

Chapter 4: Managerial perspective

This chapter provides some guidance for designing corporate communication programmes using corporate advertising and ad-like communication activities. It develops a decision-making model to assist managers select which corporate communication tools to use. The model considers corporate brands and corporate communication from a company's point of view. Specifically, the model prescribes how managers should select among the various means of communicating about the corporate brand. The analysis is thus carried out from a managerial perspective and results in a theoretically sound and practically applicable decision-making model, which seems to be superior to previous approaches to selecting qualitatively different communication tools, particularly among the range of broad corporate communication tools.

This chapter consists of three sections. The first section presents the theoretical background for designing corporate communication programmes. Firstly, a managerial approach to brands, to which this chapter adheres, is briefly introduced. Secondly, corporate brand management is discussed. Extant theory on corporate brand management is overviewed and key theoretical perspectives on the subject are explored. Following the most recent of these perspectives, corporate brand management is then defined. Lastly, this section explores corporate brand management based on the use of corporate advertising and ad-like communication activities: the importance of these communication activities as a brand-building tool is discussed and the broad decision situations facing corporate brand managers using corporate communication are then overviewed.

The second section constructs a managerial model for selecting corporate communication tools, broadly following the steps of decision analysis. First, the decision situation is identified by defining the goals and alternatives of tool selection. The problem structure is then modelled by specifying objectives and attributes upon which alternative communication tools are evaluated. The best alternative is then singled out by assessing the decision maker's preferences. This section proceeds by exploring the interaction involved in the corporate communication tool selection decision and proposes an analytical way for modelling this interaction. Finally, the proposed decision-making model is appraised.

The third section illustrates the application of the decision-making model developed here. Using an example, it shows how a manager can select among the major broad corporate communication tools. The section concludes with a comparative critique of the illustrative model.

4.1. Managerial Foundations

4.1.1. Managerial approach

The last chapter approached corporate brands and corporate communication from a behavioural perspective, aiming to describe and explain how corporate communication works. This section introduces a different yet complementary approach to corporate communication effects, which aims to prescribe how managers should design corporate advertising programmes. This chapter's approach to communication is a relatively recent one (see Batra, Myers and Aaker, 1996, p. 33). It provides guidance for communication managers, keen to contribute to company goals. Corporate brands and corporate communication are thus examined here from a manager's viewpoint.

Among the various functions that managers fulfil, planning is of a particular concern. Planning is indeed the first and most important task among managerial functions. Planning is about the development, implementation and evaluation of programmes for achieving company goals.

From a manager's viewpoint, planning is all about decision making. Managers are in fact decision makers. In its broadest sense, decision making consists of finding out available alternatives and choosing among these alternatives. Therefore, communication management essentially requires the generation of alternatives and the selection among them (Berndt, 1995c, p. 3; Batra, Myers and Aaker, 1996, p. 33). Indeed, managers responsible for a corporate communication programme face many decisions: What is the positioning of the corporate brand? Should the corporate brand be actively communicated to consumers? Is the corporate brand's positioning different for investors than for consumers? In addition to press relations, should corporate advertising be employed to shape constituencies' beliefs about the corporate brand? Should the company be promoted by TV or newspaper advertising? These and many other complex decisions require answers. Perhaps the most fundamental of these decisions, that is, the objective towards which corporate communication managers' efforts are directed, is discussed in the next subsection.

4.1.2. Corporate brand management

4.1.2.1. Review of extant perspectives on corporate brand management

Corporate brand management has received numerous denominations in recent years. Terms like impression management (Schlenker, 1980; Gardner and Martinko, 1988), corporate image management (Abratt, 1989; Gregory, 1991), repu-