Corporate Communication & Social Media: A study of its usage pattern

Manvik P. Raj¹, Dr. K. J. Joseph², Jesus Milton Rousseau S.³
¹Research Scholar, Department of Mass Communication & Journalism, University of Mysore
²Professor, Department of Mass Communication & Journalism, University of Mysore
³Research Scholar, Department of Communication, Bangalore University

Abstract: Social media helps corporate communication professionals to build and maintain relationships with all the publics. Nowadays a company’s reputation also depends on the image built by the company in social media. This study aims to examine; on how corporate communication professionals use social media for corporate communications. The data for the study was collected from 125 corporate communication professionals across Bengaluru city through a scientific survey method and sampling procedures. The research study found that Facebook, Twitter and LinkedIn were extensively used for corporate communication. The most popular uses of social media for corporate communications were employee communication, customer/consumer relations, relationship with general public and media relations. Majority of the messages shared on social media were pertaining to events organised by the company, achievements, news, promotional messages and corporate social responsibility. Social media is the future; hence, corporate communication and PR professionals should exploit this media for all their corporate communication uses, needs and campaigns.

Keywords: Social Media, Corporate communications, Public Relations, Facebook, Twitter, LinkedIn, YouTube, Blogs.

I. INTRODUCTION

Social media has transformed the field of corporate communications and the way it is practiced and possibly professional effects. Companies use social media to share their company’s news, messages, achievements, etc. instantly with all their stakeholders. In other words, social media is used as an important tool for strategic corporate communication. The union of “communications and technology offers PR professionals the potential to mould their performance in a more strategic direction.” (Breakenridge, 2012) Also, the emergence of social media has created a new style of communication pattern between a company and its customers, giving customers the potential to give instant feedback and ideas. E.g. a customer can comment or post his opinion on the wall of a company’s Facebook fan page.

Social media is one of the favourite online activities used by the public every day. According to Digital Life survey by TNS in 2010, “internet users spent 4.6 hours a week on social sites, compared with 4.4 hours on email, which was the most common internet activity.” (emarker.com, 2010) Jason Mander in GWI Social – Q1 2015, GlobalWebIndex’s quarterly report on the latest trends in social networking found that “one in every 4 minutes spent on the internet is on a social network”, with the increased use of internet on mobile phones. Facebook has the highest number of users and more than 50% of them visit Facebook more than once a day. The report also found that “an average person has 5+ social networking accounts.” (Mander, 2015) Another report found that, “Social networking is the most time consuming activity for an internet user. A normal internet user spends around 22% of its time on SNSs, 21% on searches, 20% on reading content, 19% on emails and communication, 13% on multimedia sites and 5% on online shopping.” (go-gulf.com, 2012)

A report on social media marketing found that 88% of marketers use social media to market their business. Further, the report portrayed the advantages of social media marketing as ‘generating exposure for the business, followed by increasing traffic, building new business partnerships, helped to rise in search rankings, generating qualified leads and reducing marketing expenses.’ (Stelzner, 2009) Hence, with the rising adoption of social media based on its advantages and its global impact, majority of the companies have presence in social media for various functions. McCorkindale stated, more than half (69%) of the Fortune 2000 companies currently used SNs, while 37% planned to use over the next five years. (McCorkindale, 2010) Already in the technology field, traditional media like print and broadcast is seen as obsolete. Hence, “many tech companies believe that traditional media is dying and that blogs and social networks are in.” (Solis, 2009)

Companies use social media channels like Blogs, Facebook, Twitter, LinkedIn, YouTube for corporate communication to reach large number of people. According to 2009 Digital Readiness Report, “Public relations is leading the social media revolution inside organizations of all types and sizes.” Further the report stated, “PR leads marketing in the management of all social media communications channels; PR leads digital communications in 51% of organizations; PR is responsible for blogging at 49% of all organizations and is
responsible for social networking at 48% of all organizations and PR is responsible for micro-blogging at 52% of all organizations.” (Schwartzman, Smith, Spetner, & McDonald, 2009)

Social media helps corporate communication professionals to build and maintain relationships with all the publics including journalists. Perkett adds, “Everyone is busy and social media enables professionals to maintain ongoing, quality relationships with influencers, media, customers and partners regardless of where they are.” (Perkett, 2010) Also social media helps improve community relations. “Social media, more, so than new/digital media, must be at the heart of public relations activities because social media can enhance organization-public relationships by increasing and improving community relations.” (Duhe, 2012) Social media is also used as an effective tool for internal communication.

