on the specific power

consumers hold today due to their possibility of expressing opinions online. We became aware of this fact in the beginning of the first focus group interview, which is why we during this interview quickly took a step back and in this relation broadened the investigation to also include consumers more general digital behavior and its effect on the consumer-company relationship. This discovered insight prospectively influenced the design of the other interviews and the project.

Thirdly, the iterative process was prominent in the process of creating the theoretical framework and choice of analytical focus in the project. Based on the uncovered data we created a very broad theoretical framework, which made it possible to examine a broad variety of consumer behavior angles. During the development of the project, we became aware that it was necessary to emphasize some, more than others, of the consumer behavior tendencies in order to specify the analyses. Thus we went back to our established theoretical framework and analytical sections and readjusted the focus taken.

Our overall learning process and hereby the development for the thesis can be illustrated as following:



*Figure 9a: The project has been based on an iterative process, where we as researchers during the thesis' development have gone back and forth between the sections in order to change and adapt the content to better align with slightly changed focuses taken at different points in time, and hereby we have along the process narrowed down the field of investigation.*

Consequently, the learning process shows that we as researchers throughout the development of the thesis have stayed open-minded and continuously sensed inputs related to the field of investigation. This made the process of writing the thesis a scary and exiting experience all at the same time.

By basing the project on the above described inductive and iterative approach, it can be argued that we implicitly have lived and breathed the approach we also suggest companies should operate on the basis of today. Thus we have throughout the development of the thesis walked the talk of Corporate Conversations (see 6.2 Final Model: Corporate Conversations).

## **9.2 Managerial Implications**

To exemplify how companies practically should embrace Corporate Conversations, we propose a number of specific initiative managers can apply in the company routines.

Fundamentally, Corporate Conversations embraces the importance of companies sensing their soundings (see 6.2 Final Model: Corporate Conversations). As a tool to stay updated on market changes, and consumers' behavior and expectations, we recommend companies to utilize big data. Big data can be used to understand and create a picture of how consumers are behaving online and in this way companies can support their decision-making and communication with real time data (App. D3 Henningsen; Clum 2013). It is here relevant to note that in order to uncover the right data, it is of high importance to ask the right questions. And to do so, companies must have critical thinking, meaning they must understand the problem they are seeking to answer and the environment they are dealing with. Companies can start with a big problem statement, but they have to break it down and prioritize. Making the most of all the available information means assigning staff to turn the information into knowledge. Thus, we recommend companies hire data specialists to decide which data is relevant (Brighton 2013). Furthermore, by learning how the consumers are behaving online and in the different digital networks, companies are able to figure out how their target groups prefer companies to communicate. In this way, companies create the foundation for creating relevant communication, which is key in Corporate Conversations (ibid; see 6.2 Final Model: Corporate Conversations).

In continuation of creating relevant content, we recommend that companies equip employees to navigate and succeed in the different digital networks. By having employees who are

knowledgeable and confident about communicating in digital networks, it is possible to create content that fits with the settings of each involved digital network and hereby create the foundation for consumers wanting to engage and converse with the company (see 6.2 Final Model: Corporate Conversations). Practically speaking, companies can equip the employees by offering training programs or online training courses, where the employees learn about how to communicate online and how the company overall wishes to approach the different networks (App. D1 Theilgaard).

Not only is it important for companies to concentrate upon ensuring employees to have the right communication skills, equally important is it that companies' internal communication structures are equipped to support the employees in their daily work and strive towards Corporate Conversations (HolacracyOne 2013; see 6.2 Final Model: Corporate Conversations). We suggest that companies hold weekly governance meetings, where employees from different divisions have the opportunity to share insights sensed during the week related to internal and external improvements of the company (App. D1 Theilgaard). In this way, organizations can foster team spirit and collaboration, and create a work environment where hands are joined in the processes of improving and strengthening the corporate brand.

Last but not least, in order to embrace Corporate Conversations we recommend that companies foster a creative and innovative work culture that welcome employees' different viewpoints (ibid.). This can for example be carried out through different initiatives such as having a storyboard in a shared workspace, where employees can post their stories about how they transform the corporate identity in their specifically work tasks. In this way companies show that employees' inputs are of great value, which is essential to motivate them and foster positive consumer experiences.

### **9.3 Further Research**

Despite the fact that Corporate Conversations is a model built upon the latest consumer insights, it is fundamental to continually re-investigate the premises of the model in order to ensure its applicability. Society is evolving in such a rapidly pace these days, meaning the way things are today may not necessarily be a reflection of how they are tomorrow (Kucuk 2012: 1). Additionally, it may be relevant for other researchers to elaborate on a number of related aspects, which have not been within the scope of this project in order to strengthen the usability of Corporate Conversations further.

First of all, since the thesis' research is based on an inductive reasoning approach and not involve practical company insights in its investigation, it will be valuable for future research to apply a deductive reasoning approach and in this way test how the model specifically unfolds in different company practices. Specifically, to evaluate if the model actually helps companies in strengthening their corporate brands and whether unanticipated internal and external company factors exist, which may withhold companies in generally practicing Corporate Conversations.

Another important consideration to take into account is that the development of Corporate Conversations primarily is based on consumer insights, and thus downplays or excludes other related stakeholder groups. Consequently, it could be relevant to examine if other stakeholder groups change the dynamics and premises the Corporate Conversations model is built upon. Hereby whether the model in relation to other stakeholders is an appropriate mindset to base companies' communication upon. In relation to this, it has not been within the scope of the project to include the competitive environment. Thus to analyze how competitors may affect the organization's opportunities to connect with consumers and in this relation create a strong corporate brand. We leave it up to other researchers to investigate this interesting aspect.

Additionally, because the thesis takes its point of departure in the Danish market, it could be of value to investigate how consumer-company relationships are in foreign markets. By investigating the behavior and expectations of consumers in other cultural corporate landscapes, it will be possible to identify similarities and differences between the Danish market and foreign markets, and hereby infer if and how the model should be adapted in order to fit other respective markets appropriately.

Furthermore, as the project has examined the effects the digital development has had on the consumer-company relationship and hereby has been delimited from examining business-to-business markets, the latter could also be an appropriate field of further research. In other words, it would be interesting to analyze whether the shift in business models change the fundamental premises of the model and hereby whether it is possible to strengthen brands in business-to-business markets on the basis of Corporate Communications.



Finally, since we in the model's external part, primarily have focused on digital media and on the question of how companies should communicate on these, it could be valuable to broaden future analyses to also include traditional mass media. To be more specific, many companies utilize both traditional mass media and digital media today, and it could therefore be interesting to create a holistic suggestion of how companies should communicate externally – offline as well as online (Stefanone et al. 2010: 508).

Based on the above, it is clear that Corporate Conversations forms the basis for many exciting future studies and we hope that researchers will embrace the model and continue to evolve and adapt the premises of the model to strengthen its usability and value.

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## **Appendices**

All appendices are available in a separate appendix collection. See an overview of the overall appendix sections below.

Appendix A: List of Interviewees

Appendix B: Interview Guides, Experts

Appendix C: Interview Guides, Consumers

Appendix D: Transcribed Interviews, Experts

Appendix E: Transcribed and Coded Interviews, Consumers

Appendix F: Overview of Data Coding, Consumers

Appendix G: Nordea Material

Appendix H: Danske Bank Material