

# Aspects Regarding Responsible Communication as a Marketing Priority of the Modern Company

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## Abstract

Addressed in an empathic and intelligent manner, the way companies communicate can transform from an effort to manipulate to a valuable service offered to consumers. The present paper aims to explore the most important characteristics that a company's communications should have, the strategies to be adopted and the technical solutions which can be exploited in order to be able to delight clients with a great communication process. The research goals were set taking into account aspects of an ethical, psychological, legislative, economic and technical nature, which act systemically on customers' perceptions. The most important part of the research consisted in analyzing the information systems available on the market which can be used by organizations in the process of relating to their customers. The main contribution of this study consists in pairing up the characteristics of a responsible company-to-consumer communication process with practical solutions, offered by modern information systems.

**Keywords:** Responsible Communication, Marketing Communication, Marketing Content, Marketing Content Management, Company-To-Consumer Communication

## Introduction

Communication, in general, has become more and more sophisticated with the advance of technology. Company-to-consumer communication, in particular, has had to keep up with technological advancements and, all together, adapt to increased competition. Responsible communication is most often associated with conveying the truth in a manner which does not try to manipulate (Johannesen, Valde & Whedbee, 2008). This includes avoiding omitting details that could potentially influence the customer's perception and preference in a negative way. However, conducting a responsible communication process actually means much more and should also focus on avoiding inconveniences caused to clients, such as being spammed, confused, offended, bored by or overloaded with information.

A company which strives to become an excellent communicator should carefully manage its entire range of customer touch points and focus on increasing both the actual and the perceived value of its communication process. Needless to say, only an organizational culture focused on the customer can facilitate such a pursuit.

### **Research Methodology and Objectives**

The present paper is based on literature review and best practice analysis and aims to define responsible communication as a subset of company social responsibility with its fundamental factors and characteristics, to highlight legislation governing company communication and to find emerging trends in modern company communication. Also, the authors explore the possibilities of using software tools for improving the process of communication.

### **Responsible Communication – A Key Factor in Providing Value to Company-To-Consumer Relations**

Whether they have a passion for attaining high standards of responsibility towards their customers or are simply trying to avoid legal charges and public scandals, the subject of responsible communication is important for all companies, regardless of their size, industry or history.

Responsible communication is a component of a larger current, started in the twentieth century called Corporate Social Responsibility (CSR). CSR is defined as referring to the obligation of companies and their employees to pursue policies, to make decisions, or to follow lines of action which are desirable in terms of the objectives and values of society (Bowen, 1953).

A more recent definition of CSR, formulated by the European Union (Green Paper, 2001) shows that CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.

The common point of all definitions is that CSR is a voluntary action, undertaken by the company independent of current regulatory laws (Stancu, Orzan, 2007). Faber-Wiener (2013, p.55) defines responsible communication as “the inclusion of socio-politically relevant arguments and forces in all decisions and management processes and the alignment of the communication to stringent communication principles”.

Following the concept of responsibility to the letter means obeying the literal interpretation of the law in all of the countries in which the company operates. This is, in itself, by no means a simple endeavor. What's more, acting in the spirit of responsibility has all the more complex implications. First of all, it means truly serving the customers, by placing their needs at the core of the company's strategy and actions. Secondly, it means always looking at the bigger picture, like trying to understand how the company to consumer communication impacts their choices and lifestyle, their families and acquaintances, their environment, in the short term as well as in the long term, with the purpose of making sure that every single piece of communication is providing value and avoiding immediate or future inconveniences.

### **Legislation Which Governs Company-To-Consumer Communications**

Legislation involving marketing communications has traditionally been subject to changes, problems of interpretation and controversies. Especially in the case of communications involving more than one country, which are more frequent than ever, it cannot generally impose definitive and clear cut rules. Moreover, the dynamic nature of communication makes it appear in ever changing forms and contexts, along with the continuous development of technology. As a consequence, national and international laws, regulations and treaties usually act in a reactive manner, trying to cope with a domain difficult to grasp and to predict.

