THE DEVELOPMENT OF AN INTEGRATED COMMUNICATION (IC) AUDIT FRAMEWORK FOR A DECENTRALIZED BUSINESS ENTERPRISE

by

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DECLARATION

With this statement, I hereby declare that the thesis submitted for the degree M A (Communication Science): Corporate and Marketing Communication at the University of the Free State is my own independent work. I further declare that I have not submitted this thesis for any other qualification, nor at any other institution of higher education. All the sources that have been cited in this thesis are provided in a comprehensive reference list.

________________________________________  _______________________
Annette van Baalen                                Date
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CHAPTER 1 OVERVIEW AND ORIENTATION TO THE STUDY

1.1 INTRODUCTION

In a cut-throat market environment, the significance of having an Integrated Communication (IC) strategy in place has never been so important. With this communication strategy, companies can engage in purposeful two-way communication with stakeholders to ensure that the company meets the expectations of these stakeholders (Shimp & Andrews, 2013:681). Unfortunately, without the use of IC, the constant battle to gain shares leaves companies vulnerable, as providing the best product no longer safeguard the success of a company (Yeshin, 2012:4). Companies that are forced to compete in these overcrowded market circumstances have become more aware of how a sustainable relationship with stakeholders could increase the company’s market share (Kotler et al., 2013:504). Communication is essential for creating long-term relationships with stakeholders and can provide the company with more stability through long-term profitability (Kotler & Pfoertsch, 2011:68). However, for some companies, the route to creating sustainable relationships still leads to great uncertainty, as they have not mastered the art of creating lasting relationships with stakeholders (Kumar & Meenakshi, 2008:117).

Some of the issues that contribute to companies’ uncertainty to engage in stakeholder relationships are the advanced technology and a concomitant increase in communication techniques available. These communication mediums have turned organisational communication into a more complex system than ever before. Companies have developed a fear of constantly having to keep up with developments in technology and lost focus on how these technological mediums should be used to grow sustainable stakeholder relationships (Crainer & Dearlove, 2000:92). A company may possess the best technical skills to utilise communication technology, but it all goes to waste if this company does not have the soft skills to create relationships in the process (Smith, 2011). When these soft skills lack, opportunities are lost to engage in actual stakeholder conversation. This was one of the aspects that led to the rise of the IC era where the development of integrated strategies to promote cross-selling and up-selling has become vital for any company’s survival (Ramaswamy, 2013:519; Schultz, Patti & Kitchen, 2011:124; Fernandez, 2004:175).
Through the process of engaging in stakeholder conversation, companies are granted the opportunity to engrave their core values and personality in the hearts of stakeholders. Integration, in this regard, is vital in all business functions and not just marketing initiatives (Moss & DeSanto, 2011:163). Companies are often so busy creating strategies to reach their different stakeholder groups that they forget about people’s undeniable tendency to give sentiment to inanimate objects such as brands (Fioroni & Titterton, 2009:31). Therefore, the ideal manner to build a relationship with stakeholders would be to add a distinct sentiment or value continuously to each corporate act or message communicated. This will result in a company that provides a clear and consistent image in the eyes of the different stakeholders and will therefore make it easier for these stakeholder groups to create sentiment to the company or its brand. The key to effective communication is not simply being able to deliver a message, but being able to influence the recipients to take action on what is said (Dahlen, Lange & Smith, 2010:474). It is only by acting on promises made that messages reach the heart and not just the ears of the receiver. If this is said about interpersonal relationships, one cannot imagine the amount of planning and proficiency that is needed for companies to deliver and act on its messages in an already overcrowded and competitive market. The aforementioned are some of the issues that led to the development of Integrated Marketing Communication (IMC).

IMC enables companies to have control over all the marketing communication activities (Varey, 2002:251). Through the effective use of IMC, companies realised that a competitive advantage can be obtained as effective communication and relationship building with clients or customers were made possible through this concept (Kailani, Stancioiu & Teodorescu, 2013:210). The aim of IMC is to create unified messages that can be communicated at each marketing communication touch point. Not only does IMC grant a company the opportunity to communicate using a consistent strategy, but also to meet the demands of customers through two-way communication (Panda, 2007:524). However, it was soon realised that companies simply could not rely on the integration of marketing communication efforts only. The potential of integrating all business functions to the core values of the institution was emphasised (Niemann, 2005). This discovery led to the development of IC. Even though IC evolved from the principles of IMC, the effect of using this strategy stretches far beyond the relationship between customer and company. By using IC, companies are able to create and
sustain relationships with internal and external stakeholders, and IC has given companies the opportunity to gain stakeholder loyalty through all actions of the company (Barker & Angelopulo, 2006:58). Through the integration of all organisational communication, a more holistic view of the corporate values can be achieved. It also enables the company even to reinforce stakeholder relationships further through a reflection on the corporate values in the company’s actions (Hitt, Ireland & Hoskisson, 2013:387).

IC enables the corporate values to serve as a driver for daily corporate and managerial activities (Shimp & Andrews, 2013:11). Within this context, IMC has also found its significant role in creating unified messages that reflect the corporate values in advertising endeavours (Smith & Taylor, 2004:16). A steadfast IC and IMC strategy should enable a company to act on each message sent to internal and external stakeholders. This should not only increase a company’s ability to be recognised in an overcrowded market, but it could also provide the opportunity for companies to set the standards when it comes to communicating with stakeholders (Shimp & Andrews, 2013:207).

Stakeholder communication, from an IC perspective, focuses on both internal and external audiences. It is important to adhere to the stakeholder’s demand for the company’s involvement, transparency and accountability (Stuart, Sarow & Stuart, 2007:360). The only true way to set the standard of stakeholder communication and demonstrate the company’s involvement through transparency and accountability would be to pursue corporate governance. Corporate governance has found its substantial role in the South African business environment, a result of aiming to bring stability to the country after 1994. In this year, the King I report on corporate governance was issued to support companies with its Corporate Social Responsibility (CSR) initiatives (Solomon, 2011). Two more King reports were issued to ensure that the business environment in South Africa measured up to international standards regarding corporate governance since then (Hopkins, 2003). During the development of the suggested IC audit framework it would just make sense if there is a strong focus on how the company can use corporate governance to allow stakeholders to experience the core values of the company on a more tangible basis.
Integration of all communication efforts is therefore a way of striving to set a benchmark in the market, and not just a way of surviving. (A more in-depth discussion on the evolution of both IMC and IC is provided in Chapter 3). In the following section, a demarcation of the study will be given to establish the scope in which the research will take place.

1.2 PROBLEM STATEMENT

In the previous section, the necessity of an integrated approach to communication has been confirmed. However, several companies claim that they use an integrated approach, but when their strategies are reviewed, the results indicate a different story (Grobler & Niemann-Struweg, 2013; Koekemoer 2004). One of the most compelling reasons for this confusion is the fact that companies often mistake IC for IMC (Grönstedt, 2000:8). Companies also have a negative association with an IC approach, because integration is seen a long-term process while executives might be more focused on short-term success (Kitchen & Schultz, 2001:107). Without having a clear vision of IC and all the components and strategies it entails, proper implementation of IC is a challenge. According to Wells and Hollins (2002:88), some marketers and companies overlook the use of IC, as they are not aware of the potential and impact that IC can have on a company. Still, one of the biggest issues regarding the implementation of IC might be the lack of in-depth knowledge regarding this phenomenon and the fact that no instrument is available to appraise if a company indeed employs an IC strategy. Without such an instrument, the concept will remain vague and the implementation thereof will continue to be challenging. With this study, a concerted effort will be made to address this problem.

