

Added Value Model: Model of the Corporate Communication in Social Media

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Abstract—Social media are used in corporate communication more and more actively. Companies are fighting for the audience attention and that's when social media become valuable for them. However, the popular corporate communication theories and models were created at the time, when social media did not exist and could not fully reflect the special nature of the communication that is typical for the social media environment. This generates the need for a new corporate communication model. The aim of this paper is to develop the new corporate communication model for social media field. As methods the analysis of the existing corporate communication theories and models, semi-structured interviews and the questionnaire between social media users, experts and companies representatives were used. For the data processing the Grounded Theory and Multi-Grounded Theory were used. As a result of analysing the habits employed by users and brands in social media, as well as the existing models of corporate communication, the author proposes an "Added value model", which illustrates the process of corporate communication in social media. According to this model, the process of corporate communication in social media is ongoing taking into account both the company's and users' goals, selecting particular social media on the basis of their message and enriching communication with a communicative added value. The element of added value indicates that social media have a potential to become not only a communication channel, but also a platform, which provides a limited or full range of services, service support and satisfies users' needs. Thus, the proposed model could serve as a point of reference and evaluation, which is crucial for starting or improving corporate communication in social media.

Index Terms—Corporate communication, social media, model.

I. INTRODUCTION

The communication professionals from 43 countries participated in the survey by the *European Communication Monitor*, which pointed out that if in 2007 11.5% of respondents mentioned social media as the essential tools of corporate communication in their everyday work, in 2011 their amount increased up to 40.5%. The following types of social media were mentioned as the most important for corporate communication: social networks (49.8% of respondents), online video (39.5%) and micro blogs (Twitter, 32.5%). At the same time, professionals, who participated in this study, recognize that these tools may be used ineffectively due to the lack of knowledge [1].

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The article offers a new framework of the corporate communication in social media, which will help companies to organize properly their communications with target audiences in social media and will provide a new analytical tool for the researchers. The new framework includes developed by the author an Added value model for the communication arrangement and evaluation in social media.

II. RESEARCH

A. Methodology

The study consists of several stages. At the beginning, 13 active social media users, as well as social media experts and company representatives were interviewed. Semi-structured interviews were held with the representatives of the entrepreneurial community who are responsible for or take decisions about communication in social media. All respondents were guaranteed to remain anonymous. It ensured openness and the diversity of opinions.

For the data processing the Grounded Theory (GT) was used, the essential feature of which is the fact that the analysis is resulting from the interaction of the data in the data collection period [2].

Data analysis was started immediately after the first interview. After each interview memo was written with the main conclusions, as well as new data was correlated with the previously acquired information. For the selection of respondents the theoretical sampling was used, each time searching for respondents, whose opinions differ from those already expressed in previous interviews. Each interview was followed by data processing, which involved coding, categorization and interpretation. The first stage of the interview was completed, when the answers of the respondents contained no new information anymore.

The first phase of the interviews was followed by the survey of the companies regarding their habits of communication in social media, in which 420 representatives of Latvian companies participated. To determine the users' preferences for communication with the brands, companies and organizations in social media, there was also a survey of 624 Latvian social media users.

At the stage of developing the theoretical framework and the model of corporate communication in the social media, the *Multi-Grounded Theory (MGT)* was used. Developing the Grounded Theory, Goldkuhl and Cronholm [3] proposed the Multi-Grounded Theory, where the empirical grounding was complemented with the theoretical grounding. The aim of MGT is to combine the inductive aspects found in

empirical studies with the deductive aspects found in theory-based studies.

The MGT emphasises three processes: *empirical grounding* – theoretical justification using the empirical data, *theoretical grounding* – the researcher theorizes the phenomenon using previously formulated theories and *internal grounding* – clear links among the theoretical elements are established.

According to the MGT, a theory is formulated in four stages: 1) *inductive coding*, which corresponds to the open coding PT; 2) *conceptual refinement* – this stage differs from the conventional GT and involves the critical reflection of empirical statements; 3) *building categorical structures*, which corresponds to the axial coding GT; 4) *theory condensation*, which corresponds to the selective coding GT with the sole difference that the MGT does not require finding a single basic category. Prior to this last stage, all three grounding stages are performed. The authors of the Multi-Grounded Theory emphasise that their method helps preserve the focus of the study retaining the advantages of the Grounded Theory, which are related to the researcher's openness to new discoveries [4].

