

Chapter 3: Behavioural Perspective

This chapter develops a behavioural framework to explain how corporate communication works. The framework considers corporate brands and corporate communication from a constituency's point of view. More specifically, it explains constituency's psychological and behavioural responses to corporate communication. The analysis is thus carried out from a behavioural perspective. According to a neo-behavioural paradigm to communication, corporate communication stimuli affect corporate brand knowledge in constituencies' minds, these corporate communication effects being moderated by both constituency-related factors as well as stimulus-related factors. In turn, corporate brand knowledge may affect constituency behaviour.

This chapter is made up of three sections. The first section presents the relevant background for explaining how corporate communication works. Firstly, it introduces a behavioural approach to communication, which considers human actions as opposed to economic variables for explaining communication outcomes. A behavioural and a neo-behavioural paradigm for understanding human actions is then presented and critically assessed. Finally, based on a neo-behavioural paradigm to communication, different communication outcomes are explored.

Following a stimulus-organism-response (S-O-R) paradigm, the second section develops a behavioural framework to explain how corporate communication works. Firstly, corporate communication stimuli are explored. Secondly, based on an associative network memory model, corporate communication effects are meaningfully represented through a psychological construct. Thirdly, studies that show the possible positive behavioural outcomes to corporate communication are assessed. Lastly, moderators of corporate communication effects are identified and reviewed.

The third section assesses the relative merits of the proposed framework in explaining how corporate communication creates constituency's psychological and behavioural responses. The framework is compared with previously developed similar psychological frameworks and, lastly, the significance of the proposed framework for explaining corporate communication effects is critically evaluated.

3.1. Behavioural Foundations

3.1.1. Behavioural approach

Research of communication phenomena in organisations is a relatively new field of inquiry which only began to be systematically scrutinised at the end of World War II (Bruhn, 1997, p. 14). Before then, most knowledge on organisational communication was based on the intuition and experience of publicists, marketers, managers and other individuals responsible for informing and persuading a company's constituencies. In the 1950s however, communication research started being carried out systematically and since then it has evolved into an interdisciplinary field of inquiry (Trommsdorff, 2003). Communication theory draws from disciplines such as economy, psychology, social psychology and sociology (Batra, Myers and Aaker, 1996, p. 32). The theoretical ground of communication is also based on theories and methods from other fields such as system theory and decision analysis theory (Bruhn, 1997, p. 14 ff.). In addition, communication research has benefited from studies on advertising, public opinion, employee communication, dissemination of news and rumours, propaganda and diffusion of products, ideas and practices. Clearly, the disciplines involved are manifold and the resulting approaches to communication research are numerous.

Much research on organisational communication has been conducted using one of two major approaches. These competing approaches, despite both being still common today, have been developed and widely employed over different periods of time (Batra, Myers and Aaker, 1996, p. 109 ff.; Bruhn, 1997, p. 14 ff.). In the 1950s and 1960s, most researchers followed an economic approach to communication studies. Micro economic theory, which had been successfully applied to understanding the relationship between price and sales, was then extended to understanding communication phenomena, particularly advertising effects (Bruhn, 1997, p. 15). The core issue of the economic approach is the relationship between communication activities and variation in economic variables, measured in terms of money or other quantities. Some frequently considered economic variables include sales in units or in euros, market share, profit, marginal income and return on assets (Berndt, 1995c, p. 20 f.).

The economic approach faces much criticism, which usually focuses on two major shortcomings. First, the economic approach only considers a few of the many possible antecedents of communication effects, mostly those of an economic nature. Economic models, for example, often consider the advertising budget as the sole input variable to explain sales of a certain product, although many other factors (e.g. creative content, individual characteristics and competitors' actions) are