1.3 FORMULATION OF THE RESEARCH QUESTIONS

Based on the overview of the study and the problem statement, it evident that IC can be considered a diamond hidden in the rough circumstances of an overcrowded and over-communicated market. Although some areas of IC have been polished by research, little attention has been given to IC yet as a holistic view that includes corporate, managerial and marketing communication (Marr, 2005:92). The problem statement highlights the issue of companies and even some marketers that still do not
realise the potential of IC and therefore fear and avoid using IC (Wells & Hollins, 2002:88). Some companies even mistake IC for IMC and consequently strive to integrate all marketing communication efforts without aiming to integrate all business functions into a more holistic approach (Donaldson, 2008:344). Based on the views of several authors reflected in the problem statement, IC is often misinterpreted in a corporate environment. Without a proper measurement guide, companies will not be able to determine whether all communication is integrated and true and sustainable integration cannot be strived for. Without the support of a proper guide to facilitate the measurement of a company’s IC efforts, which can be used at the same time to develop an IC strategy, companies will continue to fear the implementation of the concept. Companies with an existing IC strategy and companies that consider using IC need to have a proper guideline to measure IC initiatives. Furthermore, it is important to always consider the context in which these issues arise and to keep the systemic nature of the specific study’s context in mind.

In order to address the above-mentioned issues, this study needs to follow a systematic approach. This will be discussed in the following section.

1.3.1 The systematic approach to research question formulation

Research questions need to be formulated systematically. As systems theory is often linked with an organisational context it will therefore provide support to the structural formulation of the research questions. The general systems theory was proposed by Ludwig von Bertalanffy, a theoretical biologist, in as early as 1950 (Chaney & Hough, 2005:203). Although this theory was developed in the field of biology, it can be applied to various fields of study (Chaney & Hough, 2005:203). The focus of the general systems theory is that a system cannot be seen as a whole, but rather as a complex interaction of elements (McMahon, Watson & Patton, 2014:31). Applying a systems-thinking perspective to research, therefore requires a researcher to explore the various elements within the structure to understand the interaction amongst these elements within the system, rather than to reduce the explanation of the system to one simple cause (Greene, 2010:165). For the purpose of this study, IC will be seen as the system. The investigation will therefore not only focus on IC as a whole, but the analysis will rather be focused on the elements within IC that constitute the concept.
Through the identification and analysis of each of these elements, the researcher will have a better understanding of how the elements within IC can be used to implement IC with success. Furthermore, by using a general systems approach to research, the researcher will be able to identify the main elements within IC and to create auditing criteria for each of these identified elements to ensure that the proposed IC audit framework is a true reflection of what IC entails.

Within the general systems approach to research, several models have been developed that will enable a researcher to conduct a more guided investigation of the elements within a system. In the following section, more information will be provided on how Mitroff’s (1974:47) systems view of problem solving will be used to guide this study.

1.3.1.1 Mitroff’s systems view of problem solving

One of the first steps in research is to identify a problem within a specific field of study (Blankenship, 2010:17). In order to facilitate the process of research enquiry Mitroff, Betz, Pondy and Sagasti (1974:46) have developed an outline to guide researchers in this problem-solving process. This outline consists of four elements and six paths. According to Mitroff et al. (1974), this model was developed from a systematic approach to research and therefore the process can begin at any point in the model.

Mitroff et al. (1974) also refer to the four elements in the model as phases to problem solving. These elements include a conceptual model, scientific model, solving and reality problem solving. The conceptual model can be considered as the first phase to problem solving, as it entails the process of formulating and defining a conceptual model of the problem (Mitroff et al., 1974:47). After the researcher has established and defined the problem, the second phase of problem solving can be employed. This phase involves the development of a scientific model. As the conceptual model entails a complex concept of the problem, the researcher develops a scientific model of the problem in an attempt to break down the complex data to a more coherent state (De Lange, 2011:27). As the problem was identified in the first phase and refined in the second phase, the researcher could use this sturdy platform to employ the third phase, which is to find a solution to the problems addressed in the previous phases of the
model (De Lange, 2011). Finally, in the last phase of the model, the solution to the problem needs to be tested in practice. This final phase of the research is known as the reality problem-solving phase. Within this phase, the researcher also needs to give feedback regarding the solution developed for the initial problem. It is only after this feedback has been given that the researcher can validate whether the research has delivered viable results (De Lange, 2011:27; Niemann, 2005:16; Mitroff et al., 1974:51).

Table 1.1 will exemplify how each phase of this model will shape the proposed study. In this table, some reference will be made to how the paths created by Mitroff et al. (1974) will be employed to ensure progress in the study. This will be followed by the formulation of the research question.

**Table 1.1: Application of Mitroff’s (1974) model to the specific study**

<table>
<thead>
<tr>
<th>Elements or phases in Mitroff’s (1974) problem-solving model</th>
<th>Paths in Mitroff’s (1974) problem-solving model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1: Conceptual model</td>
<td>Conceptualisation</td>
</tr>
<tr>
<td></td>
<td>IC is complex and there is no instrument to measure IC in a company</td>
</tr>
<tr>
<td>Phase 2: Scientific model</td>
<td>Modelling</td>
</tr>
<tr>
<td></td>
<td>Develop a scope of IC that identified all the themes within this concept</td>
</tr>
<tr>
<td>Phase 3: Solving</td>
<td>Model solving</td>
</tr>
<tr>
<td></td>
<td>Create auditing criteria that will address each of these identified themes</td>
</tr>
<tr>
<td>Phase 4: Reality problem solving</td>
<td>Implementation Feedback Validation</td>
</tr>
<tr>
<td></td>
<td>Test the auditing criteria in practice to determine whether the framework will be feasible to implement in practice</td>
</tr>
</tbody>
</table>
1.3.2 Formulating the research question

The research question is the foundation on which the entire study is built (Grix, 2001:57). Careful planning should thus be done to ensure that the study delivers feasible data. In order to assist the researcher in developing a well-defined research goal and objectives a systematic approach to the research will be followed. With the intention of ensuring a well-defined research question, Mouton (2001:53) suggests four questions that can be used to shape the research. The first question relies on meta-analytical data. The purpose of meta-analytical data is to use a set of systematic reviews that leads to the development of the key topic of the study. Mouton (2001) suggests that the second question that needs to be asked to develop a sound research question should focus on the concept of the topic on which the study will be built. By answering this question, meaning is assigned to the concept that will form the central point of the study. The theoretical questions address the most plausible theories and models of the concept that best explain the topic of the study. Questions to address the philosophic or normative aspects of the research aim to demonstrate how the context in which the subject would be tested influences the outcome of the study.

After reviewing Mouton’s (2001) suggestions to formulate a research question, these suggested questions were applied to the proposed study.

The purpose of sections 1.1 and 1.2 was to contextualise the initial approach to the research study. However, through these discussions, the conceptual and the meta-analytical research questions had already been addressed. In the introduction (see section1.1), claims from literature were used to demonstrate that IC is the only approach that would enable the company to engrave the core values and personality in the hearts and minds of stakeholders and to give companies more assurance that all activities of the company reinforce the communication of these values.

However, in the problem statement section, two concerns were raised. The first concern was that even though marketers and companies might be aware of the importance of creating and developing sustainable stakeholder relationships, they do not have proper knowledge of IC that would enable them to engage in conversation with stakeholders. This lack of knowledge leads to companies never realising the true
potential and possibilities that the implementation of IC might lead to for the company. Without an understanding of the foundation and essence of this concept, implementation will not be possible. The conceptual data that would be necessary to conduct the research would then be to explain what the concept of IC entails.

