Patronizing Information Units

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Abstract. *In our paper we introduce the patronizing mindset as a thinking approach for businesses to overcome recently upcoming issues regarding the loss of control due to the developments in communication technology. We thereby find that the two main difficulties in managing the information flow lie in the handling of content and the reaction to technology developments of the underlying communication system. We add the patronizing mindset to traditional marketing communication processes to provide a framework for businesses which should be assisted in being able to adapt to the depicted environmental and technological changes.*

Keywords. Communication Space, communication system, information unit, patronizing, corporate communication

1 Introduction

The way of communication between individuals is changing. If we take newspapers as an example to depict these changes in using communication media, we find that in 1964, 80% of all US-Americans read a newspaper on a daily basis. This usage rate dropped dramatically by a half to just around 40% today. [7] If we analyze the media usage in Germany over time we understand, that the general usage time increased by 163% since 1970 to around 581 minutes per day in 2010. We concurrently find that the usage time of 'traditional media' is shrinking and gets partially redeemed by the use of 'new media' like for example the Internet, which usage time increased by 538% in the last 10 years. [11] These serious shifts in communication and media usage can be accounted largely to the developments in communication technology, which provides the foundation for every interaction between customers and corporations. Due to that it seems relevant to study the impact of communication technology on the communication processes of corporations.

There can be several factors of technological and environmental change identified, which are affecting communication. They range from the ability of location-based communication to the complete automation of communication processes. [6] All of these factors on its own inherit the possibility to radically change the communication reality of corporations. It is hence necessary for companies to consider these innovations when managing communication processes and furthermore adapt the own expectation, perception and behavior of how corporate communication is and should be done in practice.

One approach to depict and understand these changes is to consider the model of electronically mediated communication, which was for example shown by Burkart and Hömberg [3]. Electronically mediated communication goes beyond the traditional sender-receiver model [12], which is a basic theory of communication. It treats the involved parties, which are the traditional senders and receivers, as coequal participants of communication. Taking this model of electronically mediated communication as the first step in the ongoing change of communication realities, the phenomenon of the Communication Space [9] [10] would describe the accurate actual level of developments. Inside the Communication Space, the communication of information between the participants of the Communication Space is a crucial part to successfully achieve the primary purposes of promotional activities of corporations in the marketing mix. In this paper we describe how the management of information units as parts of the Communication Space can be done by incorporating the implications of the developments in the communication reality and communication technology into the communication processes. We thereby focus mainly on the communication processes due to promotional activities of businesses which are relevant for the setup of the transmission of information between participants of the Communication Space. As a result we depict a thinking approach of how the communication processes in businesses should be adapted to the

actual communication realities to enhance communication efficiency.

2 The Communication Space

The Communication Space Model [9] [10] is able to describe communication activities in the fourth age of communication respectively the age of new media [7]. The Communication Space consists of three main components, which are *participants*, *communication systems* and *information units*.
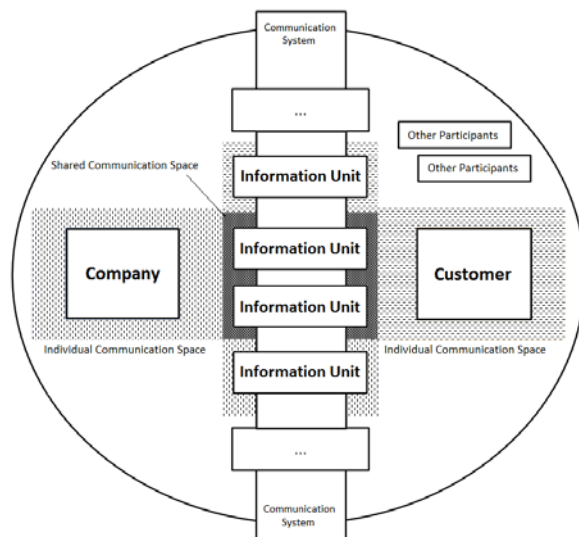

Figure 1. The Communication Space Model [9] [10]

The Communication Space is primary based on its' *participants*. A participant of the Communication Space in the traditional thinking of the Sender-Receiver model could be a company or a customer. But beside these two 'players', other participants could be identified too, which exemplarily include, but are not limited to, suppliers of the company, colleagues and friends of the customer, potential customers or competitors of the company. All of these organizations and people are able to take part in the Communication Space and participate in various communication activities and processes. This is the reason why it is necessary to depict their role in the Communication Space.

