

# Social media and the evolution of corporate communications by laura matthews assi...



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Matthews ??? 17 Social Media and the Evolution of Corporate

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Communications Elon University Abstract Social media has revolutionized

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campaigns or programs are distributed and measured. Rather than the

traditional method of pure output, social media has forced corporate

communications to shift to a dialogue in which the stakeholders, and not just

the companies, have power over the message.

Social media is a revolutionary communications tool that has quickly

changed the ways in which public relations is practiced, becoming an

integral part of corporate communications for many companies and offering

public relations practitioners new options for every aspect of the corporate

communications process. I. Introduction Social media has revolutionized

corporate communications. Social media marketing allows companies to

communicate directly and instantly with their stakeholders, marking a shift

from the traditional one-way output of corporate communications, to an

expanded dialogue between company and consumer.

This paper aims to examine the relationship between social media and

corporate communications, specifically focusing on the uses of social media

for public relations and analyzing the changes that have occurred within the

industry as a result of social media tools. Social media marketing is an

umbrella term that includes the use of social media for sales, marketing,

customer service and public relations, indicating a convergence of these

traditionally separate corporate departments.

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Social media consists of online technologies, practices or communities that people use to generate content and share opinions, insights, experiences and perspectives with each other (Television Bureau of Advertising, Inc. , 2009). Examples include blogs (e. g. Blogger, WordPress), intranets, podcasts, video sharing (e. g. YouTube), photo sharing (e. g. Flickr), social networks (e. g. Facebook, MySpace), wikis (e. g. Wikipedia), gaming sites, virtual worlds (e. g. SecondLife), micro-blogging (e. g. Twitter), videoconferencing, instant message chats, social event/calendar systems (e. . Eventful), social bookmarking sites (e. g. Delicious, Digg, StumbleUpon), and news aggregation sites, among others. In the last decade these technologies have risen in popularity and ubiquity, and are being utilized by public relations practitioners to perpetuate the ever-changing industry of corporate communications. While it represents many different technologies, social media will be referred to in the singular form throughout this paper. \*

Keywords: social media, public relations, corporate communications,

marketing E-mail:[email protected]com 8 ??? The Elon Journal of

Undergraduate Research in Communications ??? Vol. 1, No. 1 ??? Winter

2010 In today's corporate world, the success or failure of any company hinges on public perception. The opinions of key company stakeholders, such as shareholders, investors, consumers, employees or members of the community in which the organization is based, are all crucial to the long-term success of the company, and should be viewed as such by executives. Social media allows for corporate communications opportunities that a decade ago would not have been plausible.

Public relations is an old industry that has relied on the same tactics and formulas for much of its history, and that has traditionally been measured by the amount of media coverage resulting from output company messages. Social media is rapidly changing the way that public relations campaigns or programs are distributed and measured. Rather than the traditional method of pure output ??? completely company-controlled messages being broadcast to the stakeholders ??? social media has forced corporate communications to shift to a dialogue in which the stakeholders, and not just the companies, have power over the message.

Social media allows stakeholders to ask questions and have those questions answered directly by corporate executives, and for corporate executives to receive important feedback and even ideas from their stakeholders (Owyang, 2007). Public relations in the traditional sense has come to be seen by many as “ smoke and mirrors,” deceptive messages being created by “ spin doctors. ” Because of this, many people have come to distrust media ??? the traditional means by which the industry is measured ??? and put more trust in the opinions f their peers, which they have access to on social media sites (Woolf, 2009). Social media not only offers an opportunity for direct and instant corporate communication, but also an opportunity to get back to the ideal basics of public relations ??? building and maintaining relationships ??? and to change some of the negative stereotypes typically associated with the industry. II. Literature Review A number of research studies have been conducted to examine the transition from traditional practices to public relations in the social media age.

The majority of these studies aimed to answer a common set of questions regarding the use of social media for corporate communications, involving the most common forms of social media marketing, the time commitment involved for social media marketers, the benefits of social media marketing, the audiences being reached by social media marketers, how the effectiveness of communications are measured in social media marketing and the impact that social media marketing will have in the future. An online survey of 880 participants was conducted in March of 2009 by social media marketer Michael Stelzner.

Most of the participants use social media marketing to some extent, and the study sought to uncover the “ who, what, when, where and why” of social media marketing (Stelzner, 2009). In the report titled Social Media Marketing Industry Report: How Marketers Are Using Social Media to Grow Their Businesses, Stelzner examines the top 10 social media questions being asked by public relations practitioners, the time commitment and benefits of social media marketing, the most commonly used social media tools, the social media tools practitioners want to learn more about and additional analyses of demographic information (Stelzner, 2009).