The second concern that was raised in the problem statement focused on the meta-analytical data that would be needed in the research study. This was supported by the fact that there is no instrument available to evaluate the strength of IC efforts. From this concern, it can be said that without knowledge of the boundaries of IC, companies will not be able to determine whether IC has been implemented with success. Furthermore, as there is no instrument available to evaluate the existing effort of the company to implement IC, companies might never identify the possible shortcomings in its IC strategy.

Based on the reasoning provided through the problem statement, one can conclude that to address both companies’ lack of knowledge and the fact that no IC evaluation instrument is available the conceptual and meta-analytical data collected on IC would be combined. The reason for this is to ensure that a framework is developed to measure IC efforts of the company, but that also provides companies with supporting literature that would contextualise the results from the IC evaluation. Through this suggestion, a framework would be developed that does not only address issues in terms of IC implementation, but also increases knowledge of IC so that companies would be able to implement IC better in future. Thus, an important step to take in the research would be to conduct an in-depth investigation to determine what the concept of IC entails. This process would address both the conceptual data of the study and the meta-analytical data needed for the research.

Furthermore, after the analysis of what IC entails, the focus needs to move towards creating a framework to measure the IC initiatives of the company. As mentioned in this discussion, it is vital to provide adequate support through the implementation of the evaluation framework to enable companies to understand IC better. The combination of both the conceptual and meta-analytical data of IC could provide the researcher with a scope of what IC entails. This scope can then be used to collect theoretical data from existing models and theories of IC. This can be used to shape the measuring instrument of IC. However, since the data collected through the meta-
analytical, conceptual and theoretical approach focus on a more academic perspective of IC, data from a more practical approach should also be added. Against this background, the following questions were asked to shape the final research question of this study:

- **Conceptual research question**: What serves as foundation and essence of the concept of IC?
- **Meta-analytical question**: What are the contextual boundaries of IC?
- **Normative research question**: What is the ideal manner to implement and/or evaluate IC?
- **Theoretical research question**: Which criteria can be recommended to evaluate IC?

By answering these questions, the researcher will be able to ensure that the study includes a comprehensive analysis of IC, and provides context to the company to explain how these constructs shape the concept. After considering the contribution of each of the questions to formulate the research question, the primary research question for this study is the following:

*How can a company determine whether all its communication efforts are truly integrated or not?*

To test the validity of the research question further, Babbie and Mouton (2002) identify three purposes of social research. These purposes will be considered in terms of the proposed study. According to the authors, the purpose of social research is explorative. Babbie and Mouton (2002) opine that an explorative study is an investigation of a relatively new study or field of interest. A descriptive approach to social research entails a process through which the researcher aims to give the most accurate description of an event or situation through deliberate and scientifically approached observations. Finally, an explanatory study is conducted with the aim of discovering the causality between variables of events.

The proposed study will include elements of two of the three approaches mentioned by Babbie and Mouton (2002). As IC is a relatively new concept for companies to
pursue, an exploratory approach should be used to discover the main constructs that shape IC. This approach would lead to data that would enable the researcher to identify the important constructs of IC that need to be evaluated, but also provide context to companies so that they might gain a deeper understanding of what IC entails. Furthermore, the study will require some form of description as to how an ideal IC structure would be implemented in the company. Unfortunately, as mentioned in the problem statement, no instruments are currently available to measure the IC initiatives of a company (section 1.2). Therefore, in this case, the exploration should rather be conducted in the literature, possibly to highlight the ideal circumstances in which IC should be implemented in a company. Finally, the explanatory approach to the research will entail the process of validating the conceptualised IC audit framework to explain how the criteria set though this framework would contribute to the expected results when implemented in the company.

Table 1.2 demonstrates how the integration of the questions shapes the overall research question (Mouton, 2001) and supports the research to achieve its specific purpose. This combination supports the development of a sound structure on which the study could be constructed. Furthermore, Mitroff’s (1974) model to problem solving will also be added to the table to understand how the model will provide better shape to the study (see section 1.3.1.1). The objectives of the study that will aim to address the research question follow the table.
Table 1.2: Integrating the approaches to social research (Adapted from Babbie & Mouton, 2002)

<table>
<thead>
<tr>
<th>Element of problem solving (Mitroff et al., 1974:47)</th>
<th>Questions to shape the research question (Mouton, 2001)</th>
<th>Approach to social research (Babbie &amp; Mouton, 2002)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conceptual model</td>
<td>Conceptual research question: What serves as basic foundation and essence of the concept of IC?</td>
<td>Exploratory approach: To provide the company with the foundation of IC so that they might gain a deeper understanding of what IC entails.</td>
</tr>
<tr>
<td>Conceptual model</td>
<td>Meta-analytical question: What are the contextual boundaries of IC?</td>
<td>Exploratory approach: To identify the boundaries of IC to create a scope of IC</td>
</tr>
<tr>
<td>Element of problem solving (Mitroff et al., 1974:47)</td>
<td>Questions to shape the research question (Mouton, 2001)</td>
<td>Approach to social research (Babbie &amp; Mouton, 2002)</td>
</tr>
<tr>
<td>Scientific model</td>
<td>Normative research question: What is the ideal manner to implement and/or evaluate IC?</td>
<td>Exploratory approach: To possibly highlight the ideal circumstances in which IC should be implemented or evaluated in a company</td>
</tr>
<tr>
<td>Solving</td>
<td>Theoretical research question: Which criteria can be recommended to evaluate IC?</td>
<td>Explanatory approach: To validate the conceptualised IC audit framework to explain how the criteria can be used in practice</td>
</tr>
</tbody>
</table>

Research question: How can a company determine whether all its communication efforts are truly integrated or not?

1.4 GOAL AND OBJECTIVES OF THE STUDY

In order to adhere to the interest and importance of conducting a specific study, proper aims and objectives need to be set to provide structure to the research (Miller, 1997:5). Braun and Clarke (2013:53) further refine the importance of research objectives by stating that it is the concrete and viable aspects that need to be taken into consideration by the researcher to answer the research questions. Given the research question for this specific study, the primary objective of this research is:
To develop an IC audit framework that can be used to determine if a company’s communication efforts are fully integrated or not.

In order to pursue the primary objective, the following secondary objectives support the study:

- To analyse the conceptual foundation of IC
- To analyse, compare and discuss various prevailing models and theories of IC to shape auditing criteria
- To test the feasibility of the developed framework by presenting it to the managing staff of a decentralised company

After the goal and the objectives for the study have been set, the guiding arguments that support the objectives are set out. These arguments are reported separately in the following section to understand better how each argument shaped the study.

1.5 GUIDING ARGUMENTS OF THE STUDY

The following arguments serve as point of departure to the reasoning followed in this study.

1.5.1 Guiding argument 1: IC is the most effective approach to successful organisational communication

As the aim of this study is to develop an IC audit framework that can be used to determine if a company’s communication efforts are truly integrated, the rationale behind using IC should serve as the first guiding argument of the study. The researcher needs to investigate how IC differs from other marketing and communication strategies to validate the use of this strategy. According to Lamb, Hair and McDaniel (2013:662), the main difference between IC and other traditional forms of organisational communication is that in traditional organisational communication, the marketing communication focused on selling products to people, whereas IC is a more engaging strategy of inviting various stakeholders to buy into the values the brand stands for. Thus, to understand this shift in priorities, a proper investigation needs to be employed.
In this investigation, the researcher needs to analyse communication in the different eras to uncover the most influential factors that led to the specific views on marketing in the different eras. The data collected from this investigation will provide the researcher with the necessary support to use IC as organisational communication strategy for the study.

