ORGANISATIONS AND BUSINESS

Sector focus



Digital Communication

2022



Summary



CORPORATE COMMUNICATION IN THE INTERNET ERA	. 3
THE EXPANDING LABOUR MARKET OF DIGITAL COMMUNICATION	. 6
PROFESSIONAL PROFILES OF NEW COMMUNICATION	. 8
A FOCUS ON NEW DIGITAL COMMUNICATION	10
SOURCES CONSULTED	11

Corporate communication in the Internet era

Corporate communication is the set of messages and actions through which a company communicates its values and philosophy to different audiences. It is a broader concept than marketing because, beyond advertising messages aimed at customers, it also includes all forms of internal and external communication of the company with its workers, shareholders and suppliers.

Before the Internet became an essential service and available to most businesses and people around the world, proofs of corporate communication were limited: companies promoted their products through advertisements published in magazines and newspapers, as well as television and radio spots; participated in local and international networking events to seek funding and create alliances, and communicated relevant messages to their staff through bulletins and sporadic meetings. While these forms of corporate communication continue to apply today, they have been pushed to the background in terms of impact and relevance because the proliferation of the Internet has given way to a new era of broader, transparent and eminently digital corporate communication.

The main causes of this transformation are as follows:

On the one hand, the Internet has made available to people a great deal of information about the companies and products on the market that they previously had no access to. When reference is made to this phenomenon, the focus is often placed on the emergence of a new, more informed consumer profile, which takes into account a multiplicity of factors -apart from the price and characteristics of products- in their purchasing decisions. However, it is not only the clientele that is interested in issues such as the working conditions that the company offers to its workforce, the impact it has on the environment, the materials used in the production process and their origin, or the careers of the people that make up the management team, among many others. The values and principles governing the operation of a company may also affect its ability to attract and retain talent, the decisions of its shareholders or the opportunities for collaboration with other companies and institutions.

Figure 1. Main aspects valued by customers when forming an opinion about a brand



r creentage of respondents

Source: Prepared by the authors, based on data from a poll conducted by Deloitte (2019) in the USA, UK, China and Brasil.



On the other hand, the available channels, tools and communication formats have multiplied. In traditional media, such as the written press, posters, postcards, radio, television or telephone, new forms of digital communication have been added, such as social media, websites, email or video calls. These new formats have some important advantages over the previous ones, such as ease of segmentation of the target audience, the lower cost of production and distribution, bidirectionality and immediacy.

Thus, the Internet has not only created new communication channels, but has also led to a change in the form and content of corporate messages. Today, the value and reputation of a company goes far beyond the price-quality ratio of its products and services. In the current climate, where there is a growing collective awareness of environmental issues, equality and social justice, there is an increasingly widespread idea that companies must take responsibility for the overall impact of their activities and take socially responsible actions that have a positive impact on their environment. In this way, the concept of companies with a purpose has emerged.

While some brands use social and climatic struggles purely for advertising purposes, data point out that companies incorporating social purpose and articulating the strategies and decisions around it grow three times faster (on average) than their competitors, survive more time, attract and retain talent, and reach higher levels of satisfaction of their workers and consumers.

In short, digital communication does not replace traditional forms of corporate communication, but complements them. Thanks to the bidirectional functioning of the Internet, companies have the opportunity to interact directly with different audiences and to respond to their demands and suggestions. As a result, a good digital marketing strategy allows deeper links to be established with the clientele and the levels of **loyalty** to be increased. In terms of internal communication, achieving an identification with the company's values and purposes also contributes to increasing the satisfaction and commitment of workers and other agents linked to it.

Figure 2. Comparison between traditional and digital marketing

	TRADITIONAL COMMUNICATION	DIGITAL COMMUNICATION
Channels	 Posters Marquees Magazines and newspapers Radio Telemarketing Store windows 	 Social media (Instagram, Facebook, Tik-Tok, etc.) Websites E-mail SEM (Search Engine Marketing) Content marketing
Advantages	 Impactful and easy to understand More permanent Memorable 	 Interaction with the consumer Easy to measure the impact of campaigns Makes clever targeting possible
Disadvantages	 Difficult to measure campaign impacts Expensive Does not allow interaction with the consumer 	 When excessive, may be intrusive or annoying Temporary, less memorable Constantly evolving

Source: Prepared by the authors based on the article Digital marketing vs. traditional marketing: what's the difference?, by 99designs.

All of this, however, also entails **greater dedication of resources**, since companies must be present in more channels and adapt their messages to new formats. In addition, the environment in which they operate and the opinion of the consumer public are volatile; they change all the time. Therefore, they must continuously measure and process information and have the ability to respond quickly. The implications of this new style of business communication have resulted, in terms of employment, in the appearance of **new professional profiles** and in an **increase in jobs** in the field of marketing and communication.

