

# Strategic Communication

The Discipline  
beyond Marketing &  
Corporate Communications



# Abstract ①

Marketing and Corporate Communications suffer both from a general accepted definition, which leads to a differing corporate understanding and functional implementation. To this basic problem adds that the explosion of communication channels and means, but also turbulent markets of an over-communicating world resulted in blurring borderlines, of where one discipline starts and the other ends (Ries et al. 2001).

Nevertheless both disciplines have different theoretical frameworks, which make marketing and corporate communications distinct. A third problem is that while Marketing and Marketing Communications have an established relationship, corporate communications and Public Relations are frequently confused. The overall result is a dilemma, which created a sceptical view in organisations for both disciplines impacting on available budgets and participation at organisational decision-making processes.

German studies by the University of Mainz provided evidence that up to 60% of allocated budgets are wasted, since the functions of marketing and communication do not align their interventions sufficiently (Rolke. 2002). On the other hand, German studies demand that corporate communication, including marketing, needs to become a 360° address to stakeholders reducing controversial behaviour of the parties involved (Kirf et al. 2002). Johnson et al.'s strategy definition explicitly stresses stakeholder satisfaction as an organisational task (2008): "Information is everything" (Darendorff cited in Johannsen et al. 2001). French studies support this view and outline that marketing and communications need to collaborate closely and need to be strategically orientated recommending a communication and marketing cockpit (Libaert. 2003, Libaert et al. 2006, van Laethem. 2005, van Laethem et al. 2004).

# Abstract ②

An approach to resolve the existing dilemma is the new discipline of Strategic Communication, which may be considered both as a discipline and an organisational function, by which marketing and communication strategies can be better managed, implemented, monitored and evaluated (Oestreicher. 2010).

The international research of organisational rivalry between both functions directed to the development of a new strategic structure, which is presented in this paper relying on Steyn et al's five strategy levels and offers a new concept allowing to position marketing and communication strategy more precisely and enables the overarching Strategic Communication to supervise tactics and interventions of both strategies for improved beneficial and more sustainable organisational outcomes in a value-oriented economy acting in hyper-competitive and turbulent markets (2009, 2010; 2002).

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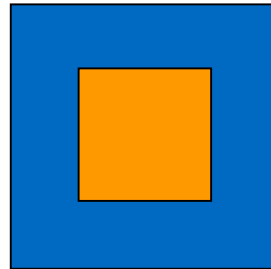
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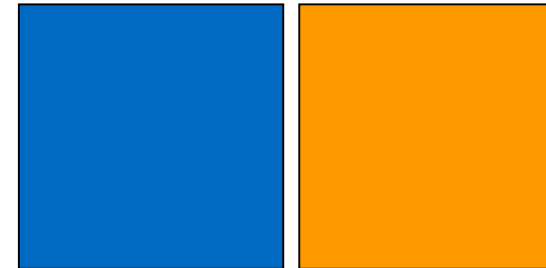
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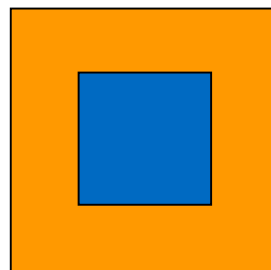
# A Dilemma of Relationship



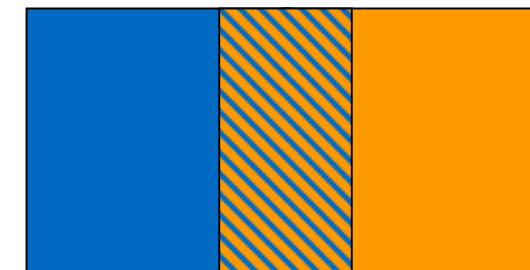
Communication as  
Part of Marketing



Marketing and Communication  
as Separate Functions



Marketing as Part  
of Communication



Marketing and Communication  
as separate Functions with  
Specific Common Target Groups

# Why Strategic Communication?

Marketing and Corporate Communications waste up to 60% of budgets, due to insufficient collaboration

(Rolke. 2002)