1.5.2 Guiding argument 2: Knowledge regarding the conceptual foundation of IC is needed to formulate an effective measuring instrument

In the first guiding argument, it is argued that IC differs from the traditional marketing communication strategies that have been used in the past. This shift from “profits” to “people” had a ripple effect on all communication efforts of companies (Stuart et al., 2007:376). This has led to a more complex and integrated strategy that involves communicating with different stakeholder groups on a continuous basis (Percy, 2008). Without proper knowledge on how to use these communication channels, companies would not be able to implement IC. Furthermore, as indicated in the problem statement (see section 6.2) no measurement instrument exists that can assist companies to evaluate IC. This means that if a company decides to invest in the implementation of an IC strategy, results cannot be measured. Thus, an extensive analysis of the conceptual foundation of IC needs to be conducted prior to the creation of an audit framework to measure IC. The aim of this pre-investigation is to ensure that the main constructs of IC are included in the auditing criteria. This will result in a set of IC audit criteria that focuses on specific constructs of IC. Companies would be able to use this framework to gain knowledge on what IC entails and to plan future IC initiatives, but they would also be able to use the framework to evaluate existing IC efforts.

1.5.3 Guiding argument 3: Successful IC implementation establishes company values and the stakeholder groups of the company

In the previous arguments, it is debated that IC aims to create long-term relationships with different stakeholders using consistent messages that reflect the core values of the company. However, to ensure that the messages reflect the core values and that it would be appealing to different audiences, successful IC implementation requires an establishment of the core values of the company, as well as the different stakeholder
audiences prior to actual communication. This argument is supported by Shin (2013:6) when stated that integration is achieved when a company understands stakeholder expectations and can deliver on these expectations through the added value promised by the company. Smith and Taylor (2004:16) report that one of the most beneficial qualities of IC is that it provides a sense of stability for all stakeholders through consistent messages that reach different audiences with some impact. Percy (2008) further defends the use of IC by stating that through the establishment of an open dialogue with various stakeholders, IC enables a company to increase credibility and transparency of the company values. Therefore, when creating an IC audit framework that can be used in practice, the researcher needs to ensure that a space is provided where a company can establish these mentioned aspects. By including the space to establish the core values of the company and the stakeholders of the specific company, the researcher will contribute to creating auditing criteria that could be tailored to the specific needs of the company that makes use of the framework.

1.5.4 Guiding argument 4: IC contributes to effective two-way communication and improves stakeholder relations

The aim of active and continuous communication efforts is to create loyalty amongst stakeholder groups. A brand loyal customer, or any other stakeholder group for that matter, can be defined as an individual or group that has made a conscious decision regarding a certain brand that satisfies their needs more than other brands providing for the same need (Hoyer, MacInnis & Pieters, 2013:261). Through engaging in ongoing two-way communication with these stakeholder groups, stakeholders will feel more encouraged to engage in conversation with the company (Meintjes, 2012:94). By choosing a certain brand or company, the individual or group has set personal standards of what they expect from the company. A strong support from these stakeholder groups builds corporate reputation and can result in companies charging higher prices without fear of losing customers (Eccles, Grant & Van Riel, 2006:359). Kotler (1999) offers another perspective than the strategy to increase prices, by suggesting a customer-lifetime supply strategy. By using this strategy, companies with a sustainable basis of loyal consumers are able to deliver a product at a lower price per unit. These companies can therefore afford to make less profit per unit, because
of more stability in its sales frequency (Kotler, 1999). Regardless of the several strategies that a company can benefit from by creating loyal stakeholder groups, a relationship with these groups should be created, instead of just compensating to meet some of their needs. However, this can only be achieved through engaging in ongoing two-way communication with stakeholders (Meyer & Blümelhuber, 2000:110). These relationships also take shape when the identity of the brand or company communicates a sense of reassurance and comfort to its stakeholders (Koekemoer, 2011:94). Kitchen and Schultz (2001:141) opine that there is an undeniable link between the strength of the brand and profitability. However, to reinforce this link, an integrated approach to communication seems vital, not only in the marketing area, but also in the communication of the corporate and managerial areas of the company. Such an approach ensures that each stakeholder message is rooted in the brand personality or corporate values of the company and that the stakeholder groups familiarise them with these values (Schreiber, 2011:77). Furthermore, according to Meintjes (2012:95), the purpose of the communication of consistent core values increases the credibility of the company.

The focus might have moved from gaining profit to creating relationships with customers, but when these relationships are nurtured, the positive financial impact gained thereby echoes in the pathway of the company. Therefore, just like interpersonal relationships, the relationship of the company with its customers should be based on frequent communication, trust and transparency (Gordon, 2013; Peppers & Rogers, 2010).

1.5.5 Guiding argument 5: IC should be linked to corporate governance

Corporate Governance is an issue that shapes the way companies are driven. In South Africa, pressure from political circumstances as well as existing and emerging market pressure led to South African companies realising that without high-quality corporate governance the country would not be able to achieve sustained productivity, growth and economic stability (Meintjes, 2012:170).

However, before corporate governance can be discussed, it is important to realise that corporate social responsibility begins where laws end (Schreck, 2009:11). Any good citizen or company can comply with the minimum requirements set out by the
law, but it takes a great company to realise its responsibility to its social environment. By engaging in activities that improve its social, environmental and financial areas, companies can contribute more to society than merely providing a product or service. Ramos, CEO of Transnet, defines corporate governance as individuals or companies that possess the power to create, destroy or maintain social systems (Corporate Governance Framework Research Institute, 2014). As early as 1999, Davies recognised that by investing in corporate governance, a company can prove its involvement with its immediate environment and can harvest a strong competitive advantage compared to companies that merely focus on sales. Because corporate governance focuses on three distinct areas, certain measurements need to be established to ensure its successful implementation. The triple bottom line was developed to measure the efficiency of an organisation to compete successfully in these areas (Savitz, 2013). Within these measurements, issues such as transparency, sustainability and CSR gained importance and should be seen as part of the enterprise’s strategy and not just a temporary action (Wisniewska & Grudowski, 2013; Savitz & Weber, 2006:33). Thus, with the intention of making CSR part of the fundamental drivers of the company, a proper IC strategy needs to be in place to reinforce this notion.

In short, IC forms the basis of all brand communication (Dahlen et al., 2010:107). The importance of using IC to incorporate corporate governance can thus not be overlooked. By using IC, all marketing and communication activities will be integrated to contribute to the overall brand image and reputation of the company. IC enables marketers to differentiate the company from its competitors, by creating and communicating the brand’s personality (Trout & Rivkin, 2008). When only one voice communicates with the consumers, they will be more likely to recognise and remember the brand. However, IC should not be seen as a once-off activity set out to improve communications, but rather a coordinated method that should be worked into the main communication strategy of a company (Lee & Johnson, 2004:21). An effective IC strategy will enable organisations to engage in purposeful dialogue in a strategic manner to ensure that relationships with different stakeholder groups are improved (Duncan & Moriarty, 1997). Corporate governance should therefore be included in the proposed IC audit framework.
1.5.6 Guiding argument 6: IC could support the calculation of ROI

As discussed in argument 5 (see section 1.5.5), the importance of linking IC to corporate governance cannot be overlooked. In argument 5 it is explained that corporate governance consists of an integration of the company’s social, environmental and financial areas. Unfortunately, in practice, it is found that although decisions made in the company are integrated, the supporting data from these three environments are not always used to make the decisions. Cafferky and Wentworth (2010:129) explain that the exclusion of data collected from the social and environmental areas of the company is due to this data regarded as less important than the financial data. Even though this industry issue still has to be resolved, it should be addressed in this study. The aim of this study is to create an IC audit framework that can be used to determine whether a company’s communication efforts are integrated. Therefore, in the scope of this study, some emphasis needs to be placed on how the qualitative data derived from the social and environmental areas of the company can support the quantitative data collected in the financial area of the company. This will result in the development of an IC audit framework that addresses existing issues in practice that can be seen as obstacles to proper IC implementation.