The expanding labour market of digital communication

The consequences of digitalisation for the labour market of corporate communication and marketing draw a **different pattern** from what is generally observed. Usually, digitisation processes go hand in hand with an increase in the degree of automation. Consequently, traditional professional profiles are replaced by others with a greater technological component. This in turn leads to the need for retraining and sometimes results in a reduction in jobs in the sector. The case of corporate communication is different, as digitalisation creates **new channels that do not replace traditional ones**, but complement them.

While the importance of traditional channels is reduced, everything points out that the expansion of digital communication has created more jobs than it has destroyed and therefore has a **net positive impact in terms of employment**. According to Statista, the number of workers in the marketing sector in Spain has increased steadily since 2013, with an increase of 27% in the period 2013-2020. At the same time, investment in digital advertising has also followed an upward trend in the same period, from EUR 896 million in 2012 to EUR 2,480 million in 2021.

150,000 3,000 Annual investment in digital advertising (millions of euros) People employed in the field of marketing in Spain 2,500 125,000 100,000 2,000 1,500 75,000 50,000 1,000 500 0 2014 2013 2015 2016 2017 2018 2019 2020 2021

Figure 3. Number of employed people in the marketing sector in Spain and investment in digital advertising (in millions of euros), 2012-2021

Source: Prepared by the authors based on data by Statista.

Overall, corporate communication is an area that is gaining prominence within companies. According to data from the report *El estado de la comunicación en España 2021-2022* (Dircom), **69% of CEOs regard the communication as important or very important**, while in 2017 this figure was only 58%. This study also points out that the areas of corporate communication that are considered most important for the next few years are **online communication and social media** (53.4%), **internal communication** and **change management** (42.5%), and the application of corporate social responsibility and sustainable development criteria (42%).

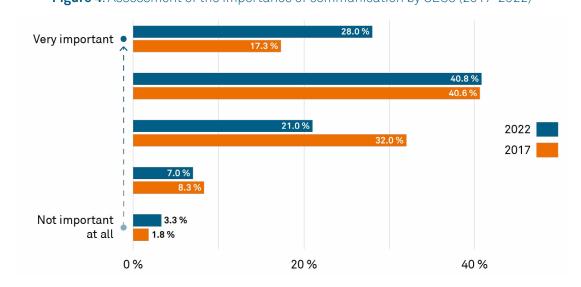


Figure 4. Assessment of the importance of communication by CEOs (2017-2022)

Source: Prepared by the author based on data by Dircom.

The increased value of communication within companies is attributed to the impact of COVID-19. The pandemic highlighted not only the need to have a good external communication strategy, but also the importance of **internal communication in contexts of uncertainty and changes** affecting the way of working (e.g., the introduction of working from home). The restrictions that caused the cancellation of many physical events during the pandemic have also provided an opportunity to reinvent the sector. The digitisation of communication has enabled **virtual events** to be held, which will multiply thanks to the evolution of augmented and virtual reality. As a result, a hybrid format will be imposed which will allow the scope of meetings that were traditionally held only in person to be extended.

Additionally, the area of digital marketing resisted the negative impact of the COVID-19 pandemic. Although 40% of the people employed in this sector were affected by ERTOS or layoffs during the first months of the pandemic, **recruitment of digital marketing specialists grew by 60% in 2020**, according to LinkedIn. Social media-related positions are the ones that grew the most, and skills in this area are also among the most demanded, along with online moderation, search engine optimisation (SEO), Google Ads and digital strategy.

Professional profiles of new communication

As we have explained, digital communication has not replaced traditional media, but has fostered the creation of a new branch of activity within the sector. It has therefore motivated the emergence of new professional profiles that, while sharing some functions with other more traditional roles, require specific skills and are specialised in digital communication channels and their codes.

The current demand for professionals includes both junior and senior profiles. However, university education is a prerequisite in many positions in the communication sector. According to Dircom, **99.2% of communication professionals in Spain have completed a university degree** (mostly in Journalism or Advertising and Public Relations), and 62.5% of them also have master's or postgraduate degrees.

Below there is a description of some of the most in-demand jobs related to digital communication:



<u>Marketing consultant</u>: The goals of these professionals coincide with that of other generic marketing profiles, but differ by focusing on the strategy in digital channels (ads posted on the Internet, in social networks and via email, to name a few) and by requiring greater knowledge and preparation of a technological nature.



<u>Community manager</u>: An estimated 2,460 million people are social media users worldwide. For this reason, this is a professional profile with high demand. They are responsible for defining a brand's communication strategy on social media, ensuring it is consistent across all platforms and ensuring that users' queries and comments are addressed.