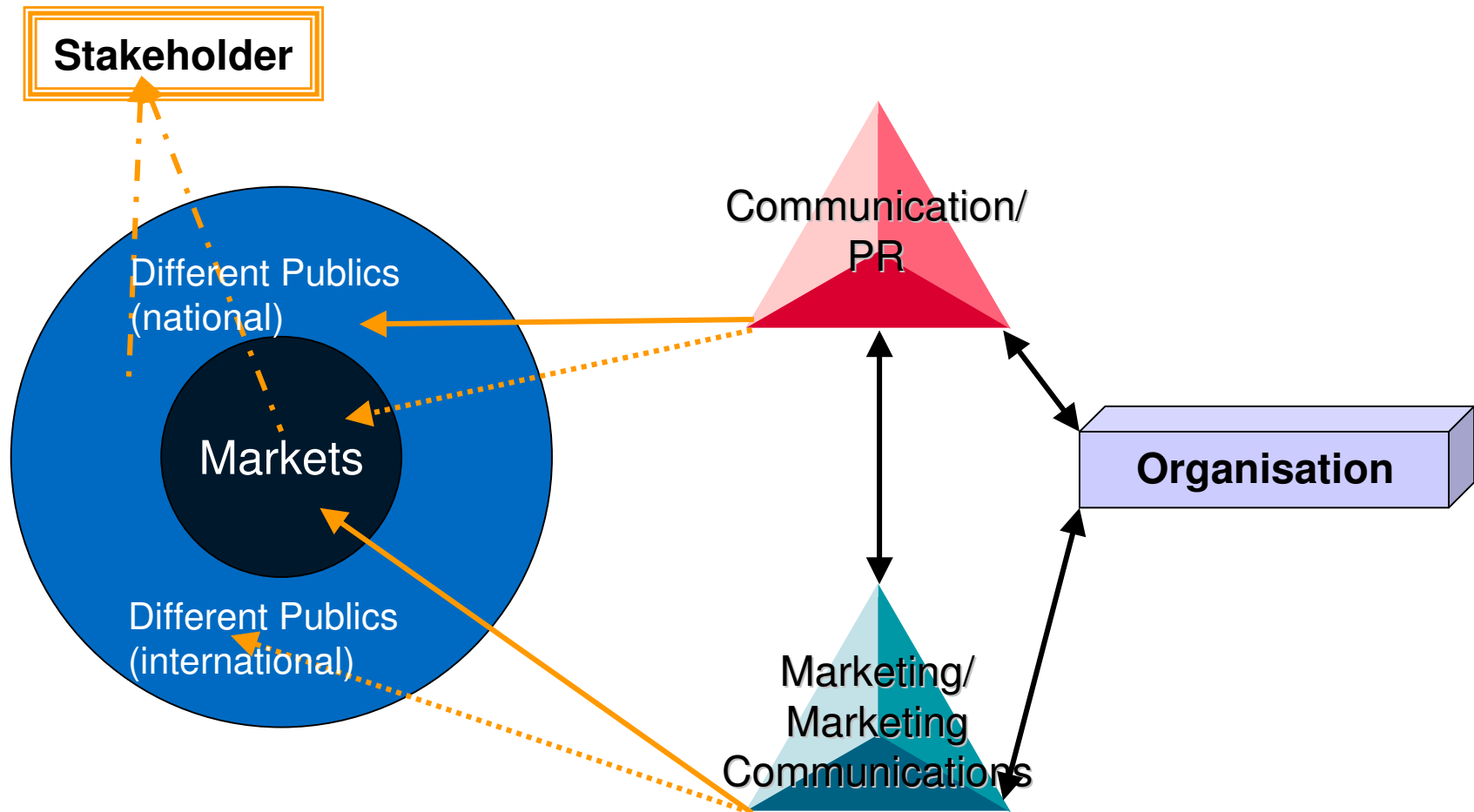
International requirements create a highly complex environment for organisations' stakeholder context

(Hofstede. 2009, Ihator. 2000, Carobolante. 2004)

“Information is everything” (Darendorff cited in Johannsen. 2001)

Marketing and communications – dependency in the interdependence (Westphalen. 2004)

# Corporate Communication Needs 2 “S”: Structure & Strategy



# Shifting Values

Not financial ranking but reputation ranking is important for the future – from sales to relationships  
(Oestreicher. 2010)

