GLOBAL RELATIONSHIP MANAGEMENT IN A DIGITAL WORLD

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Abstract

The relationship between an organization and its public represents a central concern for the research and practice of public relations. This paper is based on the central research question: How can digital media and technologies contribute to a company’s global relationship management? Stemming from the general question I have three more research-related questions:

1. How can social media communities contribute to corporate relationship management?
2. What are the key questions for global relationship management?
3. What are the organizational prerequisites for global relationship management?

Conclusion: Digital media and technologies can contribute in a unique way to global relationship management. These peculiarities comprise the “big four”: integration, accessibility, connectivity and interactivity. Connectivity and interactivity are the two most important for global relationship management. Social media channels have opened up new opportunities for companies to benefit from platforms in recent years, where users meet, communicate, exchange ideas and even create products. The problem for global relationship management is that these platforms are very different worldwide, their users and the culture of the communication within these channels are equally different. As a consequence for global relationship management, organizations have to set up a systematic and long-term process of analysis, planning, creation and control to professionally manage the organization’s communication.

Keywords: social media, digital world, global relationship management, interactivity, connectivity.

1. INTRODUCTION: RELEVANCE OF GLOBAL RELATIONSHIP MANAGEMENT IN PR

The relationships between an organization and its publics represent a central concern for the research and practice of public relations: “Public Relations are the management of communication of an organization and its publics” [Grunig & Hunt 1984: 7]. PR expert Ströh defines Public Relations as “the umbrella function that manages the communication between an organization and its publics to build and enhance healthy relationships to the benefit of all parties involved” [Ströh 2007]. American Scientists Cutlip, Center and Broom define Public relations as “the management function that identifies, establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends” [Cutlip/Center & Broom 2012: 5].

PR legends Ledingham and Bruning describe relationships between a company and its publics as “state that exists between an organization and its target publics, where the actions of each part produce an impact on the other parties’ economic, social, political or cultural state” [1998: 62]. PR professional Ward [1998] asserted that successful public relationships not only expand economic opportunities, but could also save an organization immeasurable dollars by preventing, minimizing or resolving conflicts and crisis.

In the following years the relational perspective has been applied to a variety of public relations areas such as crisis management, customer-service providers,

Public Relations are seen as one of the most important ingredients for an effective organization. Relationships influence the success or failure of an organization [Harrison 2003; Ledingham & Bruning 2000b; Robbins & Barnwell 2002]. Why have relationships become so important for organizations and for PR?

- **Reach organization’s goals:** To reach their goals, organizations need the support of people or groups of people, the so-called publics. The most common publics are employees, customers, journalists and politicians. Through PR a company tries to convince and motivate their publics to support their goals with their own specific contribution. In order to achieve this, the organization offers a clear and rewarding relationship to these targeted audiences based on communications. This is expressed in the terms Employer Relations, Customer Relations, Media Relations, Investor Relations and Political Relations. James E. Grunig argues that “in order to have public relations valued inside organizations, the PR practitioners must be able to demonstrate that their efforts are part of reaching the objectives of organizations by building long term behavioral relationships with strategic publics” [Grunig 1993: 136]. Hon and Grunig consider the fundamental purpose of public relations to be the creation and development for ongoing or long-term relationships with key audiences of an organization. They argue that no matter how important it is for an organization to measure the effects and results that apply to the PR work, it is even more important for an organization to measure the relationships [Hon, Childers & Grunig 1999].

- **Positioning in market and society:** more and more organizations recognize the potential relationship management offers for differentiation from competitors in the market place but also in society. In times of saturated markets and interchangeable products, rewarding relationships are the only opportunity for a clear positioning.

- **Relationships within the company are key:** They enable employees to build a clear picture of what their organization stands for and in turn an understanding of what their work contributes to accomplishing organization’s goals.

- **Relationships outside the organization are important** because the emotional proximity to customers, journalists and financiers increases with each exchange. The reason is that intense exchanges call for a mutual level of commitment and understanding. The more intense the exchange between organization and publics, the stronger the trust toward the organization.
grows. The identity of the self and of the other move nearer to one another
and ideally reconcile.

