

Strategic Communication Process: Support for Performance Measurement and Popularization of SMEs Innovations – II

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Abstract: This paper analyzes the advantages of the strategic communication process from an online and a digital point of view, as most companies make their changes from the off-line into the online market. Through this aspect, the company can quickly adapt to the fast changes of the industry or of the market requirements, to connect better with its stakeholders, to fulfill their requirements, and generate more revenues. Having in mind that the market is always changing, entrepreneurs must constantly reanalyze and rethink their actions and their communication strategies to remain relevant and desirable for their stakeholders. In the last part of the article, we have analysed the example of a traditional SME manufacturer company from Romania that had to make its way in the digital world and develop new markets, in order to strengthen its position in the many years of economic existence and to respond to a possible crisis that could have drastically affect its business.

1. Introduction

In the previous article, *Strategic Communication Process: Support for Performance Measurement and Popularization of SMEs Innovations - I* (Georgescu A, Avasilcai S, 2019), we have explained the importance of innovation as an essential and constant direction of new entrepreneurship, with companies focusing on identifying optimal communication channels, identifying relevant spokesmen to their field of activity, and facilitating information on the market. We have shown that strategic communication, at any level in the company and beyond, reduces uncertainty in the decision-making and supports the creation of optimized methods for the management process, for the company's performance and the impact it can generate in society, triggering a new era of change.

Continuing our research, the definition of strategic communication shows a communication aligned with the company's overall strategy, to enhance its strategic positioning [1].

Creating, developing, and implementing an effective business management strategy in a period of rapid change, evolving emerging technology, shifting customer tastes, regulatory changes, and intense competition is a real challenge. How to communicate it can be also challenging and here comes the importance of strategic planning of all the ways and channels the company will use to speak about its innovations, products and services, in order to make itself relevant on the market, heardable and desirable by the stakeholders.

The companies, especially the SMEs, have to have the ability to develop strategic narratives that enable innovation at all levels or departments, and to implement them strategically in order to become easily notable on the market. Entrepreneurs and managers have to constantly “rethink the past and the present and reimagine the future” [2], in order to choose new strategic directs or adjust the ones already existing. This managerial behaviour can create momentum for innovative strategies and show that SMEs can be of great importance in the evolution of technology, the market or of the society.

2. What to do for strategically communicate on the market?

The transformation that a company will feel every year and the abundance of decisions that managers have to take daily shows that they have to be proactively open to face transformations, to understand their impact on the market and rapidly adjust at any important changes. They have to be able to incorporate these changes at certain levels in their companies in order to develop their markets, their products or services, to innovate, to train their people, to increase their profits and to truly impact the society. This “strategic renewal” becomes a market imperative and involves “making changes ahead of a crisis” and not be seduced by the success that you can have on the market at a certain time [3]. These market changes can have different forms: digital technology, new competitors, new customer needs and desires, emerging markets reshaping economy, new discoveries in medicine or political changes.

The change within is often driven from the outside changes of the industry, so the managers have to find new ways to make money, to remain relevant on the market and to straighten their core capabilities. They have to manage and to renew themselves “ahead of market disruption” and to enforce their main goals in order to emotionally touch their stakeholders and show the positive impact they can have at all levels [3]. At this level, the Balance Score Card (BSC) and a benchmark analysis have to be a routine in the eyes of the CEOs.

At these point, the importance of co-working, ecosystems, collaboration and crowdsourcing becomes of great interest, having the possibility to help the company develop a “leadership community in the work of renewal” [3] in order to see different aspects from a different point of view, to learn more from the needs and wishes of the co-interested groups, to explore new ideas and to develop new occasions to interact with the market through different types of events, marketing or public relations campaigns in the on-line or the off-line fields.

3. The strategic communication, part of the digital transformation process

Today’s markets require changes everyday especially in the digital and the on-line field. Customers are increasingly demanding to interact with companies anytime and anywhere.