The mentioned communication activities are performed via so called *communication systems*. Communication systems are trying to satisfy certain needs of the participant and are formed by established fundamental technologies and devices. A communication system could be a Social Network Platform like for example Facebook or websites in general, but not a single SNS-site or a single website.

Inside communication systems, *information units* are placed, which are performing the actual provision of the important information for the participants of the

Communication Space. The participants regulate how many of these information units they would like to deploy into the Communication Space. An information unit is for example a single company website or a mobile application.

Participants are able to form and create their very *Individual Communication Space* by selecting the communication systems they would like to use out of the sum of all available communication systems. Inside their Individual Communication Space, participants can form information units and retrieve or inject information. If two or more participants use the same communication system, they form a so called *Shared Communication Space*. Only inside the Shared Communication Space, participants can gain access to the same information units.

3 Positioning of Information Units

We are now going to depict the positioning of information units within the Communication Space and start by analyzing the needs of corporations as participants of the Communication Space. The general aim of businesses – even if there is a vast list of other non-financial aims too – is to maximize their profits which can be achieved by selling products or services as a supplier to customers, who are demanders. In this exchange process corporations offer the product or service to the customer who pays the corporation for this provision. Right before such an exchange process can take place, it is inevitable that corporations communicate information. The communicated information could be any form of marketing information like for example special service offerings, additional product information, external corporate information (PR) or brand building information.
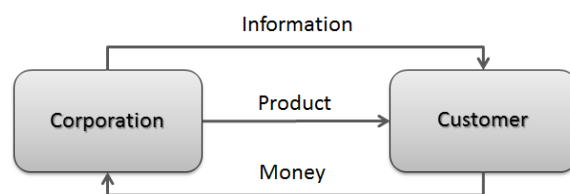

Figure 2. Business Exchange Process [8]

This placement of information inside respectively into the Communication Space is the focus of this paper. Companies plan this communication process by using a marketing-management process, which typically includes the following points: 1) situation analysis, 2) forecast, 3) definition of marketing targets, 4) development of marketing strategies, 5) operative marketing planning of the marketing mix (product, price, place, promotion), 6) realization and 7) controlling. [8] Inside this marketing-management process, the step of planning the operative marketing by defining the promotional activities in the

marketing mix, is crucial for the exchange of information between the corporation and the customer because this step defines the external communication processes of the company through which a potential customer could gain knowledge and information about a corporation and its' products.
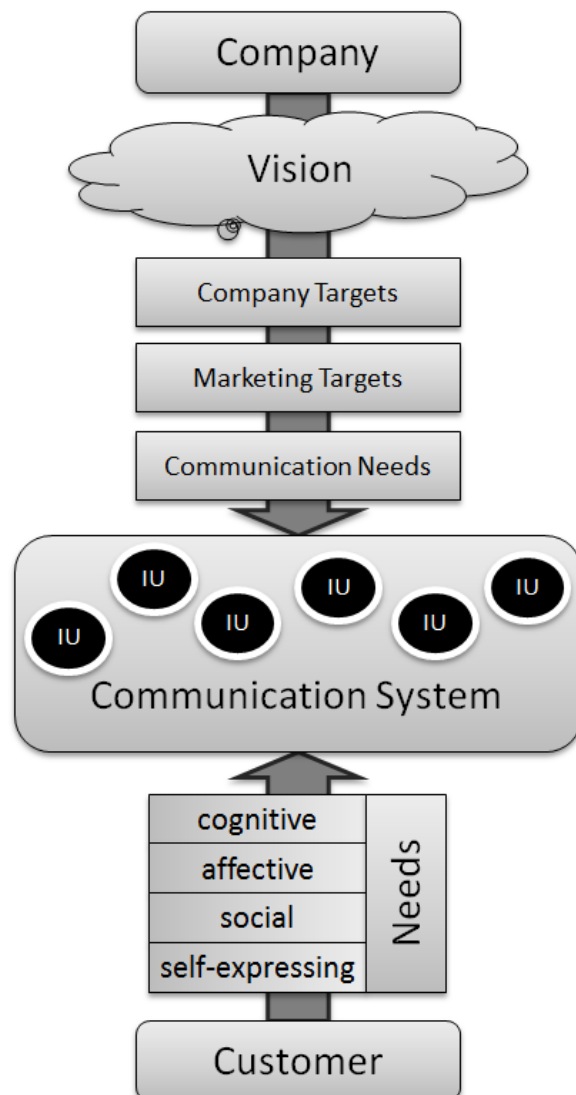