- **Shaping relationships to customers of services is clearly essential to the
success of an organization:** One reason for this is that the service provider
is often in direct contact with the customer. Another reason is that there is
no physical product to serve as perceptual anchor. A properly maintained
relationship translates as corporate accountability. Perceived risk of
disappointment sinks in the eyes of the consumer and other stakeholders.

**Developing relationships as a management process**

Public Relations as management of relationships between an organization and
its publics puts public relations on the level of a strategic management function
because it can influence the way stakeholders support the company’s goals. The
importance of the company’s relationship has given rise to relationship management
[Ledingham 2003].

The management process of developing relationships with publics is systematic
and long-term. It consists of analysis, planning, creation and control. The goal of
Public Relations is to create and develop a clear image in publics’ minds. Impact
studies show that the vividness of an organization’s image is the super-dimension
of image management [Herbst & Scheier 2004].

**2. HOW DIGITAL MEDIA AND TECHNOLOGIES CAN CONTRIBUTE:
PECULIARITIES OF DIGITAL MEDIA**

Storytelling expert Marie-Laure Ryan stresses that every medium possesses
a unique combination of features [Ryan 2004: 19, 2015]. Digital technologies
provide storytelling with a combination of four peculiarities – the Big Four:
integration, accessibility, connectivity and interactivity [Herbst 2004a]. The
two most important for Global Relationship Management are Connectivity and
Interactivity.

**Connectivity**

Connectivity means that the building blocks of devices, technologies,
applications, media assets, etc. are connected with one another and communicate
(keyword: supersystem of systems) [Herbst 2014]. Connectivity with and within
the digital realm has increased dramatically in recent years. Three examples:
- **Media Convergence** is the consolidation of traditionally distinct disciplines
  like print, TV, radio, digital [Jenkins 2006].
- **Devices and Technologies:** people mail with their phones, go online
  with their televisions and listen to radio online. Mobile end devices like
smartphones and tablets open up new user scenarios and multi-screen experiences via apps and digital utilities like Location Based Services.

- **Social Networks and Sharing Platforms** enable new forms of communication where every individual can access, forward, rate, comment and themselves create content. Marie-Laure Ryan talks about networking computers in physical space in order to bring users together in virtual environments.

  Connecting with the space outside the Digital Media: the digital realm is increasingly connected with the spaces outside digital media.

  Users have three possible modes of navigation: first, the haphazard pursuit of links through which the user drifts; secondly, goal-oriented travel along a certain path and thirdly, a concrete search for a particular piece of content undetermined by a particular path.

**Interactivity**

Interactivity is closely tied to integration and connectivity. Many authors see interactivity as the essential difference to traditional storytelling: “interactivity is repeatedly cited as the feature of digital media that most clearly distinguishes it from older, non-digital genres” [Ryan 2004, 2006; Aarseth 1997; Alexander 2011]. Interactivity can either be described as selective, from clicking on a link, or productive, from participation in a story plot with dialogue or gesture [Ryan 2004: 339].

Accordingly, PR in digital media entails a very active user in contrast to classical PR, which consists of an active narrator and a passive audience. Users in digital media aren’t required to wait until something happens, rather they can make something happen. The digital PR user can influence the relationship directly: users can reach into the communication and help shape it. The question is as follows: does the user select a story (human interacts with machine) or tell a story as user-generated content (human interacts with content)?

Organized and collective consumer movements against a company are a part of the risk of interactivity. The examples in recent years of how interactive critical discussions have gravely damaged organization’s images are many.

**3. RELATIONSHIP MANAGEMENT AND SOCIAL MEDIA**

Social media have radically changed communication behavior and created new means to manage relationships. “Social media present new opportunities but also risks for political actors. The moment they start using social media they enter an implicit communicative agreement with the public; they are expected to seek reciprocity and interaction and not, as they traditionally have done, prioritize the
internal party organization, members, supporters, and the media, instead of the public” [Karlsson, Clerwall & Buskqvist 2013: 2].