Social media has empowered the consumers by giving them the power to express their views or opinions on a product or service freely to their networks. Burns justifies, “The pyramid of power has shifted and the consumers and employees formerly at the bottom have become the new influencers within a peer-to-peer network”. (Burns, 2008) Hence, if a company is not participating in social media, they are missing an opportunity, as their customers are already spreading messages about them, sometimes even damaging messages about the brand. (Siepel, 2010)

Nowadays a company’s reputation, brand image, success or failure all depends on the image built by the company in social media and also their own performance in the globalised market system. Therefore, the future of PR and corporate communication depends on how well communication professionals learn and adapt new technologies and practices. (Breakenridge, 2012)

II. PURPOSE

Earlier researches focussed only on specific aspects like how new media are used in PR or corporate communication, social media used for PR or corporate communication, impact of social media on PR. The present study is the first of its kind, as such exploratory to examine on how communication professionals use social media in their day to day corporate communication activities. The purpose of this research is to explore the frequently used social media sites for corporate communication; popular uses, types of messages and frequency of posts shared on social media sites for corporate communication and do companies respond to criticism on social media. This study contributes to the emerging body of literature on the new style of public relations and corporate communications.

III. LITERATURE REVIEW

Earlier researchers have analyzed the social media used frequently for corporate communications. L. Carim and C. Warwick’s study found that companies used social media - microblogging, video-sharing and social networking sites for corporate communications, (Carim & Warwick, 2013; Eyrich, Padman & Sweetser, 2008). According to Burns, the most popular form of social media used is videos (75%), followed by blogs (50%), social network profiles (50%) and podcasts (41.7%). (Burns, 2008)

The most popular social networking sites used for PR or corporate communications was LinkedIn, Facebook and YouTube. (Macnamara, 2010) Donald K. Wright and Michelle D. Hinson’s research study found that Facebook was more frequently (83%) used in public relations, followed by Twitter, LinkedIn and YouTube. (Wright & Hinson, 2010) Later, Wright and Hinson’s longitudinal research between 2006 and 2014 on Social and Emerging Media Use in Public Relations Practice found “Twitter narrowly replacing Facebook for the first time as the most frequently accessed new medium for public relations activities. LinkedIn and YouTube were the next most frequently used sites.” (Wright & Hinson, 2014)

Social media can be supplementary to traditional communication tools. In this connection, it is worthwhile to quote from Greg Hearn, Marcus Foth and Heather Gray’s research, “New media and Web 2.0 services can be employed to work in tandem with conventional communication tools such as phone, fax and corporate intranets. Such a hybrid approach enables organizations to maintain and strengthen existing stakeholder relationships, but also reach out and build relationships with new stakeholders who were previously inaccessible or invisible.” (Hearn, Foth & Gray, 2009)

A study on the “Adoption of social media for public relations by non-profit organizations” by Lindley Curtis, Carrie Edwards, Kristen L. Fraser, Sheryl Gudelsky, Jenny Holmquist, Kristin Thornton, Kaye D. Sweetser, found that, “Organizations with defined public relations departments are more likely to adopt social media technologies and use them to achieve their organizational goals.” (Curtis, Edwards, Fraser, Gudelsky, Holmquist, Thornton, & Sweetser, 2010)

Social media is used as a strategic tool to communicate with the public. Blogs, micro-blogs and social networking sites are changing the way companies communicate with their publics like employees, customers, investors, local communities, suppliers, governments and other stakeholders. (Wright & Hinson, 2010) Further, Carim & Warwick stated, “building a dialogue with stakeholders is a prime reason for using social channels.” (Carim & Warwick, 2013) Companies use social media for important conversations with their publics, as found
in DiStaso, McCorkindale & Wright’s study, “Organizations are using social media to engage in important conversations and to enhance understanding of markets, customers, competitors, and employees.” (DiStaso, McCorkindale & Wright, 2011)

A variety of reasons are cited by researchers in terms of social media access and uses in corporate communications. According to Macnamara, social media was used by PR professionals for “gathering feedback and building relationships, while others used it for marketing and brand promotion and some cited sales.” (Macnamara, 2010)