Social media is a relatively recent innovation, and social media marketing is a comparatively new industry. Of the almost 900 survey respondents, most still had questions regarding the best tactics to use in social media marketing, how to measure the effectiveness of social media and where to begin with social media marketing (Stelzner, 2009). Eighty-eight percent of the practitioners surveyed in Stelzner’s study reported using social media for

marketing, but 72 percent of those have only been doing so for a few months or less.

When measuring the time devoted to social media marketing efforts, 64 percent of respondents spend five or more hours weekly on social media, and 39 percent devote 10 or more hours each week. The number one advantage of social media, according to 81 percent of respondents, is getting more exposure for the company. This was followed by increased traffic and the formation of new business relationships.

The practitioners surveyed in Stelzner's study reported using Twitter, blogs, LinkedIn and Facebook most frequently for social media marketing, and reported wanting to know more about social bookmarking sites (Stelzner, 2009). The survey indicated that the longer a practitioner has been using social media, the more time he or she devotes to it per week. Another benefit of social media cited by more than half of respondents was a rise in search engine rankings.

The study also examined some demographic information for social media marketers, and found that people between the ages of 30 and 39 are most likely to be using social media for marketing (Stelzner, 2009). In a 2007 PRSA online survey, working public relations practitioners were asked about their use of 18 social media tools and "their perception on the growth of social media trends in public relations practice" (Eyrich, Padman, & Sweetser, 2008). The survey found that social media technologies allow PR practitioners "to reach out to and engage their publics in conversation . . .

nd provides an avenue to strengthen media relations,” and that a majority of practitioners felt that communications technologies such as social media had made their jobs easier, allowing them to reach broader audiences and expedite the circulation of information (Eyrich, Padman, & Sweetser, 2008). On average, survey respondents used 5.97 of the 18 social media tools listed, with e-mail, a long-established tool, being the most widely used, followed by intranets, blogs, videoconferencing and podcasts (Eyrich, Padman, & Sweetser, 2008). Josh Bernoff and Charlene Li, both researchers at Forrester Research, Inc. coauthored a book called *Groundswell: Winning in a World Transformed by Social Technologies*. Forrester is an independent technology and market research company, and Bernoff’s and Li’s book pulls data from Forrester research studies to examine audience demographics for social media marketers. The authors define the groundswell as “ a spontaneous movement of people using online tools to connect, take charge of their own experience, and get what they need ??? information, support, ideas, products, and bargaining power ??? from each other” (Bernoff & Li, 2008).

This “ groundswell” gives the control to the consumers, rather than the company, something that many companies are wary of, but that Li and Bernoff address as an opportunity in their book. Bernoff and Li examined the usage of various forms of social media by online Americans. They found the following: 25 percent of online Americans read blogs, and 11 percent write them; 29 percent watch usergenerated video, and 8 percent upload user-generated video; 25 percent visit social networking sites; 18 percent

participate in discussion forums; and 25 percent read ratings and reviews (Bernoff & Li, 2008).

All of the relevant studies of social media and corporate communications report similar findings. Along with demographic information for both practitioners and audiences, are the ideas that content is no longer exclusively controlled by professionals, corporate communications are moving from pure output to dialogue, and traditional public relations practitioners are interested in using social media for marketing, but there are still questions and concerns regarding the proper way to infiltrate this rapidly growing market. III.

**Methods/Results** This research is presented as a critical analysis and interpretation of existing research studies, trade publications, online technologies, case studies, current trends, public relations theories and academic literature. The purpose of this research is to qualify aspects of traditional public relations and aspects of public relations utilizing social media, and through comparison to analyze the changes that have occurred within the industry and make projections for the future. Analysis of Traditional Public Relations

Public relations traces its origins to the days of hype, promotion and propaganda and is often associated with negative perceptions and stereotypes. A history of misleading campaigns and unethical practices date back to the father of public relations, Edward Bernays. While Bernays was a pioneer of the public relations industry, his practices advocated the manipulation of public opinion, and it was this trend of thought that has



dominated public relations practices for much of the industry's history (Mallinson, 1996).

A May 2000 ethics survey of public relations professionals by PR Week indicated that manipulation of the truth in public relations was not left behind in the early days of unabashed propaganda. The survey found that one out of four public relations professionals admitted to lying on the job and another 39 percent admitted to "exaggerating the truth." In all, 64 percent of the respondents admitted to lying or exaggerating the truth in public relations. In response to other questions, 44 percent of the respondents said there had been times when "they felt uncertain about the ethics of tasks they had been asked to perform" (Turney, 2009).