On the basis of the Multi-Grounded Theory, the empirical grounding was performed using the interviews with social media users, companies and experts, as well as the results of the users' and company representatives' surveys. It was followed by the theoretical grounding using the approaches of various corporate communication theoreticians, as well as the internal grounding by formulating the elements of the model and creating the model itself to reflect corporate communication in the social media. After presenting the model in scientific conferences and receiving recommendations from the reviewers, the model was recast to have a non-linear and multidimensional structure.

B. The Added Value Model

On the basis of the literature analysis and empirical research, an added value model that reflects the corporate communication process in social media is proposed.

The model includes the following elements: listening, message, social media choice, personification level, interaction, added value, community pressure, strategy pressure (Fig. 1). The added value is a key element of this model as it combines all other parts of the model. The model visualization and its conceptual clarification are provided below.

1) Listening

Listening provides the analysis of the social media content to determine the users' views of the company or brand, product or service, particular event or situation. At this stage, Van Riel's Mirror Function [5]–[7] helps to predict the impact on the audience. The study showed that 80% of the users appreciate the situation, when a company provides answers to their questions in social media. Besides, 71% appreciate that a company responds to criticism in social media. These practices can be implemented if the company monitors the social media content. Furthermore, users can also help a company to generate or to test ideas. It is recommended to start with this element to analyse the situation in social media, as well as before any active

involvement in communication. The circle structure of the model indicates that it is necessary to come back to the listening element during the communication process, as well as reflects the continuous character of communication. The analysis of the situation is not limited to the company's customer communication analysis, but also includes the communication analysis of the non-clients, other interest groups, employees, and competitors.



Fig. 1. The model of corporate communication in social media (created by the Author of the Paper).

2) Message

Based on the results of the listening and communication objectives, the company formulates its messages. It is essential to make the message of the company serve as an impact factor regarding the choice of the social media. The research showed that the companies' and users' interests coincide, when messages inform of the company's product or services (75% of companies, who communicate in social media, formulate it as their goal in this environment; 84% of users have a positive attitude towards such practice in social media), the latest developments in the respective field (82% of companies consider it a basic goal in social media, and 79% of users have a positive attitude to it), giving answers to users' questions (52% of companies believe that the social media environment is favourable for this task, and 80% of users have a positive attitude to such a practice).

3) Social media choice

Further, the specific social media, where the message is going to be reported, is selected. The choice depends on the technical capabilities of the social media, as well as users' preferences in relation to the use of media. The study showed that companies tended to choose different social media to communicate different messages. For instance, Twitter is used to inform users of the latest developments in the

respective field, forums are used to find out users' opinions of the competitors, whereas communication with employees is maintained via a corporate blog.

4) Personification level

Each company also makes a decision, whether its message will be delivered in social media identifying the user's relationship with the company or anonymously. The Internet and specific social media provide an opportunity to publish information both in a personified manner – in the official corporate profiles in social networks and in blogs, and anonymously – in forums, wikis and other resources. Personalized and anonymous environments exist in parallel. The study revealed that 90% of users regard positively the practice, when a company communicates in social media via a personified profile.

On the other hand, in this position a company representative decides, whether his message is addressed to a particular user or an unpersonified users group.

5) Interaction

Interaction with the audience and its involvement in corporate communication via social media enables reaching a wider audience, as well as testing or generating new ideas. However, the interaction should be based on the understanding of the audience's interests and needs because the users are less positive with their assessments of the situation, when the companies follow their profiles and are involved in their discussions. Here is an unwillingness of the users to allow the companies to come "into their territory", so it would be important for the companies in the communication with the users to let them withdraw from communication and choose by themselves, when to get involved. It is also essential for the companies to create the content that would be valuable for the users. At this stage, certain characteristics of Grunig's [8] two-way symmetrical model appear: according to it both parties change to a certain extent during communication.