Few researches focused only on a particular social media like Twitter. A research study on “Twitter as a Public Relations Tool” found that PR practitioners considered microblogging to be a valuable asset to a campaign’s social media strategy. (Ewans, Towney & Talan, 2011) Similarly, Jeremy Porter’s article on Facebook for Public Relations, states that “Facebook can be an excellent medium for brainstorming story angles with your media friends.” (Porter, 2010) Another study showed how Facebook was used by non profit organisations. The study stated, “Nonprofit organizations recognized the rapid expansion of the social networking phenomenon, and they wanted to be on Facebook.” (Waters, Burnett, Lamm & Lucas, 2009)

Social media were found to be an effective instrument of contingency management in times of disaster in almost every other sphere. Social media was used in crisis planning. Shelley Wigley and Weiwu Zhang in their study found that most of the companies used Twitter as a tool in their crisis planning. Also, they stated, “public relations professionals whose organizations rely more heavily on social media tools in their crisis planning correlated positively with practitioners’ greater confidence in their organization’s ability to handle a crisis.” (Wigley & Zhang, 2011)

Also research has found that, “social media has dramatically reduced the turn-around time when organizations are communicating with certain target publics.” (Wright & Hinson, 2008) While another research highlighted the major challenges in using social media as “the need to respond quickly, authorisation to comment publicly in government organisations, identifying clear objectives and business reasons for using social media and loss of control”. (Macnamara, 2010)

Some of the research studies highlighted the fact that companies have not exploited social media to its full potential for corporate communications. Lina Margarita Gomez Vasquez and Ivette Soto Velez’s research paper on Social Media as a strategic tool for Corporate Communication, used content analysis method on the Facebook and Twitter official profiles of the top 400 locally owned Puerto Rican companies in 2009 and concluded that, “Puerto Rican companies are not employing social media platforms for improving communications with different stakeholders, failing to take advantage of the enormous possibilities that social media has for communication.” (Vasquez & Velez, 2011) Further, McCorkindale also found that majority of the companies in the Fortune 50 were using Facebook, but were not utilizing its full potential. The Facebook fan page was typically used to post information by the publics and not by the organization. Companies were not using Facebook to post news, instead merely posted news releases and mission statements. Also, few companies only used Facebook for spreading information about their corporate social responsibility (CSR) activities. (McCorkindale, 2010)

Lastly, in a study on “Social Media and the Evolution of Corporate Communications”, Matthews highlighted, “How companies are responding to the social media revolution is an indicator of future success. Companies that are too slow to adopt these new technologies and practices are going to be left behind. Consumers are communicating with one another via social media, even if the companies that are their topics of discussion are late to join the social media game. Social media is going to continue to develop and change, and corporate communications practices are going to change with it. Social media has already proven an invaluable tool to the industry, and the future holds a wider teaching and implementation of these tools. The advent of social media has resulted in the evolution of corporate communications.” (Matthews, 2010)

3.1 Indian studies

In India, there were no concrete studies on using social media for corporate communication. There were only few studies on corporate communication. Ananthakrishnan’s doctoral thesis on “Impact of Corporate Communication on Internal Public” concluded that “both external and internal Corporate Communication activities in HAL had significant impact on the internal public of HAL.” (Ananthakrishnan, 2011) And B. P. Mahesh Chandra Guru and R. Raghavendra’s research on Corporate Communication in public and private corporate houses of Karnataka found that corporate houses have achieved success in their business management by utilizing the potential of corporate communication. (Guru & Raghavendra, 2013)

However, these studies have not focused their attention on the uses of new media or social media in corporate communication activities in their respective organizations. Therefore, the present study specifically attempts to fill in this void and analyse how social media have become part of the organizational ethos and communication culture in Karnataka state; particularly with reference to private enterprises vis-à-vis corporate communication.
IV. RESEARCH QUESTIONS

RQ1: What are the frequently used social media sites by companies/organizations for corporate communication?

RQ2: What are the purposes/popular uses of social media in corporate communication?

RQ3: What types of messages are shared on social media sites by the companies/organizations?

RQ4: How frequently do companies/organizations post on social media sites?

RQ5: Do companies/organizations respond to criticism on social media?

V. METHODOLOGY

The present study used interview and survey method to collect information and necessary data from corporate communication professionals across Bengaluru city. Survey method was used, as it is one of the most cost effective ways to collect information across a region within short span of time. Also survey method helps in collecting the true responses from the participants as their confidentiality is assured. The survey method was followed by interview to gain more valuable insights into the area of research.