Driven by the unprecedented expansion of e-commerce and by their comparatively lower costs, electronic channels have become both the most used and the most abused. Legislators

worldwide have been therefore forced to take action in order to protect customer rights. The major points of concern include:

- trying to limit unsolicited communication through anti-spam policies, opt-in and opt-out policies, communication frequency limits
- ensuring data privacy by regulating the storage and exploitation of consumer-related data, including the collection of cookies and IP addresses used to track navigation
- preventing false claims and deceptive communication

While some of these initiatives have resulted in clear, sometimes even quantitative rules, other concerns have a more elusive nature, which makes it extremely difficult to treat them in an unambiguous way. The fact that different countries have adopted dissimilar legal solutions further complicates matters.

Overall, the legislative impact counts as a step in the right direction, considering the fact that some of the best practices have spread and a general consensus among legislators has imposed at least some major points regarding email communication: the identity of the sender must be disclosed, an opt out mechanism must be in place, the labeling of the message must not be deceptive, a valid reply to address must be provided. In the USA, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 deals with these aspects. In Europe, the EU Directives 2002/58/EC and 2003/58/EC address the same topics.

In parallel, in many regions of the world, initiatives of establishing self-regulation systems and conduct codes based on the best industry ethics standards have materialized. In Europe, the example is the European Advertising Standards Alliance, which presents itself as being "the single authoritative voice on advertising self-regulation issues" that "promotes high ethical standards in commercial communications by means of effective self-regulation, while being mindful of national differences of culture, legal and commercial practice" (European Advertising Standards Alliance, 2013).

Apart from alienating clients, failure to adhere to ethical standards results in complaints. According to the European Advertising Standards Alliance, misleading advertising was the main subject prompting complaints in 2010. "This issue generated 20,805 complaints, which were related to approximately 10,500 ads. Issues related to taste and decency generated more complaints in absolute numbers (21,825 complaints) but these were related to a relatively small number of advertisements (approximately 3,500 ads)." Some sectors are apparently more likely to be complained about. "On average, at a European level, the electronic and information communication technology sector, the food and non-alcoholic beverages sector and the leisure and entertainment sector were the most complained about product/services sectors." The number of complaints varies significantly from country to country due to cultural, economic and historical reasons. "As well as being the countries with the highest ad spend, the UK and Germany account for 73% (38,918 complaints) of all complaints received in Europe." (European Advertising Standards Alliance, 2010).

### **Emerging Trends Related To Customer Communication Preferences**

There are a few characteristics of good customer communications that are simply common sense. Of course, the more personalized the communication gets, the more satisfied the customer will be. On the other hand, there are some emerging trends which haven't yet become that obvious and which are still overlooked or neglected by many companies.

- ***Communicating with mobile users matters.*** According to Google Shopper Marketing Council (2013) "1 in 3 shoppers use their smartphones to find information instead of asking store employees." This insight shows how critical it is to anticipate what the

clients might search for and make sure they find appropriate information, in a mobile-friendly format. Also, combining location-related data with other client data can generate extremely good results, especially in the case of promotional communication. For instance, announcing an available discount for a product that the client usually purchases, right when the client is entering the store or passing nearby, has good chances of being interpreted as a service rather than an annoyance.

- **Social media makes a big impact.** Engaging the audience on a social level is extremely important because people believe and trust peers more than they trust marketers. Social media is where customers can easily give feedback, make complaints or ask for help. If a company wants to be a part of these conversations, it has to understand social media not only as a way to tell stories, to advertise, but also as a place where they can listen to the customers (Wirthman, 2013).
- **Customers Are Becoming More and More Interested in Environmental Protection and Fair Business Practices.** Signaling fair trade marketing and environment friendliness has the potential to make the company's products and services more attractive for a large - and rapidly increasing - audience. An increasing number of people are basing purchase decisions on ethical values regarding working conditions or human rights and are starting to discriminate against products in relation to changing expectations, tastes and concerns for their health and globalization (Annunziata, Ianuario and Pascale, 2009).
- **Trust develops in a multi-channel context.** Trust used to be associated with the organization as a whole, but in today's multi-channel service environment, bonds of an emotional and rational nature are created with multiple points in the organization (such as front-line staff, self-service technology – ATM, e-commerce etc.) and an increasingly complex array of marketing communications. (Halliburton and Poenaru, 2010). Some examples of trust building activities recommended by clients in the financial, insurance and mobile industries are (Halliburton and Poenaru, 2010):
  - informing of better interest rates for your savings
  - signaling unusual spending on your account
  - warning e-mail messages when accounts are close to zero
  - keeping policies simple and easy to understand
  - explaining all the terms of a contract
  - keeping people updated on changes that save money
  - clear, unmisleading language in policy documentation
  - straightforward pricing