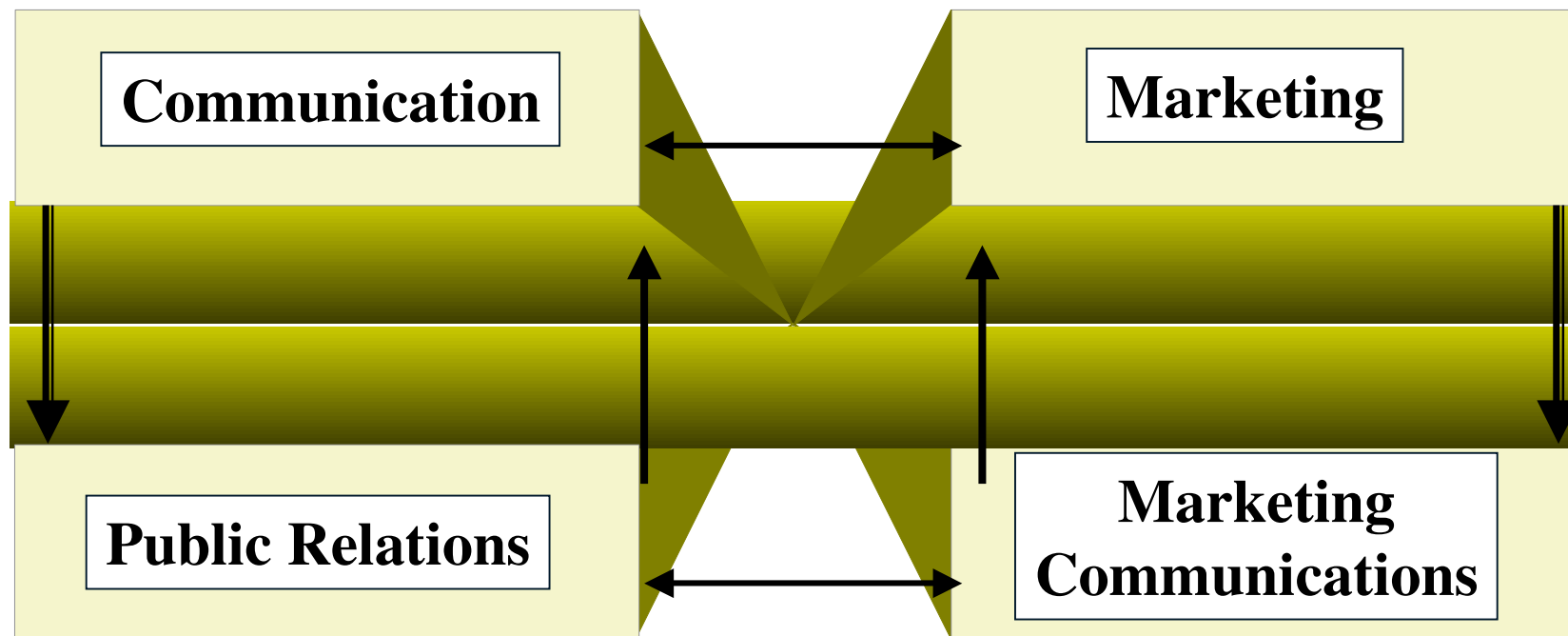
Representative studies among German consumers  
(Weßner et al. 2006 – 2008)

- ▶ Preparedness to pay 12% in average more for products of socially responsible companies, but ...
- ▶ ... 73% of German consumers do not know one

Companies need improvement of relationships with stakeholders  
(Martin. 2002, d'Almeida. 2001)