Given all the arguments provided for this study, it has become evident that, to reach the objective of this study, a deeper analysis of IC needs to be conducted. The development of the proposed IC audit framework will require a sound representation of literature, but should also adhere to the practical implementation of IC and should therefore focus on some challenges set in the industry. The proposed IC audit framework should serve as a guideline for organisations to identify all the necessary requirements to move towards a more integrated approach to all their communication activities. In the next section, the preceding studies that influenced the research project will be discussed.
1.6 PRECEDING STUDIES

Several other studies have been conducted to emphasise the role of IC in the success of a company’s overall communication efforts. It is important to review these studies and their findings to accentuate the authenticity of the suggested study. Ogden (2007:77) supports the idea of reviewing similar studies within a certain field before conducting research, as it provides the researcher with a broad knowledge of the perceptions and thoughts of other researchers with the same focus. Due to the nature of the qualitative research paradigm that will be followed in this study, some researchers have started to question the need to review preceding studies before conducting their own research. They perceive the data as strictly bound to the specific circumstances (Yin, 2011:61). However, it is only through examining other researchers’ contributions to research that the essence of the suggested study can be brought to light (Gast, 2010). Based on this statement, it is concluded that through reviewing other studies, the researcher can prove the authenticity of the specific research study and how it differs from existing literature.

Several studies regarding IC have been conducted by South African researchers that merit attention. In a study conducted by Niemann (2005), an implementation model of IC within a South African context was investigated. This research was conducted in three phases. The first phase of research consisted of a literature review and the theoretical stance of IC was determined. Phase two of the research was conducted from a more practical approach, where the state of IC in advertising agencies in South Africa was examined through interviews. Finally, in the third phase of the research, the conceptual implementation model of IC was developed by using the data collected through the first two phases of the research. The findings and final model created through the research proved that within the South African context, IC could only be implemented effectively, when integration takes place on organisational, stakeholder and environmental levels. Furthermore, it is only through the alignment of the communication objectives to the strategic intent of the company that strategic consistency can be acquired.

Another compelling study that will influence the development of the IC audit framework is a study conducted by Mulder (2008). The focus of this study was to develop a model to guide practitioners of a tertiary educational institution with the implementation of IC.
In order to gather the necessary data for this research, this study consisted of four phases. During the first phase of the research, a literature review was conducted to analyse the context in which IC is practised. The aim of the second phase of the research was to determine the components of IC and to determine the conceptual foundation of this concept. In the third phase of the research, the different ways to conduct IC were investigated. In the final phase of the research, focus-group sessions, in-depth interviews and e-mail questionnaires were employed with the marketing staff of the specific institution as respondents.

The above-mentioned research on IC will be of great use for this study. From these studies, it was made clear that, to develop an IC model or structure, the research needs to be conducted in several phases. A fundamental phase that needs to be part of the suggested study is to determine the components of IC and to determine how this concept is implemented within a company.

Another important phase during both research studies was to create the new concept of IC through the appraisal of existing models and theories of IC and IMC. This phase should also be included in the suggested study, as the IC audit framework will be developed through the combination of existing literature. Finally, another phase that was also used by both researchers was to include some form of practical evaluation of the developed concept. Both researchers used some form of qualitative data such as focus groups or questionnaires to shape the final concept from both an academic and a practical perspective. Therefore, to create the IC audit framework, the researcher needs to create this measurement instrument from literature, but also needs to test it in practice.

The research conducted by Niemann (2005) will be of great use when conducting the research for the IC audit framework. The levels of IC integration as suggested by Niemann will be considered for possible use during the development of the IC audit framework. As the aim of this specific study is to create an IC audit framework, this study will also need to consist of several phases that allow the opportunity to gather theoretical and practical data prior to the development of the IC audit framework.
With a focus on improving the marketing communication structure of a company, Reid (2005) used Duncan and Moriarty’s (1997) IMC mini audit as basis to suggest an IMC audit with a focus on the overall brand outcomes. By compiling this modified version of the mini audit, the author aimed to determine how IMC was evaluated within a company and whether successful implementation of IMC might result in positive brand outcomes. The findings of this research suggested that IMC has a direct influence on the brand outcomes of the company, but that several contributing factors such as the size of the business and the number of stakeholder groups influenced the implementation of IMC. Madhavaram, Badrinarayanan and McDonald (2013) have also focused their research on improving IMC in marketing endeavours by suggesting a framework to test the feasibility of the company’s IMC strategy. This framework focused on measuring brand equity and on the way in which a brand identity should be conveyed in all communication activities to reach certain marketing outcomes. By using this framework, companies will be able to identify certain areas where the development of IMC still needs to be addressed in the company’s overall marketing strategy to reach specific outcomes and objectives.

Although both of these studies provided insightful information into the way in which the strategic use of IMC can be used to influence positively the business and marketing outcomes of the company, the focus is still on marketing communication and not organisational communication from a holistic view. However, both these studies provide useful information that might assist the researcher when creating either the conceptual analysis of IC or the actual IC audit framework.

In the light of corporate governance, Castka, Bamber, Bamber and Sharp (2004) have compiled a framework that enables companies to engage in full in activities that improve the position of corporate governance in relation to different stakeholders. A study with similar focus has been conducted by Meintjes (2012), where the author investigated how communication professionals could assist companies to manage stakeholder relationships through the implementation of the six principles of the King III report on corporate governance. Both these studies suggest that transparency and a good corporate reputation can be achieved by focusing on centralisation and team organisation of all stakeholder groups. Frameworks suggested by both studies manage to link corporate governance to all stakeholder relations, but do not focus on
the corporate values and how they are communicated through CSR activities. In another study, Gruat La Forme, Genoulaz and Campagne (2007) explored the importance of stakeholder relations to improve the overall presence of the brand or company in the market. According to these authors, successful management within a business area relies on the way in which a company interacts with stakeholders, especially its suppliers. These authors focused their study on improving the company’s relation with supply chain partners by suggesting that information systems and decision-making processes with these groups should be integrated to synchronise product flows and activities. By using a collaboration-characterisation model and a collaboration-oriented model, these authors compiled a framework to measure the relation a specific company has with its chain suppliers.

From these studies is clear that the relation of the company to its different stakeholder groups is vital when aiming to promote the overall presence of the company, especially through CSR activities. However, in some of these studies organisational communication was not viewed from a holistic perspective. IC requires the integration of all organisational communication through every business function and not only the communication with stakeholders. Companies that invest in different stakeholder groups through its marketing communication and CSR efforts might deliver feasible results, but brand equity can only be improved by having a firm IC structure in the company (Bick, 2011; Shah & D’Souza, 2009:49; Keller, 2003:3). This suggests that the IC strategy of a company should not only include the company’s efforts to improve CSR and stakeholder relations or their presence in the market through marketing communication, but the integration of all communication efforts in all business functions related to the company (Balmer & Greyser, 2006)

This research gave insight into, and emphasised the fact that communication with the suppliers of a company should form an integral part of the overall IC strategy.