Figure 3. Position of Information Units

These promotional activities are moreover dependent on the corporate goals and vision as well as on the defined marketing targets. [8] The planning of the promotional activities involves a) the definition of communication targets which are derived from marketing and corporate targets and visions, b) the development of a specific communication strategy, c) the determination of the communication budget, which is divided onto various d) communication systems as communication instruments. These communication systems are used to e) carry a corporate message, of which the impact can be f) measured which gets incorporated into g) the feedback loop and adjustment process. [8] There are slightly adapted processes of promotional activities in

the literature, but they all include the corporate targets as origin and the planning of communication systems respectively communication instruments. [2] Every communication system is connected with a certain image respectively expectation of what and how it is able to communicate between customer and corporations and which needs it is able to satisfy. Television as an example of a communication system is able to communicate a corporate message explicitly to a customer in a traditional Push-strategy and is able to serve affective and cognitive needs, whereas Social Network Sites as another form of communication systems can communicate corporate messages in a more passive way by using an implicit Pull-Strategy, which is naturally much more accepted by customers. Social Network Sites can thereby serve all kinds of needs (affective, cognitive, social, self-expressing). [11] Communication systems are thus able to manage the communication needs of customers and companies and satisfy them by providing various information units with which they are able to place and retrieve information into and from the Communication Space.

Once a company created an information unit within the communication system, loaded certain information on it and finally released it into the Communication Space, other participants of the communication system can start to retrieve, share, enhance or use this information, depending on their need they would like to satisfy and the possibilities the communication system provides. The role of the business as creator of the information unit is then adapted in a way, that the control power over the information unit is reduced to a level, where the creator can be named a 'patron' of the generated information unit. This is because he gives up certain aspects of the power to control all the information flow which is generated using the information unit. This modification of the role of the creator can be explained by using Social Network Sites as example of a communication system. Companies as participants of the Communication Space can create an individual SNS-site as an information unit of the communication system and fill it with information. After releasing the information unit into the Communication Space, they are still able to generate new information but all other participants of the communication system are able to use, share, retrieve and even change the provided information. Even if the information unit would be deleted by the company, the information could still exist somewhere in the Communication Space because it was copied and used anywhere else.

A second issue regarding the situation after the creation of an information unit tabs the expectations of the communication systems. If technological developments enhance the communication system whereon an information unit is build, the expectations of participants who use this communication system

naturally shift too. As a result companies need to adapt their information unit to the newly emerged expectations and possibilities. Nevertheless the creator of an information unit is not able to control the technological development of the underlying communication system.

The loss of control regarding content and underlying technology is therefore the reasons why we call the creator of an information unit it's 'patron' and the process of managing all 'owned' information units, 'Patronizing of Information Units'.

4 Integration of the Patronizing Mindset into Process Models

Many authors already incurred the new communication possibilities for stakeholders of companies into their marketing management processes. The integrated marketing communication concept by Bruhn [1] bundles different views on communication purposes. While vertical integration focuses on utilizing different communication instruments for the same target group the horizontal integrations explains that one target group could be addressed by mixture of instruments. Online media is easily accessible by shareholders and content is exchanged within the Communication Space even without a company's direct participation. The thinking in media channels does not support modern communication opportunities any more as no matter what communication system is used to transport a message, response and viral communication might be encountered on other communication systems too.

Bruhn also shows current limitations for companies for the integrated marketing communication and points out that these are mainly caused by improper organizational structures and non-holistic communication approaches. Another issue, especially relevant for businesses when starting with online marketing, concerns the evaluation and measurement interpretation of online campaigns. As the traditional spending evaluations are not adequate for measuring these campaigns any more, companies are encouraged to focus on campaign monitoring.

The mix of communication systems is highly related to its possibilities and also limitations. Due to the very specific marketing chances, online media has to be separated to allow purposeful benefits which results in different information units with specific qualities. Possible changes for an information unit due to developments of the underlying communication system are often not considered in an adequate way. These changes can either be initiated by technology improvements or by changed user expectations depending on the possibilities of the communication system.
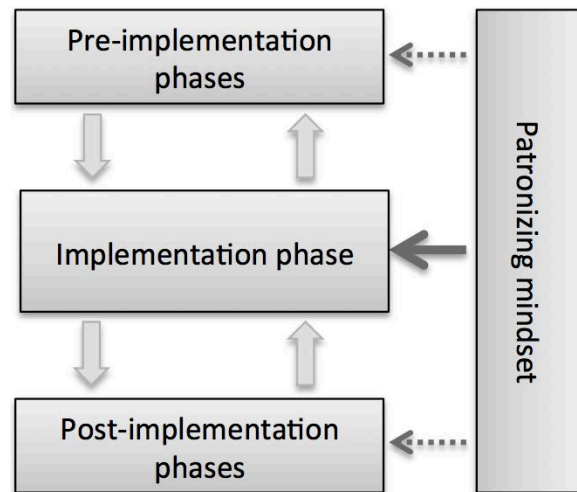

Figure 4. Impact of the patronizing mindset on process model phases

A patronizing mindset within the marketing communication process allows businesses to gain a holistic thinking approach regarding major impact factors on communication.