In particular, social media platforms grant companies opportunities to contact and engage with existing and potential customers. Social media platforms such as Facebook, Twitter, YouTube, and LinkedIn have radically altered the possibilities for engagement of publics and relationship management. Social media enable users to participate, both passively and actively, in communication, such that they can integrate and co-create brand messages [Kozinets et al. 2010].

Social media enable real time communication among people and groups. As such, social networks are “Platforms […] which foremost serve to establish, nurture and manage social relationships as well as create new ones” [Meckel & Stanoevska-Slabeva 2008: 21]. They serve to “expand and care for relationship networks” [Ebersbach, et al. 2008: 33].

Passive and active participation on brand pages both have measurable effects on the customer-brand relationship and consumer behavior. Thus, managers who invest in social media brand pages open an efficient channel to communicate brand messages, engage customers, and strengthen individual bonds with the brand [Jahn & Kunz 2012].

Digital professionals Boyd & Ellison summarize the three primary functions of social networks. According to which, social networks are “web-based services that allow individuals to

(1) construct a public or semi-public profile within a bounded system,

(2) articulate a list of other users with whom they share a connection, and

(3) view and traverse their list of connections and those made by others within the system” [Boyd & Ellison 2007: 211].

Social networking sites provide constant connectivity among consumers [Jansen, Zhang, & Sobel 2009] and PR managers are focusing on leveraging these social interactions among customers to achieve benefits for their customer relationships. In today’s connected world, online content is an integral part of a customer, and sharing online content can have a big impact on sales and the development of customer relationships [Godes & Mayzlin 2009]. CRM is as “a philosophy and a business strategy, supported by a technology platform, business rules, processes and social characteristics, designed to engage the customer in a collaborative conversation in order to provide mutually beneficial value in a trusted and transparent business environment. It’s the company’s response to the customer’s ownership of the conversation” [Greenberg 2010: 34].
Social media and relationship management

All in all, social media seem to be the perfect channels for organization’s relationship management:

- the company uses channels that already exist;
- enormous reach;
- high usage;
- many active users searching for corporate and brand information.

Belonging to the challenges is that human behavior has changed dramatically: users have evolved from passive receptors into active participants. Social networks are places where relationships arise, but also where they may end as quickly as they began [Stegbauer 2011: 252].

Global relationship management

Although there seem to be many opportunities for relationship management with target audiences there are some important problems in regard to Global Relationship Management:

- social media channels vary widely worldwide;
- enormous cultural differences worldwide;
- regulatory differences;
- language differences;
- differences in design: pages are too colorful, loud and tacky for our tastes (China);
- many channels we use in Europe are censored or restricted in use (like “Great Firewall of China” for Facebook, Twitter and Google+);
- popular users get arrested, like the Sina Weibo user Charles Xue (12 million followers);
- governments claim a “Real Name Policy”.

One example of different uses and activities in Germany and worldwide: In Germany 9% of users are members in a brand community (15% worldwide); 8% write about brands on the web (worldwide 15%); 17% interact with brands (40% worldwide) [Schweiger 2013].

Examples of different Chinese channels

Many companies think that they can be reached globally with their Facebook account – “the web is global”. In fact, Facebook has a very limited reach in China and India, two very fast-growing markets. The number of Facebook users in China is 597,520 (as of 25 February 2013), only 0.04% of the population. Its rank is 99th [Grothe & Weber 2013]. Is China a developing country in Social Media? Not at all: China has 731 million internet users. China’s mobile internet users climbed to
695 million, showing much stronger growth than the rate of overall web users. While there’s still extensive usage of PCs and laptops, especially at workplaces and schools, 95.1 percent of total internet users access from mobile devices – mainly phones (https://www.techinasia.com/china-731-million-internet-users-end-2016). Social media are different to those in the rest of the world. The social media channels they use are a parallel universe to our social media channels:

- Sina Weibo and Tencent Weibo: China’s Twitter;
- Renren, Kaixin 001 and Qzone: China’s Facebooks;
- Youku: China’s YouTube;
- WeChat: China’s Whatsapp.

