

## » When Companies Are Laid Bare: The Challenge of Corporate Communications

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Since the beginning of the century, almost everything has changed in the communications industry: messages, channels and audiences. Message quality has improved, channels have multiplied and audiences have become empowered. Consequently, communication professionals have had to reinvent themselves to respond to the technological transformation and evolving stakeholder concerns. Many communication directors recognize it is difficult for them to contextualize and prioritize, often feeling somewhat confused about how to navigate a boat that, not long ago, was stable and manageable.

The internet, transparency issues, the population's attention deficit, an every-growing information overload, overregulation, citizen oversight, globalization, the changing role of organizations in society... This vortex of relentless change and developments make the corporate communication team's work much more difficult when establishing a suitable strategy for their organization, one that must simultaneously adapt to changes and remain in line with corporate interests and values.

If we set aside the debate about tools and channels and simply expect them to keep evolving since the specifics are passing trends, we believe it would be useful to compile, in a single analysis, the concepts shaping the future of corporate communications in Spain and other Western societies in the medium and long terms. However, all these concepts are derived from a paradigm shift that, similar to tectonic plates, has shaped and modified the ground we used to walk upon. The initial base assumption is taken from the

idea of communication as a conversation between the company and its publics and its evolution from monologue to dialogue; today, companies are more aware of the benefits of listening to and interacting with their audiences. Nevertheless, the paradigm shift—the revolution—is taking place now, with organizations, companies and the private sector in general integrating into public life in an unprecedented manner, transitioning from a secondary role to a leading one.

**The positioning, influence, involvement and participation of companies in public spaces is exponentially increasing.** This is partly due to the organizations' own interests, as they are willing to play a more active role with their audiences. It is also due to the gap left by the public sector in responding to the demands of society and citizens, who now feel empowered to demand active participation from companies in solving the problems of the world.

Taking into account the scenario we have outlined, we have identified 10 trends that are shaping and will continue to shape the path of corporate communications in coming years, regarding both how to address these changes and internal organization. Our suggestions are as follows:

**1 Learn to live with "naked company syndrome."** The feeling of loss of control over information is much greater than ever before. Today, information flows in and out so fast that many companies feel naked because any embarrassments are publicly shared, and they are not able to "stop" it. The companies that learn how to operate in this permanent state of "nakedness" will be able to focus on more important dilemmas, and companies can execute controlled blasts to protect their borders by launching plans to improve information transparency. The public will find out eventually, so why not get ahead of the story?

**2 Give holistic responses to reputation challenges.** A company's reputation does not take internal organizational charts into account. Given the transversality of issues, which can start with a tweet and end up in court, the way organizations address issues that arise must be equally transversal. Limits that, until recently, used to separate the marketing, corporate affairs, legal, communication, etc. departments are withering away. Some companies are creating positions such as *reputation manager*, who is involved in all the areas that are not business and depend on third parties. They are also creating permanent coordination committees to evaluate and decide on appropriate responses, aligning the company around a single message.

**3 Be more creative and sophisticated.** It is clear that communications have gained weight within organizations in the last two decades, and this has generally translated into a bigger budget and more resources. However, even if it seems



paradoxical, its widespread use has also standardized processes and trivialized its contributions to corporate results. The result of this is even more demand from senior management for greater sophistication in communication. This is the case with information and intelligence services, as organizations increasingly rely on their communication teams for subsequent analysis of context and business risks.

**4 Show some soul.** Companies' corporate values have taken on a significance never seen before. Their values turn into stories, into a corporate narrative that should be told emotionally. Consumer engagement is also done from the point of view of organizational history, with the corporation standing behind the product. Companies should not have a problem mentioning the civic values they defend or for whom or what it is willing to fight alongside its consumer-citizens. This is where communication teams take on the challenge of constructing a story and establishing the best channels in which to tell it while simultaneously creating the ideal conditions to convey it to the public in the best possible way.

**5 Define the playing field.** The information overload we face and the speed at which conversations and topics change are a constant temptation for many companies that want to be present in several places at the same time. This behavior does not contribute to improving reputation, however; On the contrary, it probably results in a loss of corporate identity. On the other hand, companies that choose a specific area and focus on it, developing interesting and attractive content and listening to the related communities while maintaining a homogeneous discourse, will manage to come out stronger than before.

**6 Refine your communities.** The information age makes every product and service accessible to a greater number of people than previously imagined. This is why a growing difficulty exists for companies, who must try to limit the audiences they want to target. Traditional stakeholders should be segmented in much smaller groups; Companies will have to find the communities that could be interested in their content, product and services, then narrow down their channels to what will best reach them. Otherwise, they will only succeed in creating noise about their brand.

**7 Turn the intangible tangible.** Equally important to creating a reputation is knowing how to measure its impact. The communication field is increasingly developing metrics that provide rapid and accurate insights into the impacts of any

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given action. ROI and traditional return measures require new, scientific, constantly adjusted mechanisms in order to quickly and clearly determine if a given activity is working or, on the contrary, if and how it is failing. Precision is the key element.

**8 Act, act, act... and then tell.** Nowadays, consumers are judges of the content they consume and the products and services they are introduced to. That is why experience will be essential when communicating with audiences. Sharing values, visions, missions and other attributes will not make sense unless previous beneficial actions have already been established. Talking without taking action is no longer an option.

**9 Carry out meaningful CSR actions.** Citizens have been demanding social responsibility from companies for more than a decade. However, developing good ideas for the community has no meaning unless it is accompanied by a coherent justification. If a brand enters into territory where, by nature, it does not belong, it will probably be labeled an opportunist. Therefore, CSR actions should be aligned with business objectives and be understood and shared with all stakeholders, from employees to final consumers.

**10 Create collaboratively.** Undoubtedly, one trend that keeps growing among companies, even beyond communication departments, is the collaborative creation processes, enriching the dynamics that stimulate inspiration and the development of innovative elements. **To test this trend, we are applying it here: We ask all communication directors and experts to participate in the co-creative process and let us know what trend you believe will be shaping communications in the next decade. Use the #com-creation hashtag in your response.**

Today, protecting and promoting reputation is a great asset for businesses. In the years to come, we anticipate reputation to be the most relevant factor in making companies sustainable, and it will play an important role in income statements as well. Ethical behavior, coherence, emotion, transparency and responsibility are already a part of corporate DNA and will be key in the future. Communication teams, directors and consultancies face the arduous internal and external task of helping companies reach these new corporate communication standards.



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