6) Added value

Added value is a very essential element of the corporate communication process in social media. It affects all other elements as, by implementing each phase of the communication, the company representatives should think about the value offered by this activity to the social media users within the sphere of interest of the company. I have used the term 'added value' to describe the value, integrated by communicating party in its communication, which helps users to solve some of their problems, to improve the quality of their lives, to facilitate their daily lives or communication processes. The existence of added value determines whether the company's communication is going to be successful in social media. The necessity for added value is indicated by the following research findings: most often users point out that they are motivated to follow a corporate profile if they can receive valuable information or practical advice, and if they have to choose a company representative to communicate with, they prefer an expert, who can provide specific and useful information. Furthermore, two thirds of users stated that they have a positive attitude to the situation,

when a company communicates about topics, which are interesting to users, but are not strictly business-related.

Similarly as the economic added value reflects the financial value a company has added to its product or service, the communicative added value facilitates the achievement of the company's goals with the help of communication tools.

7) Strategy pressure and community pressure

Each element of the model is subjected to the impact of two pressures. On the one hand, when communicating in social media, company representatives are forced to become integrated into the corporate communication flow of the company, and to comply with the corporate communication strategy of the company. Company goals and interests have an impact on all elements of the process, thus making the communication process meaningful according to the point of view of the company. It reflects both Argenti's [9]-[11], and Grunig's [12], [13] as well as Bruhn's [14], and Van Riel's [5]-[7] positions, where a major role is ascribed to strategic communication, which has been harmonised with the company's overall goals.

On the other hand, in social media company is under pressure from user communities that are critical in their attitude to the commercialization of social media environment, are reluctant to accept the companies, immediately distribute the scandalous information related to the companies. This pressure is also caused by the user generated content that can be created at any time and distributed in any social media. If it affects the company, it creates an additional pressure. Social media are characterized by the fact that they are not only about the target audiences of the company, but also about the communities that affect these target audiences. This explains the meaning of Cornelissen's [15] concept of stakeholders, when not only the existing or potential customers count, but also those, who can influence them.

This means that the company representatives, who are communicating in social media on behalf of the company or brand, should always take into account the two pressure sources, as ignoring one of them may cause troubles for the company: either the communication will not correspond to the interests of the company anymore or it will cause users' displeasure.

'Added value' is the central element in the proposed model. On the basis of the study results, the following added value criteria were established:

- 1) Providing consultations or practical recommendations to users in the social media profile;
- 2) The availability of the company's/organisation's experts for communication in social media;
- 3) Responding to questions or criticism published in the company's social media profile;
- 4) Responding to questions or criticism published in the user's profile;
- 5) Publishing information that is interesting for the user, but is not directly related to the company's/organisation's activity;
- 6) Providing services in the social media profile; granting bonuses to social media users.

III. CONCLUSIONS AND DISCUSSIONS

Specific features of the social media are associated with users' possibility to generate content, as well as to realize the mutual interaction and communication. There are no revolutions under the influence of social media in the communication field, but many of the communication processes become more visible, groups or communities that could not achieve the traditional media are entering the public sphere through the social media, what is significantly affecting the companies as well, forcing them seriously and purposefully to organize their communication in the social media environment.

The existing corporate communication theories are focused on management functions, vision of integrated communication process, concerned parties. However, these models were created at a time, when social media did not exist; therefore there is a need for a theoretical structure typical of the social media environment.

This article proposes the added value model, which reflects the corporate communication process in social media. According to this model, the corporate communication process in social media is constant, taking into account companies' and social media communities' interests and goals, choosing the specific social media according to the message, as well as creating an added value for communication. This model may facilitate the comprehension of the corporate communication process characteristic of the social media environment.

Finally, this model illustrates the potential of social media to serve not only as a corporate communication channel, but also a platform, which provides a limited or full range of services and service support and satisfies users' needs. Thus, social media become part and parcel of entrepreneurship helping to achieve the company's goals more effectively. Consequently, the proposed model may serve as a crucial point of reference for starting or improving corporate communication in social media.

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