This trend of public relations as hype and propaganda has led to public relations becoming synonymous with "spin" and "flack." These manipulative techniques have led to a sense of distrust in the industry 20 ??? The Elon Journal of Undergraduate Research in Communications ??? Vol. 1, No. 1 ??? Winter 2010 and in the media, but are often successful because traditionally, corporate communications practices have been marked by highly controlled, one-way output.

There has been a directive of "staying on-message," ensuring that the company or organization has complete control of the message at all times, virtually telling the consumer or stakeholder what to think or feel about the message being communicated. Public relations theorists James Grunig and Todd Hunt have outlined four models of public relations that are traditionally

practiced by organizations: press agency, public information, two-way asymmetrical and two-way symmetrical.

The press agency model describes public relations programs with the sole purpose of attracting favorable publicity for an organization using mass media. One of the earliest examples of press agency public relations is P. T. Barnum's circus (Hunt & Grunig, 1994). The man who famously coined the phrase, "There's a sucker born every minute," was famous for his manipulation of the media to get publicity (Stauber & Rampton, 1995). The public information model, like the press agency model, is a one-way communication model that uses "journalists-in-residence" to disseminate information to the media.

The two-way asymmetrical model uses research to develop messages that are likely to persuade target audiences to behave as the organization wants (Hunt & Grunig, 1994). The fourth model of public relations recognized by Hunt and Grunig is the two-way symmetrical model. This model is based on research and uses communication to manage conflict and improve understanding with strategic publics. The two-way symmetrical model is one that is mutually beneficial, based on negotiation and compromise, and is practiced by organizations that understand the importance of listening and responding to their publics (Hunt & Grunig, 1994).

This is the ideal model for successful corporate communications, as it indicates an organization that is committed to honest and ethical practices and is willing to adapt its practices to improve public perception. Public relations campaigns and programs have used the same strategies for much

of the industry's history and are generally based on some variation of the RACE formula developed by communications professor John Marston. RACE, an acronym for research, action, communication and evaluation, is a communications planning tool that practitioners use to develop public relations campaigns or programs.

When using RACE or a variation of similar steps to develop a public relations campaign, the research phase generally involves surveying or focus group testing of the target audience; action entails the planning of the message and its delivery; communication involves the actual distribution of the message, generally via traditional media including TV, radio and print news; and evaluation of the communication is measured by quantifying media mentions (Hunt & Grunig, 1994). Analysis of Public Relations Utilizing Social Media

Social media marketing is a revolutionary communications tool that has quickly changed the ways in which public relations is practiced, becoming an integral part of corporate communications for many companies. Social media offers public relations practitioners new options for every aspect of the corporate communications process. From research to evaluation, social media tools can be utilized to create and distribute meaningful content to wider audiences than traditional media allows.

This video, "Social Media Revolution," created by Erik Qualman, author of the social media blog Socialnomics and a book by the same name, includes a series of overwhelming social media statistics ??? illustrating with some shock value just how powerful a tool social media can be and giving an

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indication of the ways in which it can be utilized by public relations practitioners. Since the advent of the social media revolution, public relations has widely become the department responsible for organizing and maintaining a company's social media presence, leading marketing and other departments in the adoption of these tools.

According to the 2009 Digital Readiness Report based on the survey responses of 278 public relations, marketing and human resources professionals with hiring responsibilities, "Public relations is leading the social media revolution inside organizations of all types and sizes" (Schwartzman, Smith, Spetner, & McDonald, 2009). According to the report: ??? PR leads marketing in the management of all social media communications channels. Social Media and the Evolution of Corporate Communications by Laura Matthews ??? 21 ??? In 51% of organizations, PR leads digital communications. PR is responsible for blogging at 49% of all organizations and is responsible for social networking at 48% of all organizations. ??? PR is responsible for micro-blogging at 52% of all organizations. (Schwartzman, Smith, Spetner, & McDonald, 2009). According to social media and public relations theorist Jason Falls, "PR has taken on an entirely new role in the organization over the last two to three years. It's the most dramatic shift in the industry since the invention of email, but is happening faster and more dramatically" (Falls, 2009).

One remarkable change that the influx of social media in corporate communications has led to is the creation of new social media-specific jobs. According to former Secretary of Education, Richard Riley, "The top 10 in-demand jobs in 2010 may not have existed in 2004" (Gunderson, Jones, & <https://assignbuster.com/social-media-and-the-evolution-of-corporate-communications-by-laura-matthews-assignment/>

Scanland, 2004). Companies hiring public relations practitioners are no longer content with knowledge of the traditional tools of the trade like news releases ??? public relations practitioners in the social media age must have an understanding of how to use social media for corporate communications.