In the following section, the methodological approach that will shape the study will be reported.
Chapter 1: Overview and orientation to the study

1.7 RESEARCH DESIGN AND METHODOLOGY

In order to address the objectives of this study in the most effective way, this study will use a qualitative approach to the research. Qualitative research is an umbrella term used for research that is concerned with interpreting, decoding or making sense of a certain concept or phenomena within a certain discipline (Merriam, 2009:13). In this case, the research will be aimed at a better understanding of the scope of IC by creating and testing the feasibility of a possible IC audit framework.

Within qualitative research, there are several research strategies and data-collection methods. In this study, three strategies will be used during different phases of the research. During the first phase of the research, a conceptual analysis will be used as the primary data-collection method to analyse the IC concept (see section 2.3.3.1). This research strategy provides a useful guidance structure to the researcher in which different perceptions or key themes within a certain field of study can be inspected (Jureta, 2011:50). This first phase will be employed to identify the key components that need to be present in the IC audit framework. This examination will include how IC has developed and what its main components or themes are. It is only by viewing this broad field as a whole that the researcher will be able to identify how the key themes or concepts are positioned within IC and how they are interrelated with one another.

After these key themes or concepts of IC have been determined, the researcher will examine each subfield extensively by means of a literature review. The literature review is seen as the second phase of the research (discussed in section 2.3.3.2). This review will serve as a research strategy, as different perceptions and prevailing models regarding IC will be considered to explore the context in which the different components are present. Throughout this phase the researcher will be mindful of the fact that the concepts developed within the boundaries of these determined themes are linked back to IC as the aim of the study is to create an IC auditing framework. By combining different perceptions and models regarding these themes, the researcher will aim to increase the scope of the IC audit and thus make the application of the IC audit framework more plausible. The combined first and second phases will culminate in a conceptual IC audit framework.
Finally, in the third phase of the research, after the conceptual IC audit framework has been developed, its feasibility will be evaluated (see section 2.3.3.3). For this purpose, the researcher will conduct focus-group sessions in which professionals of a decentralised company will provide input on the practical implementation of each step of the IC audit. These professionals will include the managing staff members of each business function or department of the institution. Focus groups provide researchers with a relatively controlled environment where participants can feel free to give their opinions regarding a certain topic and to engage in conversation with other participants with a shared interest in the matter (Krueger & Casey, 2014). During these focus-group sessions the researcher will be able consult these professionals to identify possible areas of improvement on the existing steps in the framework. The input of the professionals will be recorded and analysed by means of content analysis. This will enable the researcher to identify prominent areas where the practical implementation might cause confusion or need refining. This data will then be considered to shape the final procedures of each step within the audit.

1.8 ETHICAL IMPLICATIONS OF THE STUDY

A research study should aim for complete credibility and transferability to deliver successful results (Lincoln & Guba, 1985). In an attempt to ensure credibility of the research, certain measures can be employed. One such measure is triangulation. Triangulation can be defined as the combination of data-comparison and -collection methods to increase the credibility of the results (Klenke, 2008:157). For a research study to provide successful triangulation of the methodology, theories and data used throughout the research process should be ensured (Hoque, 2006:482). In this study, theory triangulation will take place during the conceptual analysis where multiple existing theories regarding IC will be examined to identify dominant themes within the field (Dang, 2012:4). These themes will then be further refined by considering different theoretical perceptions of each theme to create the IC audit framework. According to Ravitch and Mittenfelner-Carl (2015), the triangulation of data and theory is vital to the success of a qualitative research study. To triangulate the data-collection methods and the data itself, the initial conceptual analysis will be combined with a focus-group
Chapter 1: Overview and orientation to the study

interview. This will ensure that the data are collected from an academic and a practical perspective, and that the final analysis will include input from both these perspectives.

In order to ensure further that the research is conducted in an ethical way, the researcher will use ethical principles as identified by Lichtman (2013). These principles include anonymity, relationships with participants and informational consent. After reviewing these principles, the researcher will have a better understanding of how participants should be handled during the focus-group sessions. However, a great responsibility rests on the shoulders of the researcher, as the interpretation of the literature during the conceptual analysis should be based purely on existing literature and not on the ideals of the researcher. In order to address this issue, the works of Newby (2014) and Hammersley (2011) were combined to create an ethical framework that will guide the researcher during the study. This ethical framework, serving as the guiding ethical morale of the entire study will be explained in detail in Chapter 4.

Furthermore, in a final attempt of the researcher to ensure credibility of the research a formal application for ethical clearance will be submitted to the Ethics Committee of the Faculty of the Humanities. The approval of this committee indicates that the execution of the study meets the requirements of the ethical standards of the University of the Free State.

1.9 VALUE OF THE RESEARCH

The corporate world might be cut throat, but with a proper IC strategy in place companies can improve their chances of strengthening their brand. By using the suggested IC audit framework, managers and marketers will have a better understanding of what IC entails; how to implement IMC and IC strategies in the broader business structure; or how to improve existing strategies. This instrument might contribute to companies no longer fearing IC, but rather embracing it. The framework will provide helpful guidelines in creating and implementing a company’s IC strategy, and will allow a company to reap the benefits that IC offers.
1.10 DEMARCATIONS OF THE STUDY

Before the research is conducted, it is vital to define the demarcation of the subject area for the study, as it provides the researcher with the necessary support when creating the research structure (Silverman, 2010:175). Through this process, the researcher is able to define the research better by identifying the areas within the subject field that will be focused on during the research, as well as the areas that will not form part of the study (Goddard & Melville, 2005:13). When the scope of the research has been set, the objectives will be met more easily without deviation during the process (Hader & Lindeman, 2007:163). The aim of this specific study is to create an IC audit framework that companies can use to evaluate its IC efforts. In order to develop the IC audit framework, a conceptual analysis of IC will be conducted to identify the most prominent themes within this concept. Through the literature review of IC, these themes will then be shaped into auditing criteria. However, as IC is a very broad field, the audit framework will only include an analysis of the themes identified by means of the conceptual analysis. The framework created through this research will provide companies with a better understanding of how IC should be implemented successfully in the different business functions of the company. This study does not aspire to explain the way in which the different business functions are affected by IC, or their relation to one another. Even though some companies, without any knowledge of IC, can use this IC audit framework to understand all the aspects of IC and how it should be implemented, the focus of the framework is not on creating an IC strategy for a company, but rather on appraising the existing strategy.

1.11 LIMITATIONS OF THE STUDY

IC facilitates the complex integration of a wide scope of fields and other business functions. Although a limited number of IC appraisal structures are available, this suggested framework will only act as a guideline to determine whether a company uses IC efficiently and should not be seen as the only measuring structure.

Furthermore, for the requirements and scope of a Master’s thesis, this framework will only be created through a conceptual analysis and only the concept of each step in the framework will be tested by means of the focus-group sessions held with
professionals in practice (see section 2.3.3.3). However, since the participants that will be taking part in these focus-group sessions will be employees of an actual company, the working environment, as well as the duties and responsibilities of the employees taking part in the focus-group sessions might limit the capturing of data. The anticipated difficulties of implementing the study will now be discussed.