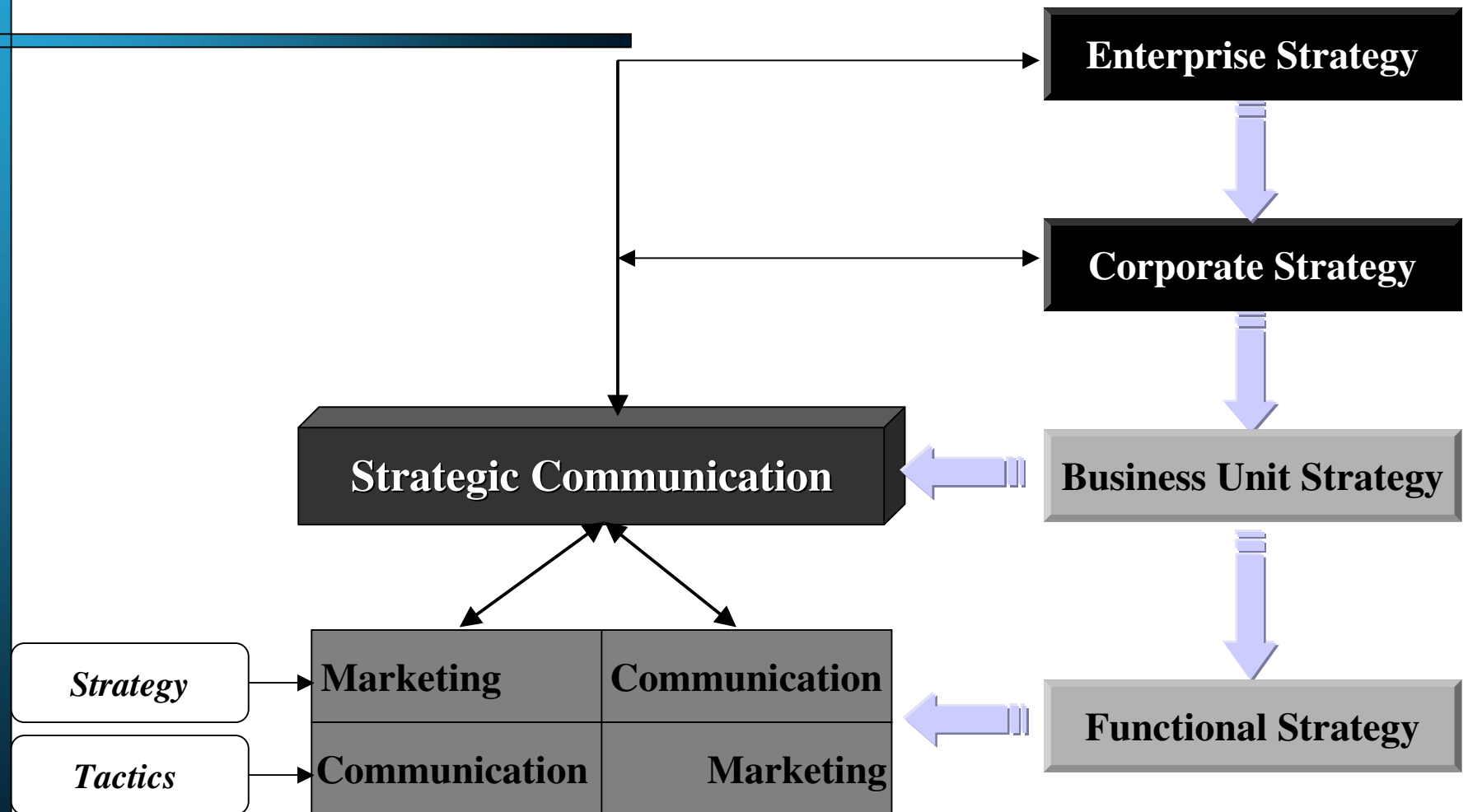
The individuality driven con-/prosumer is a global phenomenon of postmodern times  
(Mattelart. 2004, Kotler et al. 2002, Lipovetsky. 2009, Rémy. 2009, Garcia-Bardidia. 2009)