To create more value and enlarge their markets in order to access clients anytime and anywhere, every business has to have an on-line presence: a website page, social network accounts, e-mail or connect with their potential clients through chat messaging, on-line stores, blogs with high quality branded content, video content channels, newsletters, video-conferences, webinars or other type of multisided platforms. Multisided platforms (MSPs) are technologies, products or services that create value primarily by enabling direct interactions between two or more customer or participant groups in the on-line medium [4].

The benefits of creating these on-line platforms is that the company enters easily in contact with its direct and indirect public, can access new markets, can ask for feedback, reviews or involve the public as “outside innovators” or supplies of new ideas [5]. This gives the company the possibility to create a digital business model that could help build a strong on-line presence and gain new markets. For example, 72% of customers in an US survey said they would replace some traditional channels with mobile apps if the capability was available [6]. An approximate study made by Flurry Analysis in UE in 2016 showed that 69% of the Europeans customers use apps (especially UK, German and French customers) to connect and communicate with different companies [7]. So, companies as they grow, they should move more from the physical world of “place” to the digital world of “space” in order to strengthen their digital business models [8]. These digital opportunity gives the company the opportunity to innovate more and even create important content that could be shared and linked in the on-line, and also in the off-line field, through the usage of a various number of platforms- phone, PC, TV, CRM, e-mail or other interactive live or on-line events. This is an important part of the customer- driven innovation strategy model that helps the company develop its digital model (through quality content, customer experience and the creation of internal and external platforms).

If SMEs companies manage to quickly adjust their communication strategies and connect thought a relevant number of on-line and off-line channels, they can generate, in time, a bigger ecosystem and become important or even leading professional in their field of activity. Digital business models are transparent to all, give the chance to share experience and enhance “the age of customer voice” that all

the companies experience more and more nowadays, where the users expect a brilliant digital experience in all of their interactions with the company [8].

Being in direct contact with the public could create higher consumer loyalty, a higher interest for the products or services, for the educational information or any other activity released on different channels that show to be effective and to be accessed by the co-intersected groups or the stakeholders. In the end, these range of activities can create multiple sources of revenues and profit for the company. At a periodical and straightforward cost-benefit analysis, the company will establish the best channels that gave best results in the communication or in developing a relationship with the stakeholders and will forward decide which of them to be developed more and need extra resources to invest in. But “future projections are intimately tied to interpretations of the past and the present” [2] and new shaped strategic choices can be made only if they are connected to the past and the present actions and results.

4. The creation of relevant strategy

Every opportunity for learning and reconfiguring the strategy have to be closely analyzed and search for new interpretations and novel possibilities in order to discover the sources of competitive advantages. The SMEs that manage to deal with the routine of the business and also to access conventional wisdom within or outside the company will manage to reinvent its strategy and develop new directions for achieving success. Each strategy should have in mind one of the three strategical directions: strategy of position, strategy of leverage and strategies of opportunity [9]. Each of these have to make the entrepreneurs understand the particular circumstances and forces that may shape the company’s competitive environment, its core values and its mission.

In order to choose the right strategy, choosing from different frameworks and archetypes can help the company to better identify its potential, its circumstances, available resources and how management should link those resources, as shown in table 1.

Analyzing this framework model, a company can easily identify its potential impact on the market and decide which strategy represents best their goals and core values.

5. Strategy adjustment example- BIOCAMP, a Romanian SME manufacturer that understood its potential and turned a crisis into an opportunity

For example, BIOCAMP, a SME Romanian company from Iasi, that produces bactericidal devices for disinfection based on ultraviolet light since 1991 (these devices have the ability to disinfect and destroy bacteria, viruses and molds up to 99,99% through the UV-C light, known the most efficient method of disinfection), has a set of core values and a strategy that helped the company make its market predictable until 2008.

During the economic crisis, it had to radically rethink its strategy, being strongly affected in losing almost 60% of the market. As a company that acted for years on a traditional and predictable market, it was concerned to keep its leader position, to deliver its products just in time and to enforce the relationships with its customers, adopting a position strategy.

But when the crises stroked during the period of 2009, the company had to quickly analyze its options, its past business model and look for a new one in order to survive and even gain new markets. The managers established that it is time to be bold and develop a new communication strategy on totally new markets.