1.12 ANTICIPATED DIFFICULTIES IN CONDUCTING THE STUDY

One of the biggest challenges of compiling the IC audit framework will be for the researcher to create the boundaries needed to capture the data. The researcher will use the process of a conceptual analysis first to identify key themes within the specific field. These themes should then be shaped to form part of the overall auditing process through refining these concepts with the appropriate literature and models. This will enable the researcher to present a theoretical framework resilient enough to audit actual incidents and cases. Due to the vast amount of literature available regarding the research topic, another anticipated difficulty could be the challenge to select the most appropriate theoretical data that will reinforce the concept of IC.

1.13 OUTLINE OF THE DISSERTATION

A sturdy outline of the chapters will enhance the presentation of the data, as it will emphasise the progressive build up to the results. For this specific study, an outline provided by Roberts (2010:20) will be used as basis for structuring the chapters. However, for the purpose of this study, the outline has been adapted to present the data best. Figure 1.1 illustrates the structure of this specific study:
In the light of the structure provided by Figure 1.1, the first chapter provided more information on the way in which the whole study will be conducted. This introductory chapter contextualised the study by providing more background on the specific topic.
The discussion of the meta-theoretical framework provided the circumstances necessary to give relevancy to the introductory literature, preceding studies and the problem statement (see section 1.3). Furthermore, in this section, more information is also given on how the systems theory shapes this specific study. This enabled the researcher to provide a detailed description of the research question, objectives and ethical implications of the study, as well as the guiding arguments of how the research methodology will be used to collect the data for the framework. In order to provide more perspective on the implementation of the study, the value of the study and its limitations and anticipated difficulties regarding its implementation were addressed in the chapter. This chapter concludes with an outline of the rest of the thesis to provide guidance and structure to the reader.

Since the research for this study will be conducted in three phases, Chapter 2 will be based on the research methodology of the different phases of the study. It is vital to discuss each research strategy before the actual research process is conducted, as it will provide the researcher with the necessary guidelines to conduct the research. This chapter will aim to explain how the data gathered from each research phase will be used to develop and test the suggested IC audit framework. Furthermore, this chapter will also address the ethical conduct of the research and will provide the researcher and the reader or potential user with the necessary precautions that have been put in place to conduct the research in an ethical way.

Chapter 3 will entail a discussion of the development and nature of IC for the researcher to understand the importance of IC better, as well as how it is portrayed in literature. By using a conceptual analysis, the researcher will be able to determine the contributing factors that influence the presence and implementation of IC in a company the most and will enable the researcher to set the scope of the suggested IC audit framework. Therefore, the data gathered in this chapter will serve as the underlying structure and conceptual foundation of the suggested IC framework and will ensure that a proper guiding structure has been set through which literature can be filtered to create the conceptual audit framework.

In Chapter 4, the researcher will use the scope created through the conceptual analysis in Chapter 3 to combine the most influential literature of the various identified themes. Therefore, in this chapter, a literature review will be conducted as research
strategy to create and develop the criteria of the IC audit framework. This literature review will provide an extensive overview of each identified topic of the IC concept that was set in Chapter 3. This will aid to shape the literature to fit as steps in the auditing process.

After the essence and scope of IC have been identified through the conceptual analysis and the conceptual IC audit framework has been created through the literate review, the suggested framework should be tested in terms of its feasibility. In Chapter 5, the research results of the focus-group sessions with professionals of a company will be reported. These focus groups will be conducted to test the framework in practice. Not only will this data triangulation address the ethical concerns of the study, but the researcher might also gather some insight that might improve the implementation of the IC audit framework in practice. However, to ensure that the data captured from the focus-group sessions deliver the optimum results, a content analysis will be used to analyse the data.

Chapters 3 to 5 will provide different data that contributed towards the development of an IC audit framework. Chapter 6 encapsulates the entire research process. In this chapter, all the findings from the research phases will be considered to create the finalised IC audit framework. In this discussion, the researcher will also indicate how the data gathered from practice influenced the data collected through literature. Chapter 6 will thus not only provide the opportunity for the researcher to finalise the IC audit framework, but also provide a discussion of the data that led to the completed structure. In this final chapter of this study, concluding remarks of the researcher will be provided. This detailed reflection on the study and the results will serve as a synopsis of the whole study and aim to introduce the finalised IC audit framework developed in this study. This synopsis will aid other researchers in the process of replicating the study. The researcher will provide recommendations for other studies and will highlight key aspects that might lead to further research in the concluding part of this chapter. The contributions of this study will also be highlighted in Chapter 6.
CHAPTER 2 RESEARCH METHODOLOGY

2.1 INTRODUCTION

To make the best decision regarding the research methodology that will shape the data collection and data analysis of the study, a proper inspection of the different methodological approaches needs to be done. In this chapter, an overview of the different elements of the research design chosen for this study will be provided. The research approach that will best meet the demands of the proposed study will be discussed and each choice motivated.

The elements that constitute the research design are the main requirements through which a research study is shaped. This chapter will reflect on these elements. The philosophical foundation, research paradigm and research methods are primary elements of a research design as it serves as vantage point to construct the research process (De Lange, 2011; Levy, 2000;). Figure 2.1 demonstrates the function of these elements in this study and provides the structure of this chapter.

![Figure 2.1: Structural outline of the research design (Adapted from De Lange 2011)](image-url)
2.2 RESEARCH FOCUS

In Chapter 1 the research problem, research question and research objectives were clearly defined and set out as part of the introduction to this study. However, research can rarely be seen as a linear process and therefore the research question and objectives are intimately embedded with other stages of the research (Gilbert, 2008:58). It is thus vital to reflect on these set out research issues during different stages of the research.

The problem statement identified in Chapter 1 (see section 1.2.) demonstrates that the implementation of IC is often associated with negativity and confusion due to a lack of understanding and knowledge of the concept. Furthermore, there are limited instruments available to appraise the presence of IC in a company. Based on this discussion, the primary objective of the research surfaced, namely the creation of an IC auditing framework. This IC audit framework should not only clarify any confusion regarding the scope of IC, but should also allow companies to measure the efforts they have made towards the implementation of IC. As the primary objective of this study is to develop an IC audit framework that can be used to measure whether a company’s communication efforts are integrated, each step of the research process should accumulate to reach this objective. In order to answer the research questions and adhere to the primary and secondary research objectives, the data collection consisted of three phases. Each phase will now be discussed briefly to emphasise how each phase contributed to reach the set objectives:

The first secondary objective that was identified to aid in the creation of the IC audit framework was to analyse the conceptual foundation of IC. Therefore, during the first phase of the research IC was reviewed by means of a conceptual analysis.

The data captured though the conceptual analysis enabled the researcher to establish the scope through which the IC audit framework was developed. This formed the second phase of the research and it was conducted through a literature review of IC. This phase directly links to the second secondary objective of the research as it aimed to analyse, compare and discuss various prevailing models and theories of IC to shape auditing criteria. This phase culminated in the foundation of a conceptual IC audit framework.
Finally, in the third phase of the research, the feasibility of the developed framework was tested by presenting it to the managing staff of a decentralised company. A decentralised business setting was chosen as the ideal environment to test the IC audit framework, as it is a challenge for a decentralised company to ensure the integration of all messages when there are several divisions within the company.

In the next section, the research design will be discussed extensively. As mentioned previously, the structural outline provided in Figure 2.1 was used as the outline for the research design.