According to the Digital Readiness report, “ When searching for prospective candidates, knowledge of social media is almost as important as traditional media relations skills” (Schwartzman, Smith, Spetner, & McDonald, 2009).

According to the report: ??? Among those responsible for hiring PR and marketing employees, 82% of respondents said mainstream media relations expertise was either important or very important. More than 80% said knowledge of social networks is either important or very important.

Nearly 77% said knowledge of blogging, podcasting and RSS is either important or very important, and almost 72% said an understanding of microblogging services like Twitter are either important or very important. ??? Other new media communications skills that hiring decision makers found important or very important are search engine optimization (62%), email outreach (56%), web content management (52%) and social bookmarking (51%). ??? To meet the needs of internal and external communications in today’s organizations, public relations or marketing job seekers need to develop a comprehensive portfolio of digital communications skills. 18% of hiring decision makers have no interest at all in traditional public relations skills, signaling a shift from a mainstream media relations-focused approach. (Schwartzman, Smith, Spetner, & McDonald, 2009). IV. Discussion The social media revolution has had a

resounding impact on the public relations industry. It offers new  
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opportunities and new requirements for successful public relations practices. The pressing need for social media expertise in public relations has led to the creation of new careers, and practitioners must be aware of how social media marketing can be used for corporate communications.

Social media marketing is an extremely effective tool for the public relations industry, as it offers new channels for the necessary communication between an organization and its publics, and new opportunities for this communication to be meaningful and mutually beneficial. As public relations has most widely adopted social media marketing techniques, the aspects of the traditional RACE formula have evolved. While the basic principles are the same, social media tools offer practitioners new ways to implement the traditional elements of public relations practices.

Research is a crucial stage in the development of a public relations campaign or program, and social media offers new opportunities for research to be conducted. Survey distribution and reception can be greatly aided through the use of social media, and as an alternative to traditional research methods like focus group testing, public relations practitioners have the opportunity to witness the conversations stakeholders are already having and implement the findings into campaigns. 22 ??? The Elon Journal of Undergraduate Research in Communications ??? Vol. , No. 1 ??? Winter 2010 Public relations campaigns in the social media age have to adapt and become much more flexible. The perceptions of stakeholders must constantly be taken into account in the development of campaigns, and if perceptions change during the process, the campaign needs to be altered to accommodate those changes. The actual communication of a public relations

<https://assignbuster.com/social-media-and-the-evolution-of-corporate-communications-by-laura-matthews-assignment/>

campaign or program has a myriad of options for distribution. Public relations is no longer about inundating news rooms with news releases and media alerts.

While traditional media still matters, practitioners need to know how to design their messages for new audiences. Social media offers opportunities for interactive news releases that can be pitched on the Web, to bloggers, rather than journalists. Evaluation has changed as well, with social media tools offering new opportunities for measuring the effectiveness of communications. The success of a public relations campaign or program is no longer measured solely by the weight of newspaper clippings it achieved, but by the number of blog posts, conversations, comments, re-tweets, bookmarks, etc. that it garnered online. Social media marketing is a powerful tool that lends itself very well to the adoption of Hunt and Grunig's ideal model of public relations ??? two-way symmetrical. Public relations practices based on one-way output or manipulation of the truth cannot survive in the social media age. Public relations has changed, and is changing still, emphasizing practices that are more aligned with the ideals of the industry. Simply put, public relations revolves around the public.

If social media is utilized to its full potential for corporate communications, the industry has an opportunity to strive for its ideal, and through transparent, honest practices, implement successful campaigns and reverse negative stereotypes. The creation of new jobs has resulted in a need for new skills ??? skills that are not currently being widely taught. Current students of public relations are still learning the formats for traditional tools

like news releases, and a shift needs to occur in academia to incorporate the new aspects of the industry.

Practitioners need to know how to create content for new audiences, as well as how to use social media to have meaningful conversations with the publics of an organization. V. Conclusion This industry shift from traditional corporate communications practices to public relations utilizing social media is unprecedented. The speed with which this shift has occurred has led to a split within the industry, separating early adopters from those who are slow to join the social media age. 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.

From unchanging, traditional practices, the public relations industry has evolved rapidly to accommodate constant change and new tools, creating opportunities for meaningful conversations, successful campaigns and realizing industry ideals. Acknowledgements The author would like to thank her father, Ted Matthews, for his advice and expertise. The author also



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