Chief Listening Officer: This is a very new and more specialised profile than the Social Media Manager. They monitor the company's internal and external communications to collect users' opinions, define strategies for reinforcing or modifying these opinions, and suggest ways to apply community feedback with the aim of improving brand processes and products.



Influencer: Influencers are both professionals and promotion channels. They are marketing professionals because they self-promote by creating content of interest and entertainment for their target audience through their own social media channels. At the same time, however, they are promotional channels for other brands, who exploit the status of opinion leaders of influencers by hiring them to advertise their products.



<u>SEO and SEM specialist</u>: They are responsible for optimising the website and all online content in the company to achieve greater visibility and improve organic positioning in search engines with the aim of attracting more potential customers.



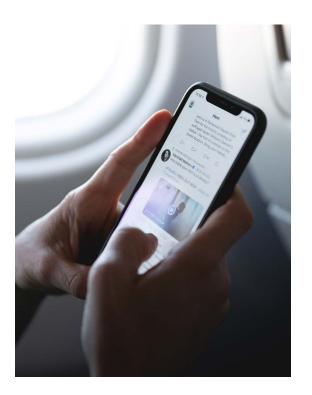
<u>Copywriter</u>: Copywriters write persuasive texts to convince the target audience of something (buy a product, hire a service, or form a positive opinion about a brand). For these texts to be effective they must provide valuable information, be clear, synthetic, creative, dynamic and enthusiastic, and they must be optimised for search engines (SEO).

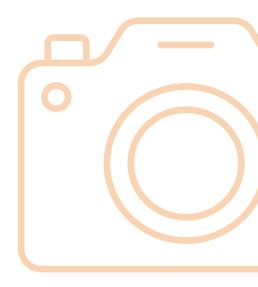
As far as the **most demanded skills** are concerned, companies are looking for people who have excellent digital knowledge, and who know how to make communities more dynamic and create a two-way relationship with the audience. Technical knowledge of different software is required depending on the characteristics of the job (video editing, image manipulation, email marketing, web development, social media, etc.) and, if the role involves creating web content, SEO knowledge is a prerequisite.

A focus on digital communication

The digitisation of corporate communication is a process that has taken place, primarily, over the last two decades. The Internet has created a variety of **new media** that intensify the communication of companies with different audiences (clientele, workers, investors, etc.). The COVID-19 pandemic also helped to enhance business communication and boost the organisation of virtual events and meetings. In addition, there is now a general **demand for companies to make a positive contribution to society**, which has revived interest in corporate social responsibility and given rise to the concept of purposeful businesses.

This transformation, however, has not displaced traditional forms of communication and has therefore caused an **expansion of the sector**. Digital communication has led to the emergence of a wide variety of **new jobs** specialised in new codes and media. New professional profiles differ from traditional ones by requiring a high level of **digital skills**, especially with regard to websites and social networks. University education remains a basic requirement for access to most jobs in this area.





Sources consulted

- 99designs (2019). Digital marketing vs. traditional marketing: what's the difference?
- Blog Todo Comunica, Universitat Oberta de Catalunya (2020). El impacto de la COVID-19 en la comunicación corporativa, el protocolo y la organización de eventos, a debate.
- Deloitte (2019). <u>Purpose is everything</u>.
- Deloitte (2021). <u>Purpose A beacon for growth</u>.
- Dircom (2018). El estado de la Comunicación en España.
- Dircom (2022). El estado de la Comunicación en España.
- Forbes (2018). 7 Digital Marketing Jobs That Didn't Exist 10 years Ago.
- Gwynedd Mercy University. What Jobs Can I Get With a Digital Communications Degree?.
- Harvard Deusto (2020). TRIBUNAS: ¿Qué significa ser una empresa con propósito?
- HubsPot (2022). Marketing digital vs. marketing tradicional: diferencias y ventajas.
- lab Spain (2020). Estudio del Mercado Laboral en Marketing Digital en España.
- LinkedIn (2021). Empleos en auge en España 2021.
- Prospecta Marketing. How the Internet Has Changed Marketing.
- Statista. Número de trabajadores dentro del sector del marketing en España.
- Statista. Gasto en publicidad digital en España 2012-2022.
- UNIR (2022). ¿Qué es la comunicación corporativa? Claves y objetivos.

Image credits

- SARA KURFESS. Cover and summary image.
- SOCIAL CUT. Page 4.
- **EDHO PRATAMA.** Google Ads. Page 8.
- CANVA STUDIO. Workers. Page 8.
- JENNY UEBERBERG. Page 9.
- MARTEN BJORK. Page 10.

This report has been prepared by Utrans.