A closed ended questionnaire was prepared with minimum questions based on the research questions stated above. The questionnaires were administered face-to-face to a sample of 125 corporate communication professionals across Bengaluru city. Only 84 completely filled-in questionnaires were considered for the analysis of the research, as the other questionnaires were either incomplete or not adequate for the study. Among the sample, 20 professionals were randomly selected and interviewed. A percentage analysis was tabulated to infer the findings.

VI. ANALYSIS AND DISCUSSION

6.1 Demographic Profile

Gender wise the sample had more number of female 52.38% (n=44) respondents than males 47.62% (n=40). And age group wise majority of the respondents 53.57% (n=45) belonged to 26 to 30 years, 28.57% (n=24) were 30 years & above and only 17.86% (n=15) belonged to 20 to 25 years. Among the sample majority of them 57.14% (n=48) had completed their post graduation, 33.33% (n=28) had their graduation degrees and 9.52% had completed their PG diploma. Designation wise the sample had respondents across all the cadres: 26.19% (n=22) executives, 19.05% (n=16) managers, 14.29% (n=12) senior executives, 11.90% (n=10) senior managers, 9.52% (n=8) directors, 7.14% (n=6) assistant directors and consultants each and 4.76% (n=4) assistant managers. Also, vertical wise majority of the respondents were from technology 61.9% (n=52), followed by 14.29% (n=12) each from education and consumer verticals, 7.14% (n=6) from other verticals and 2.38% (n=2) from healthcare vertical.

6.2 Frequently used social media sites for corporate communication

Facebook was the most frequently used social networking site for corporate communication. With 1.49 billion Facebook users worldwide, majority of the respondents 95.24% (n=80), in this study also, used Facebook for corporate communication. The second most widely used social media tool for corporate communication was Twitter with 80.95% (n=68). The third frequently used social media was blogs with 73.81% (n=62) followed by LinkedIn with 71.43% (n=60), YouTube with 61.90% (n=52), Google+ with 28.57% (n=24). While Pinterest with 11.90% (n=10), Slide Share with 7.14% and Tumblr & others with 2.38% (n=2) each were used minimally. (See Fig. 1)
According to a corporate communications manager, “Facebook and Twitter are the best social media platforms to reach large number of people instantly. If you’re company or brand is not present on Facebook and Twitter then you’re hidden in the virtual world, while your competitors are shining.”

6.3 Popular uses of social media for corporate communication

The most popular uses of social media for corporate communication was employee communication and customer/consumer relations with 61.90% (n=52) each; followed by relationship with general public 57.14% (n=48), media relations 50% (n=42), community relations with 33.33% (n=28). While 28.57% (n=24) of the respondents opted for all the uses of social media for corporate communication which includes shareholder/investor relations, employee communication, trade union relations, supplier relations, dealer/distributor relations, media relations, customer/consumer relations, community relations, relationship with financial institutions, government relations and relationship with general public. Other respondents opted for dealer/distributor relations 23.81% (n=20), supplier relations 14.29% (n=12), government relations and shareholder/investor relations with 9.52% (n=8) each, relationship with financial institutions with 5.95% (n=5) and trade union relations with 2.38% (n=2). (See Fig. 2)

The director of corporate communications of a leading company adds, “For us both customer relations and employee communication are of top priority, as maintaining a promising image in front of them helps us in gaining the confidence of other stake holders.”

Another corporate communications manager adds, “the advent of social media helps us in maintaining a cordial relations easily with all the local, national and international stake holders like customers, employees, media, shareholders, suppliers and government; both accessible and inaccessible.”

6.4 Types of messages shared on social media

Majority of the messages 80.95% (n=68) shared on social media were pertaining to events organised by the company, followed by achievements of the company with 64.29% (n=54), news with 59.52% (n=50), promotional messages with 52.38% (n=44), corporate social responsibility (CSR) with 50% (n=42), general messages with 40.48% (n=34). Some companies 38.1% (n=32) conducted online contests via social media. While few companies share testimonials 28.57% (n=24), inspirational quotes 16.67% (n=14). Also, 14.29% (n=12) of the respondents used social media to portray all the messages including general messages, promotional messages, news, contests, CSR, philanthropy, events, annual reports, achievements, testimonials and inspirational quotes. Only 7.14% (n=6) of the respondents used social media to share their annual reports, another 4.76% (n=4) used it to convey philanthropy messages and 2.38% (n=2) used social media for conveying other messages like career opportunities. (See Fig. 3)

A corporate communications executive cited, “Social media gives us the platform to share all kinds of news, information, reports, etc. instantly with all our stake holders.”