Different process models (cf. Bruhn [2]) already show how the company's vision is communicated by separating customers into target groups and initiating suitable strategies for each group. Our contribution with this paper is to demonstrate the importance of the patron-approach for different stages in these process models. Therefore the shown mindset-model cannot be considered as a completely new model for direct conversion but the patronizing-mindset should be integrated in already existing models as an enhanced framework.

We subdivided the planning process into three categories where the main focus on patronizing takes place in the stage of implementation. Pre- and post-implementation phases include all processes that are not directly related to the message's injection into the Communication Space but which are also relevant for successful application within the overall process. All implications are deducted from the reflection of the Communication Space in which all communicating participants meet in an unrestricted way of exchange.

The patronizing mindset
Information units relate to an adequate usage of their underlying communication system and therefore changes on the system have direct impact on the unit. The former thinking in hardly changing media channels over years or decades is not valid anymore and development has to be considered as a lasting process in marketing and communication. This may conflict with the transported data of communication – the content. Due to search engines, caching and online service providers all of the content which is injected into the Communication Space cannot be seen as fully controllable. As the content is not a physical proprietary, the information is publically accessible

for an uncertain frame of time, which also represents one of the key technological factors that affect communication activities.

This implicates two thinking approaches as patron of an information unit instead of an owner:
- Businesses cannot restrict what users in the Communication Space will do with injected information; the initiators can only moderate the information unit.
- Businesses normally have no impact on the development of the information unit's underlying communication system; they can only adopt new opportunities and ward threads.

Therefore no strict direction on 'what' is communicated or 'how' the communication takes place can be pretended. This lack of control has to be considered in every marketing action, which will be shown in the following three separated phases.

Pre-implementation phases

Depending on the applied process model, phases prior an implementation vary from simple models of the vision of channel selection, to more complex iterative models. Bruhn [2] for example structures these steps into analysis, definition of goals, target group definitions and specification of the marketing strategy.

Typically the vision acts as a foundation for all marketing purposes, which is then followed by designing specific marketing campaigns. These are strategic management decisions, which means business owners or marketing managers are involved in these processes. The pre-implementation phase keeps staying under internal control without direct impact from external influencers but of course the business will react on them.

Important steps in these phases include the allowance for operative employees to give feedback in the implementation phase for changes in technology or customer behavior. Furthermore the installation of policies concerning public communication within the Communication Space should be considered – examples are how to react on public customer feedback, how employees may interact with external influences or also how public shown customer needs could be integrated in further product developments. Developments in technology require rapid perceptivity by persons that are in touch with these systems as well as a management that allows reaction to these developments. Feedback from operative marketers to the strategic management could be supported by the installation of a communication manager that interacts without certain levels of hierarchy (cf. Bruhn [1]).

Implementation phase

The implementation in our understanding includes all operative processes that are directly related to external communication. Starting with the development of an information unit (in case of websites, blogs, social network pages or apps) to the initiation of information and the reaction on external response, all these steps are fulfilled by operative marketers. Persons related to the technical and textual implementation belong to this group, which shows that they are aware of technological changes regarding the assigned communication systems.

When injected into the Communication Space a marketing message cannot by directed by the initiator any longer as other participants may use the message in many different ways. When this gets accepted as a fact, the business is forced to develop a communication strategy that permits positive marketing benefits without control of information flow between non-company participants. Viral marketing is a wide spread term for activities that are set up to take advantage of communication between customers or other shareholders without company's interaction. By acting as a patron more than an owner of the information unit, the business can develop marketing strategies that fits these viral opportunities and also handle critics or other negative publicity.

Beside the textual influences also technological developments of the information unit's underlying communication system may have direct impact in this phase. Continuous improvements in technology allow extended marketing possibilities and so permit the business to gain advantages over competitors when rapidly adopted. Due to such changes also prospects of users change and their expectations of information units develop. To overcome possible misses by technological changes, operational marketers need to be aware of constant changes in technology and the impact on their patronized information units. By allowing a constant internal feedback circle on technological changes, the business can improve their marketing efforts and may benefit from early adopting new changes. Understanding communication systems technology in terms of opportunities and also threads is a requirement for operative marketers to allow this adoption.