The example of China shows that there are very different social media channels world-wide with different reach, users, cultures and languages.

4. GLOBAL RELATIONSHIP MANAGEMENT AS MANAGEMENT OF FEEDBACK

The questions are: What does this mean for professional global relationship management? How can social media channels of an organization be coordinated globally? When experts are asked what characterizes global management, they cite its enormous complexity, its high risk and its higher reconnaissance requirements [e. g. Czinkota 2000; Ghauri & Cateora 2014; Hollensen 2014]. National management is also labor intensive, full of risk and complex, however.

**Characteristics of global management**

What then characterizes global management that national management lacks? Answer: global management must manage feedback [Herbst 2014a]. What does that mean for the global relationship management?

Every country could basically shape its own discrete relationship management as called for in the particular country. But what happens when a country plans something that affects another country or the central strategy, or that could possibly affect it? In such an event, the relationship management should be marshalled; content, timing and format should be set up free of contradictions in order to leverage commonalities and avoid cross talk and unintended messaging. An example: in these internet times, users check worldwide where they can get the best price on a product; search engines and service provider that compare prices. If a company offers its products at different prices in different countries, it should be coordinated. Global relationship management is the management of feedback. Social Scientist Lavecchia [2008] concludes as a result of her study about Belgium’s Euro campaign as a model for global public relationship management and collaboration: “Organizations have expanded their reach to international
markets, thus requiring the need to adapt to the different environments in which they are located. “This adaptation requires a level of communication that is fitting to their host country” [2008: 60].

Expert, global relationship management is tied to organizational prerequisites: they affect the participating personnel, roles and responsibilities, processes, the applied information technology as well as the communication structure. Because the discussion among relevant groups in different countries directly affects corporate politics, global relationship management must be championed by corporate leadership, funded by a discreet budget and supported with clear directives.

5. ORGANIZATION OF GLOBAL RELATIONSHIP MANAGEMENT

Global relationship management (GRM) is the analysis, planning, creation and organization of global relationship management. Why is global relationship management so important when every country could shape its own local relationships as called for in the particular country?

Well, what happens when a country plans something that affects another country or the central strategy, or something occurs that could possibly affect the organization locally? In such an event, the global relationship management should be marshalled. Content, timing and framework should be set up free of contradictions in order to leverage commonalities and avoid cross talk and unintended messaging.

Global relationship management requires coordination among countries so that a clear image of the organization and its offerings develop – a big picture. Impact studies show that the vividness of an organization’s image is the superdimension of image management [Kroeber-Riel/Diller/Köhler 2015].

Consistent organization’s image can only arise when all relationship management’s tools are systematically planned and implemented globally. Consistency includes:

• Personnel: all stakeholder decisions and behavior stem from a common understanding of GRM.
• Partnership: is GRM coordinated with external business partners like vendors?
• Instrumental: which programmes do countries implement internationally? Do they complement one another?
• Timing: programme timing should be coordinated so that one country doesn’t implement a tactic that another country is waiting on for better timing.
• Content: global relationship messaging must be consistent and free of contradiction. Consistency doesn’t mean that every country uses the same
messaging. Rather that the relationship management possesses the general messaging overview in order to ensure there are no contradictions.

• Form: which design guidelines are international? This includes extant formal trademarks such as name and logo.

• Objective: are country-specific launches and one-offs coordinated with one another? The coordination of global relationship management ensures that all stakeholders are able to adequately exchange ideas and communicate – interdisciplinary teams, project management and networks play a major role here. Fitting processes are ones which engender purposeful coordination and measurement and which strengthen overall collaboration.

6. CONCLUSIONS

Global relationship management demands buy-in from all the PR managers in concerned countries in order that clear imagery can be achieved with publics. For this to happen, global relationship management must be systematically planned and precisely executed. Guiding principle: because of the many differences among countries, global relationship management is extremely differentiated. Synergies arise in no small degree from the alignment of such differences along the path to the sought-after brand image.

Sources