Its first move was to focus on the areas where there is a high risk for diseases outside the medical and veterinarian areas, meaning the educational institutes (schools and kindergartens). The children that go to school or kindergarten are exposed to get all sorts of diseases and affect their immunity system. The company first developed a statistical research study, one-to-one interviews with parents and pediatric doctors and decided to develop a social responsibility campaign named “Free Illnesses Childhood”. Choosing a combination between leverage and opportunity strategy model, BIOCAMP developed specific events where the participants could understand better the impact of diseases in childhood and how to better prevent them in the educational communities, made videos and content that helped parents to understand better the impact on using the UV-C bactericidal devices in classrooms, developed a new website and organized dedicated conferences where specialists in different areas came to openly talk to

parents and help them in different areas concerning health, parenting, hygiene or other subject of interest according to the parents' interests.

Table 1. Choosing the Right Strategy Model [9].

	<i>Position Strategy</i>	<i>Leverage Strategy</i>	<i>Opportunity Strategy</i>
Strategy	Build mutually reinforcing resource systems with many resources in an attractive strategic position. Deepen their links.	Build strategically important resources for current markets. Leverage them into attractive new products and new markets.	Pick a few strategic processes with deep and swift flows of opportunities. Learn simple rules to capture opportunities.
Circumstances best for	Stable environments	Moderately dynamic environments	Dynamic environments
Resources	Often mundane	Strategically important (i.e., valuable, rare, inimitable and non-substitutable)	Opportunity-rich strategic processes guided by simple rules
Relationships	Tightly interlocked resources	Moderately linked resources	Loosely linked resources
Basis of Competitive Advantage	A cost leadership or differentiated strategic position that is defensible	Ownership of specific strategically important resources that can be leveraged	Capture of attractive opportunities before rivals
Sustainability of Advantage	Long term	Medium term	Unpredictable
Inimitability of Advantage	Through causal ambiguity of tightly linked resources plus time to develop the resource system and path dependence	Through property rights, path dependence and time needed to develop the same resources	Through first-mover advantage and the challenge of inferring rules from partially improvised outcomes
Challenges	Adjusting system of tightly linked resources quickly enough and without producing negative synergy	Adjusting resource portfolio without being blocked by cognitive and political rigidities	Maintaining "edge of chaos" with the right number and types of rules. Timely pivoting to better strategic processes

The program was developed for two years and the educational field developed 23% new share market in the company's turnover. From this point, new markets have naturally developed: office buildings disinfection needs and health protection for the employers that work in the open spaces, the food industry, cosmetics, home use. The company understood that interdependent resources create complexity. In total, since 2009, BIOCOMP developed seven new markets and increased the range of products and services to over 100 types offered all over Romania and Eastern Europe.

The company understood its innovation potential and constantly collaborates with its clients in developing new products and applications, worked with professional resellers through on-line stores and specialized websites and developed a multisided platform to optimize its production flux. The company managers understood that they are getting from a relative stable to a dynamic industry once the new markets have started to be developed and it embraced the innovative strategy.

Nowadays the company provides one of the most effective environmental biosecurity concept worldwide, by disinfecting air and surfaces with bactericidal devices produced in Romania, for medical, food, educational, office, zootechnical, veterinary, cosmetic, hospitality and household applications. The bactericidal devices eliminate nosocomial infections in the environment, reduce disease transmission

capacity, eliminate dangerous pathogens from people's work environment and allow healthier food production.

BIOCOMP is looking for internationalization opportunities of its products and services in UE and Asia, is analyzing the opportunity of coevolving their strategically important resources, developing new digital business models in order to easily connect with its stakeholders and create a constant flux of revenues from multiple markets.

6. Conclusion

The survival of a small medium company stays in its ability to constantly adapt at the changes of the market and, even better, to outcome them and generate the change before they come. The constant contact with the stakeholders is vital, today more then ever, no only in the off-line area, but in the on-line area especially. The on-line markets are always open, always in connection and can offer a constant source of relevant ideas of innovation that can help the SMEs companies to gain their place in the market. Managers that look for optimising their communication strategy and digital business model will remain on the market, will become noticeable, remarkable and will win in medium and long term form all point of view.

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