Post-implementation phases

Phases after implementation typically include evaluation and measurement of assigned efforts. As the implementation process is an ongoing activity the post-implementation phase has to be continuously iterated too. This implicates a mutual impact between both phases and allows marketers or controllers to give feedback on already realized campaigns but also on relevant topics of conversation for further activities within the Communication Space. Social media monitoring gained strong importance in this field but many businesses are still in early stage of using these tools.

The Communication Space approach supports the thinking without boundaries of incorporated communication systems and so implicates that marketing effects on an information unit do have impact on other units too even without intention. In the post-implementation phases patronizing is therefore understood as an evaluation for the entire integrated marketing effort without strict separation of information units.

5 Use case verifications

To demonstrate how a patronized mindset can have an impact on marketing communication we examined two real-life cases. The first case of Deutsche Bahn shows how an information unit in form of a Facebook fansite was misused by customers because of dissatisfaction, and how they reacted. The second case shows the importance of an early adoption of technical developments in communication systems. As an example the smartphone app runtastic utilized technologies of host systems to create an application that was used as an information unit.

Deutsche Bahn
In 2010 the German railway Deutsche Bahn started a social media campaign on Facebook to promote a special priced ticket. For this purpose a single Facebook fanpage was developed. Independently from the launch only days afterwards, employees went on strike and many customers could not catch their trains. Disappointed customers used the promoted fanpage to criticize the company and their service, which led to a socalled 'shitstorm' via different social media platforms. The marketers had no control over the situation and did not react in an adequate way. A standard text was posted continuously containing a service hotline to call, which enraged the customers even more. The marketers never expected to lose control over their marketing purposes and had to suffer from bad online reputation, which ended in closing the fanpage. [5]
A year afterwards the social media manager of Deutsche Bahn explained that they learned from this incident and they now would know how to handle such situations. He added that they would try to stay in direct contact to customers by answering every post in a way that corresponds to their online marketing netiquette. The idea of patronizing would also allow options for customers to interact between each other by helping themselves as these customers gain rapid solutions for their arising transportation problems. Depending on the company's vision this would even include support for alternative routes with competitors (which happened anyhow in the earlier shown case) and would make a difference in reputation. [14] [15]

Runtastic fitness app
As already explained, patronizing does not only take place in terms of content but also in the usage and

adoption of technology. Information units are built on top of communication systems and therefore rely on their technological potentials and limitations. Users develop habits while exposing with a communication system and they expect information units to utilize common technologies.
Nike+ is a fitness equipment by Nike and Apple computers which was especially developed for runners. The system allows runners to track their paces and then attach the run to an online map by drawing the track. The host system for the application was first developed and introduced for the Apple iPod which did not have any connection possibilities. Additional support for Apple iPhones was added later, which was basically the same app like for the iPod, which so did not benefit by the new connectivity possibilities of a smartphone.
In 2009, runtastic (like some similar apps) developed a system that utilized the already build-in GPS tracking system of smartphones and also its' Internet connectivity. It extended the range of marketing communication by allowing users to directly upload their tracks to social media platforms like Facebook, and an online platform rose for all different kinds of sports. Neither a sender in a shoe nor the map drawing by hand was required any more. Users could trust the shown data when running in groups as the time tracking and the mapping was not separated and the Facebook integration allowed the app to spread around the globe within short time. Runtastic was developed close to the used communication system - like suggested by the patronizing mindset - and so adopted the technology development in an earlier stage. By evaluating the then available technology they gained a competitive advantage and detracted market share from Apple. In September 2010, Nike released an app that included GPS tracking too. [4] [16]

6 Conclusion

In our paper we described that the ongoing development of communication technology has a serious impact on corporate communication processes. The Communication Space model covers these technological issues and is therefore able to explain the consequences and implications for the exchange of information between its' participants. The information unit as element of the Communication Space provides the marketing information and is based on the technological possibilities of the underlying communication system. Businesses should rely on the patronizing mindset as one thinking approach to bypass the loss of control, which has been introduced by technology developments. This loss can either occur in terms of content, which has been injected into the Communication Space or in terms of changes of the underlying technology of the communication system.

By patronizing information units, companies are enabled to handle their communication activities in a more efficient way in regard to the developments in communication technology.

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