# Result: A Different Strategic Framework for Global Communication

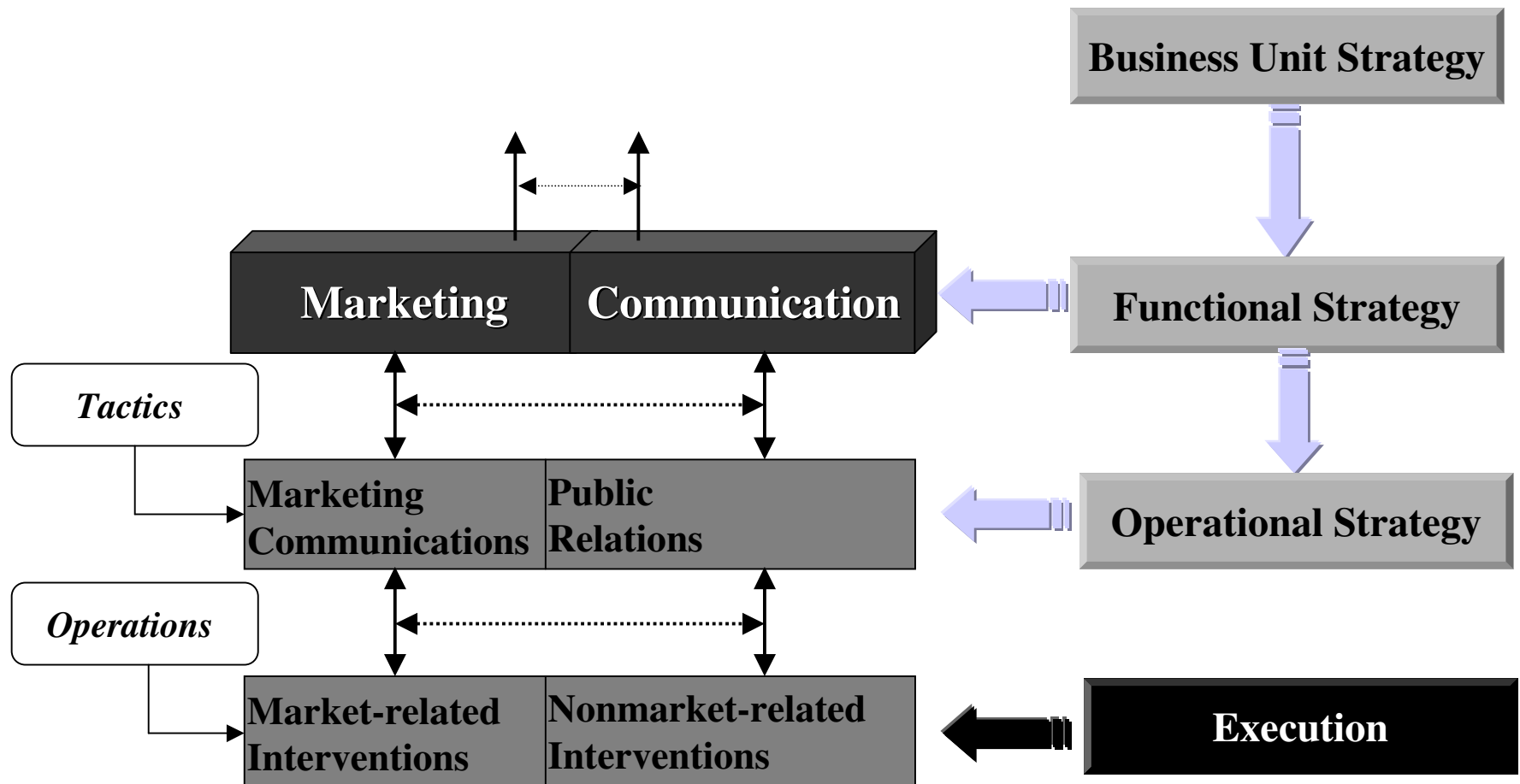




# The Holistic Strategic Approach ...



# ... from the Communicating to the Communicative Organisation ...



# Markets Are Global Communication

## **“Markets are conversations”**

(Levine et al. 2001)

- ▶ Global markets, globally acting customers are less and less responding to market-related messages
- ▶ Instead of trendy marketing and communication gimmicks a new fundament became necessary

## **“Public Relations does not relate to the public. Companies are deeply afraid of their markets.”**

(Levine et al. 2001)

- ▶ Communication crosses global markets in seconds
- ▶ They are interested in reputation and image
- ▶ International requirements still meet national organisational

**“Networked markets can change suppliers overnight.”**

(Levine et al. 2001)

# Strategic Communication for Global Markets

The networking economy does not know borders and time zones any more ...

... but structurally corporate communications and marketing still work the same way

- ▶ They waste up to 60% of budgets
- ▶ They rely too much on products, than on reputation

There is most times no one Business Unit Strategy

- ▶ There are many – and those unrelated
- ▶ Poor effectiveness and blurred efficiencies

Strategic Communication: an overarching *strategic* approach

- ▶ **Concentrate forces at the decisive point of the battle**

(Sun Tzu. 2007)

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