### Software With Potential To Improve Customer Experience

Too often, marketers begin planning the marketing communication anchored in the tools which are available to them. However, it should be the other way around: the receiver, the message content and, of course, the marketer's purpose should be the basis for deciding which tools to be used. Listed below are a few of the most important software categories which have a big impact on the quality of companies' communication to their customers.

- **Marketing Automation** software usually offers the following capabilities:
  - *email marketing*: triggering follow-up emails based on time and /or client actions; generating dynamic email content; generating email performance reports; managing subscriptions
  - *content marketing*: creating marketing content such as email messages and landing pages using a What You See Is What You Get (WYSIWYG) editor, without help from the

- IT department; reusing previously created marketing content; A/B testing marketing content such as email messages and landing pages
- *social media marketing*: including social features in email messages to clients, such as forward-to-a-friend buttons; scheduling social media posts through social media integration
  - *lead management*: generating sales leads, lead nurturing and scoring; providing actionable insights for sales representatives through Customer Relationship management software (CRM) integration; generating content engagement scores; sending alerts to sales representatives based on client action
  - *customer segmentation*: marketing automation software often has capabilities related to client list generation based on customizable targeting criteria
  - **Customer relationship management software** is usually designed primarily for the company's sales organization and often includes a module for the marketing department. CRM solutions mainly focus on: tracking opportunities, managing contact information and account information, pulling different data types related to clients together in one place, customer segmentation, delivering personalized messages, following up on recent purchases and cross selling. Marketing campaign planning and marketing campaign reporting can also be accomplished with the aid of CRM software. However, this requires customizations, as CRM doesn't usually provide functionalities like email marketing, prospective client behavior tracking or marketing program management, customizations which are possible but difficult and sometimes expensive (Miller, 2013).
  - **Business intelligence** software plays a key role in strategic planning. From a marketing communications point of view, the most important applications are:
    - understanding the client: drawing actionable insights through statistical analysis regarding customers and market trends, forecasting and performance management
    - customer profiling and market segmentation
    - personalization: deciding the criteria on which offers should be based, through simulation and experimentation
    - analytics: calculating key performance indicators relevant for marketers
  - **Knowledge management software** has a big potential of improving a company's communication to its customers in various ways:
    - helping marketers and sales professionals store and access product and brand knowledge, knowledge of competitors, of the market, best practices and case studies, company guidelines, laws and regulations etc.
    - improving the performance of contact center agents, which can have a very strong effect on client satisfaction
    - transferring tacit knowledge to explicit knowledge, which ensures that the experience accumulated by employees is not entirely lost once they change jobs or retire
    - making marketing content easily accessible to both marketing and sales
    - bridging the gap between marketing and sales: both marketing and sales are interconnected, marketing relying on sales for real-world feedback on marketing effectiveness, while sales rely on marketing to translate the received feedback into a value proposition that can resonate with future prospective clients (McAfee, 2011)
  - **Marketing asset management software** provides a centralized repository containing the digital versions of the company's marketing assets and templates that can be used for

internal and external communications. Its main role is to make sure that all marketing assets are compliant with company guidelines and respect the corporate identity.