While a senior corporate communications manager cautions, “messages shared on social media have to be written carefully, as any simple mistake or misrepresentation of facts can tarnish the image of the company. Hence, utmost care has to be taken while framing messages to be shared on social media.”
6.5 Frequency of messages shared on social media for corporate communication

Among the companies surveyed, 26.19% (n=22) of them posted messages once or twice in a day, followed by 21.43% (n=18) posted once in 2-3 days, while 14.29% (n=12) posted several times a day and once a week each respectively. The rest 11.90% (n=10) posted regularly (hourly once), 9.52% (n=8) posted once every few weeks and 2.38% (n=2) posted need-based, that is whenever the company had some important information to share with their publics. (See Fig. 4)

6.6 Response to criticism on social media

Majority of the respondents 57.14% (n=48) highlighted that their company responded to criticisms on social media. The companies responded to criticisms on social media by 38.10% (n=32) of the respondents justifying their company’s policy or stand, while 28.57% (n=24) clarified and 29.76% (n=25) rectified the problem.
An assistant director of corporate communications in a reputed company stated, “We have to be prompt and reply to criticisms on social media, before it spreads like wild fire. We generally try to clarify by putting forward our point of view, substantiated by truth or facts.”

VII. MAJOR FINDINGS

The following are the major findings of the study:

1. Majority of the corporate communication professionals use Facebook (95.24%), followed by Twitter (80.95%) and LinkedIn (73.81%) on social media for corporate communication.
2. The most popular uses of social media for corporate communication was employee communication (61.9%) and customer/consumer relations (61.9%), followed by relationship with general public (57.14%) and media relations (50%).
3. Majority of the messages (80.95%) shared on social media sites were pertaining to events organised by the company, followed by achievements (64.29%), news (59.52%), promotional messages (52.38%) and corporate social responsibility (50%).
4. Only 26.19% of corporate communication professionals posted messages on social media once or twice in a day.
5. Majority of the companies (57.14%) responded to criticisms on social media.

VIII. CONCLUSION

Majority of the netizens are addicted to social media. With over 1.49 billion Facebook users, 850 million Facebook groups, 380 million LinkedIn users, 304 million Twitter users (Statista, 2015) it is evident that the future of social media is bright. Hence, companies have to utilize the valuable features of social media for corporate communication or else they will be left behind while their competitors are stealing the online limelight.

Whether a company is using social media or not, their employees, customers, share holders, investors and all the stake holders are using social media both for their professional and personal use. Hence, if a company is not creating a positive identity on social media, they are loosing by letting off their competitors to reap the benefits of social media, followed by the negative comments or discussions revolving around the company on social media. So, it is time for all the companies to create a social media presence by aligning with their company’s ideals and philosophies and reap the benefits of social media.

The present study found that majority of the companies used social media for corporate communication. The results clearly showed that social media was used effectively for building and maintaining employee communication, customer/consumer relations, relationship with general public and media relations. In future, social media usage for corporate communication will be used more effectively for trade union relations, supplier relations, community relations, shareholder relations and government relations.

Today an active social media account is far more valuable and significant than an inactive account. An inactive social media account will only create negative publicity for the company by showing their incapability to update the activities or events of the company; which is equivalent to not having a unique identity on social media and will ultimately lead to tarnishing the online image of the company or brand.

Social media is the future; hence communication professionals should exploit this media for their corporate communication needs and campaigns. Social media campaigns can boost the image of the company in the sight of all the stakeholders. In India, since social media is still picking up; thus, a proper mix of the traditional media along with the social media adds to the ingredients of effective corporate communication. But the messages in social media has to be attractive, clear and crisp to gain maximum momentum and reach large number of online users.

IX. LIMITATIONS AND FUTURE RESEARCH

The present research study has tried to find out the frequently used social media sites by companies or organizations for corporate communication; popular uses, types of messages, frequency of messages posted on social media sites for corporate communication and do companies respond to criticisms on social media sites. This study also has its limitations of the sample size, diversity of organizations and timeline. The sample size was limited to only Bengaluru city; hence the results cannot be generalized across India.

Thus, future research study can be conducted on a large number of corporate communication professionals across India or the world. Also, a study can be conducted on the usage of social media for corporate communication by public sector or government sector. Further, a comparative analysis between public and private sectors on the usage of social media for corporate communication can be studied. Also, future studies can examine the usage of specific social media sites like Facebook, Twitter or LinkedIn for corporate communications.
REFERENCES


WEBSITES


