

Chapter 5

“New Normal” Strategic Communication

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ABSTRACT

The digital industrial revolution, also called Industry 4.0, is substantially changing all areas of business. The application of modern technologies is transforming not only products and processes in the industry, but also business models in all sectors, which further implies required adaptations of all business functions. This chapter addresses the new dynamics and implications for strategic communication brought on by digitalization. A planning process of strategic communication will be elaborated within a digital context, together with the specifics of communicating with younger generations. Communication activities mostly relevant for companies in the new industry will also be presented. The issue of ethics in strategic communication will be also addressed, together with major initiatives in regulating the standards of the profession. The purpose of this chapter is to describe the changes that new technologies have brought to the discipline.

INTRODUCTION

Companies today operate in an extremely complex, turbulent, and technology-driven environment, which requires better understanding of changes and adaptations. For many industries, it is particularly digital transformation that dictates major adaptations in the domains of strategy, structure, product development, and service delivery (Zerfass et al., 2018a). Digital transformation integrates advanced digital technologies, such as Internet of Things (IoT), Artificial Intelligence (AI), big data, cloud platforms, Virtual Reality (VR), Augmented Reality (AR), and others in all domains of business, creating tremendous changes in the way companies work and manage their relationships with stakeholders.

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Both academics’ and practitioners’ interest in examining the fourth industrial revolution, known as Industry 4.0, has been growing rapidly ever since the emergence of the term at the Hannover Fair in 2011 (Sung, 2018). According to Lee et al. (2013), it represents the next phase of digitization of the manufacturing sector, in terms of the implementation of advanced digital technologies, creating smart factories, and the new and changed way value is designed, created, and delivered. It focuses on increasingly individualized customer requirements (Vaidya et al., 2018). The authors report that the essential components of Industry 4.0 include: big data and analytics, autonomous robots, simulation, horizontal and vertical system integration, Industrial Internet of Things (IoT), cyber security and cyber physical systems (CPS), the Cloud, additive manufacturing, and augmented reality. Hence, Industry 4.0 is still a constituent of a socio-economic environment and the success of this transformation depends not only on its technical feasibility, but also on its social perspective (Kovacs, 2018).

“New Normal” is a term used to define the new form which occurred as a result of both globalization and the development of technology (Ucatürk et al., 2012). Companies are doing business in an environment that is more mobile, more competitive, and much faster than environments in the past. Technological improvement and the tech revolution, the rise and emergence of new economies in the world, excessive competition, environmental issues, and the increasing power of consumers have become the main characteristics of the new economy. In this context, communication strategies have to change dramatically and adapt to the technical requirements and opportunities that the new industry brings to the “new normal”.

According to the European Commission report (2016), progress and advances in digital technologies, such as IoT, Cloud computing, 5G, analytics and business intelligence, as well as robotics, are transforming not only products and processes in the industry, but also business models in all sectors. Telukdarie et al. (2018) explain that technology development, including Industry 4.0 and IoT, together with vertical, horizontal, and total business integration, demands digital enablement and total business optimization for securing business sustainability. The authors argue that total business optimization must include all business functions, from production, supply chain, over sales, distribution, maintenance to human resources, finances, information management, and others. This presents the conclusion that all business functions need to be changed and adapted, including strategic communication. This chapter will focus on strategic communication within a new environment, aiming to describe the changes that new technologies have brought to the discipline, as well as the communication practices that can contribute to business success in the new economy and new industry.

THE FUNDAMENTALS OF STRATEGIC COMMUNICATION

Both scholars and practitioners report that every organization needs a management function that initiates, directs, and guides its communication with all groups from the internal and external environment (Van Ruler & de Lange, 2003). The theory of stakeholders (Freeman, 1984) explains them as individuals or groups that directly affect or are affected by the company’s operations, whether they provide resources (buyers, investors, employees), form the structure of the industry (suppliers, strategic alliances), form the social and political arena in which the company operates (communities, governments), or they are mediators between the company and other stakeholders (media). For the purpose of more easily understanding stakeholders and creating effective communication programs with them, the most common way

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