- **Content Management Systems (CMS)** are used for creating and managing online content. The main functions of a CMS are:
  - enabling collective content management
  - reusing and repurposing existing components
  - facilitating collaboration
  - version control
  - ensuring a consistent look and feel with the use of publishing templates
- **Content Marketing Software** is used especially by business to business companies for managing the content marketing process. Its most important functions facilitate:
  - content strategy: aligning the marketing content creation and distribution with the identified marketing personas
  - content management: organization of content in a central repository which offers tagging and search features
  - scheduling content publishing
  - collaboration: helping contributors submit content or content ideas
  - content performance analysis
  - integration with marketing automation systems, content management systems, social networks, CRM systems and webinar platforms
- **Marketing Databases** should store data related to marketing interactions with clients and also include the data in the CRM system. It is extremely important that marketing databases are updated regularly. In business to business marketing in particular, customer databases have a tendency to get rapidly outdated, as people switch jobs and email accounts. Provided that enough attention is given to the actuality of the data, marketing databases are a gold mine for any business, laying the foundation for statistical analysis and for developing models of customer behavior.

Multiple databases in modern relational systems can be tuned for different marketing functions, for instance: one database could support BI reports while another can be linked to an online consumer preference center and a third could be used for email blasts. In large and active installations, several servers can be synchronized allowing load-balancing across multiple machines (Levey, 2012).

### **Important Factors That Any Communication Strategy Should Address**

There are so many factors that companies have to take into consideration in order to reach the goal of communicating successfully with their clients or prospects. Listed below are a few of those that are truly fundamental.

**Cultivating Customer Trust:** Customer loyalty is primarily based on trust. Besides the most obvious benefit of increasing profits, trust and loyalty can often act as a shield against competition, company mistakes and negative word-of-mouth. More than 20% of the overall trust of the company is influenced by customer communications, with impact over the duration of customer relationships, profitability of the business and customer advocacy (Halliburton & Poenaru, 2010).

**Making the Most of Customer Data:** The understanding of client needs is the basis of a good communication process and is facilitated by centralizing all data sources regarding clients (browsing logs, social media channels, purchase history, etc.). "For those with decision-making responsibilities involving branding, marketing, location planning, segmentation,

campaign management, promotional strategy, and customer retention, the interpretation and use of data is the name of the game." (Ogden-Barnes and Lowther, 2012, p.6.).

**Creating consistent customer experiences:** Maintaining a consistent communication style is one of the many important details that make or break the impression of professionalism. Being consistent includes avoiding disconnects between departments (e.g. marketing and sales).

**Being Creative:** There are many opportunities to communicate to customers that differ from the traditional approach. One example would be using transactional documents for a secondary purpose, like promoting the company and its products, as these documents have a high open rate.

**Not Taking The Customer's Permission For Granted:** The latest technological advances have brought with them, along with endless communication possibilities, a messaging overflow naturally followed by a decreased interest, a shorter attention span and varied ways of blocking out unsolicited communication, such as priority inboxes and spam filters. Therefore, unwanted communication can only damage the company's or brand's image. The right thing to do is to ask the customers if and how they would like to be contacted and to make sure that their stated preferences are at all times respected.

### **Important characteristics of responsible company-to-consumer communication**

The most important characteristics that a company's communication with its clients should have include:

**Integrity:** Companies should focus on including all the information which could be essential for their actual and potential clients' decisions. This preoccupation would not only preserve existing customer relations, but would also prevent public scandals or negative word of mouth. There are some industries which can be considered especially "sensitive", like food, pharmaceuticals and health care, where the consequences of incorrect or incomplete communication can be extremely serious.

Furthermore, another aspect which companies truly interested in acting with integrity should focus on is information asymmetry. A good example of information asymmetry is provided by the credence goods market. A credence good, as defined by Fong (2005, p. 114), is "a product or service whose usefulness or necessity is better known to the seller than the buyer"; providers of such goods and services are termed "experts". "Of concern in the market for credence goods is that experts may take advantage of their informational advantage over their customers" (Fong, 2005, p. 114). Informing the clients correctly and completely with regard to their problems and possible solutions is what a responsible company should do. Another responsible approach to information asymmetry is trying to educate the customer as much as possible with the purpose of enabling better informed decisions.

Another concern related to integrity should be the protection of customer data. This includes keeping private details and conversations private, keeping the customer informed about the personal data that is being collected and avoiding the initiation of undesired communication. *Software which supports the goal of ensuring integrity:* marketing automation software (educating clients; adding disclaimers to email communication; subscription management).

**Convenience:** Effective communicators always keep in mind that communication happens within a context. There are two main strategies which have the potential of greatly improving customer communication: adapting the elements of communication to the context and, where applicable, specifically choosing the most appropriate context in order to deliver a certain message.

*Software which fosters convenience:* marketing databases and marketing automation software (selecting the communication medium based on the preferences expressed by the customer, being able to trigger messages automatically immediately after or during the time clients browse the company's website or physical store).

**Relevance:** People are most receptive to the information which relates to their most immediate needs. This is why being able to anticipate and identify the customers' needs can make a very big difference in their response. Companies should take advantage of every opportunity to find out what their clients are interested in and looking for. Sometimes, clients provide such details themselves by filling in surveys or conversing with the company's employees. Moreover, there are many ways in which companies could pick up on clues, such as monitoring their online and offline behavior with the aid of specialized technology and personnel. Focusing on delivering relevant content to clients should start with actively listening to them and aim at ensuring that every message is useful, conveyed at the right time and matches the interests of the recipients.

*Software which increases relevance:* business intelligence software and marketing databases (identifying customer profiles, creating recommendation engines).

**Personalization:** Knowledge about the customer is the essential ingredient of good company-to-customer communication. Clients react positively to having their names mentioned in emails or receiving content based on their characteristics. The most frequently used personalization criteria in business to business marketing, for instance, are: location, industry, job level, job function etc. While this approach provides a good enough level of personalization, it is still limited, because it can only create customized content for a class of people and doesn't zero in on the individual. In order to provide an even better personalization, companies need to keep track of the information they accumulated about a particular customer over time, draw conclusions and adjust their messages accordingly, based on the client's past response to different marketing offers.

*Software which increases the level of personalization:* marketing databases (storing and retrieving all the data about the clients), marketing automation software (lead nurturing and lead scoring).

**Interactivity:** No one appreciates impersonal, one-sided communication. Companies need to make sure they implement methods that allow them to receive customer feedback and initiate a dialogue in order to create an emotional connection with the brand and company. They can use events, social media, websites and blogs to foster curiosity and help clients enter into dialogue. Where appropriate, demos and trial versions can also be a very good opportunity to allow clients to interact with the products.

*Software which facilitates interactivity:* content management systems (creating online feedback forms, opinion polls, forums etc.), content marketing software (creating and publishing interactive marketing content).

**Coordination:** In order to build and maintain a powerful brand image, a consistent user experience is essential. This involves consistency of style, correct branding, channel integration and avoiding redundant or conflicting messages.

*Software which aids coordination:* knowledge management software (sharing client and brand knowledge within the company), marketing asset repository, content marketing software and content management systems (creating, storing and reusing content in a consistent and collaborative way).

**Simplicity:** Great communicators always keep in mind the opportunity costs of information processing. Whenever possible, companies should simplify the message, so that the receiver



doesn't have to make a real effort in order to understand it. Cultural adjustments, like translations and appropriate cultural references, also help. Furthermore, design should always serve a communication purpose. Otherwise, it's just background noise.

*Software which reduces complexity:* marketing automation (A/B testing features); marketing asset management (preserving the most successful messages and designs and using them as a reference).

**Attractiveness:** A great way to grab the client's attention is combining multiple senses in order to convey a message in a more suggestive way. Using the power of scent, sound and touch can be extremely effective. This can be accomplished, for instance, in stores or with the aid of 3Dmail (mail containing three-dimensional objects).

*Software which increases attractiveness:* knowledge management software (sharing best practices and success stories).

### Conclusions

The article presented an extended perspective regarding responsible marketing communications, which didn't solely focus on the preoccupation of informing clients correctly and completely, so that they are in a position of making educated decisions. It also encompassed the aim of providing value with every single piece of communication, in a non-invasive and integrated manner, making sure that the clients are in no way spammed, confused, offended, bored by or overloaded with information.

Taking into consideration aspects like legislation and customer preferences regarding marketing communication, the most important factors that any communication strategy should address were identified. The analysis of the most relevant software categories available on the market provided solutions for addressing communication problems, challenges or prospects for improvement. The main contribution of the study lies in identifying the critical aspects of a responsible communication process and pointing out practical solutions for companies to achieve this goal.

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