2.3 RESEARCH DESIGN

The existing literature on research methodology provides a deeper insight into the requirements needed to conduct a successful research study. However, the key concern is to answer the research questions and therefore it is necessary to alter the research process to fit the demands of a particular research study (Cargan, 2007:47). In this section, the research design of this specific study will be discussed in more detail.

2.3.1 Philosophical foundation

The first step in creating the research design is to determine the philosophical foundation of the research as it defines the value of the data and the way in which the data will be presented (De Lange, 2011). To identify the philosophical foundation of a research study, the researcher has to uncover the epistemological roots of the specific research study (Hannes & Lockwood, 2012). Epistemology can be defined as that branch of philosophy that is concerned with how knowledge exists and to what extent the knowledge is present without actual experience (Littlejohn & Foss, 2011:21). However, reviewing the research from an epistemological perspective poses both advantages and disadvantages to the researcher. The main disadvantage of disassociating the research from its epistemological roots is that the data gathered may lead to descriptive accounts of data that are lacking in context or the necessary underpinned literature needed for structure (Hannes & Lockwood, 2012). Contradictory to this claim, Wadsworth (2010:273) proclaims that distancing the
specific research from its epistemological roots may provide the researcher with insight to contribute to literature from a fresh perspective. Although the benefits of doing research from a fresh perspective is acknowledged, it is suggested that reflection on previous research done in the specific field is necessary to ensure that the proposed research stays within the purpose and values of the research initiated by the researcher. Hannes and Lockwood (2012) acknowledge that distance from the epistemological roots may pose some advantage to the researcher. However, these authors emphasise the fact that, instead of the researcher distancing himself from all epistemological roots of the research, the researcher should rather follow a more pragmatic approach when structuring the research. These authors suggest that, for a researcher to allow the research to be conducted from a fresh perspective, the underpinned literature and existing knowledge should either be rejected or be considered and then shaped to fit into the new perspective of the study. By proposing this pragmatic approach to research, the data can be reviewed from a systematic and an interpretative method to deliver data that bring new light to the already existing literature (Hannes & Lockwood, 2012).

In order to identify the epistemological roots of research better, German critical theorist, Jürgen Habermas, identified three ways of generating knowledge that can be considered to assist the researcher in shaping the epistemology of the research (Du Plooy-Cilliers, 2014:21). The first cognitive interest identified is that of an empirical-analytical study. The aim of a study from this approach is to find a cause-and-effect relation to the data gathered within a certain context. This type of research is closely related to positivism, as the aim of the research is to explain how the different parts examined are in relation to one another (Du Plooy-Cilliers, 2014:21). Although the suggested IC framework will consist of different business functions that are closely interrelated with one another, the study will place more emphasis on how such a framework could possibly be implemented in the company. This critical method of research can thus not be followed for the specific study and other methods should be considered.

The second method of critical thinking identified by Habermas (Cummings, 2005) is the historical-hermeneutic method. This method to research involves finding a deeper understanding of a certain phenomenon and is closely related to interpretivism
(Blundell, 2010:35). By using this critical method of thinking, researchers aim to discover the different interpretations that people have of certain events or contexts. Having a better understanding of the different interpretations will enable researchers to understand how the different interpretations have led to certain actions within the context (Hoque, 2006:251). However, this method will also not be suitable for the proposed research, as the aim of the current research is to use existing literature to compile a framework that will help shape and evaluate the implementation of IC in a company.

Habermas’s final cognitive method to research is the critically oriented method (Cummings, 2005). Muller (2004:293) defines this method as an emancipatory research method that will enable the researcher to empower people through knowledge. Critically oriented research can be practised within an emotional, juridical and evaluative approach of research and will be able to give clarification of any unjustification of knowledge within these realms (Muller, 2004). By using this cognitive method for the proposed research, the researcher will aim to use existing literature to compile an IC framework that will aim to empower companies with the appropriate knowledge to determine the presence of IC within the company. The critically oriented method is considered the most applicable to the study. The research paradigm that best meets the demands of this study will now be discussed to clarify the way in which research was conducted.

2.3.2 Research paradigm

The research paradigm determines the type of data that will be collected during the data gathering process (De Lange, 2011). As the aim of this study was to examine existing literature of IC to create an IC audit framework that a company could use to determine the presence of IC in the company, a qualitative approach was followed in this study. This choice of research approach is supported by Cresswell (2014:4) when he emphasises qualitative research as an approach that enables the researcher to clarify or address a broader theme by shaping, combining and giving meaning to smaller parts of the data before or after the actual data collection. Luton (2010:12) further states that the main contribution of qualitative research is to acknowledge and provide meaning to tacit knowledge. Denzin and Lincoln (2011:8) emphasise the
importance of qualitative research by declaring that it enables the researcher to highlight the socially constructed nature of reality. Although these authors give high praise to qualitative research as a research paradigm, it was necessary to consider further the aims, advantages and disadvantages of using this approach. This provided the researcher with a clear indication of the possible outcomes that can be expected from implementing qualitative research in this study.

By choosing qualitative research as research paradigm, it is vital for the researcher to remain objective during every step of the study (Martyn, 2010:154). However, according to Lichtman (2013:165), researchers should not perceive objectivity as a burden when conducting research. According to this author, the researcher should rather see objectivity as a process to reflect the true data and findings. Flick (2007:42) agrees and states that when a researcher ensures that the research question and objectives are well defined, the researcher will contribute to the objectivity, validity and reliability of the entire study. Therefore, for the researcher to remain objective and focused in all steps of the research, it is vital to ensure the research objectives are well defined and can guide the researcher through all the steps of the research.

Although the essence of qualitative research is to address the research questions through finding coherence within the given literature and the actual field, the role of the participants in shaping the study is an important factor. In contrast with the firm role of authority the researcher has in quantitative research, the qualitative researcher should allow the participants of the research to help shape the study (Klenke, 2008:13). This collaborative partnership poses a big advantage to the research, as making these participants part of the research process will enable the researcher to ensure that the study delivers feasible results reflected through a democratic notion of the participants (Wassenaar, 2012:275). Merriam (2009:14) supports the idea of making the participants part of the research process by stating that qualitative research should be seen as a process of understanding and that the results should be a direct reflection of the participants’ thoughts and ideas on the matter. It is therefore important that the researcher should be seen as the mediator between literature and practice and not as the authoritative figure who forces literature ideals into the lives of the participants. Howard (2004:410) opposes the idea of making the participants too involved in shaping the research process, as they might cause deviation from the
original research objectives. This author does acknowledge that participants should be involved during the research process, but emphasises that this collaborative partnership should only be allowed to a certain extent. This will ensure that the researcher answers the initial research question and addresses the very issue that inspired the researcher to conduct the study. MacQueen (2008:35) gives more insight into the risks of involving the participants in the research process by identifying factors such as power and internal politics of the participants that may undermine some of the participants to contribute to the research. It is therefore vital for the researcher to take such factors into consideration and to ensure that when participants do contribute to the research process these factors do not undermine contributions.

In this specific study, participants were involved in shaping the concept and content of an IC audit framework. In this case, the managers, marketers and communication practitioners of the specific company were asked to view the proposed IC audit framework critically from a practical perspective. This enabled the researcher to ensure that the framework is of practical use, while using data triangulation to combine data gathering methods.

Table 2.1 contrasts the advantages and disadvantages when aiming for certain objectives within qualitative research. Reflecting on this table during different stages of the data collection aided the researcher in aligning the study with the initial objectives to harvest the potential benefits of using qualitative research. However, the table also reminded the researcher of the possible negative implications when deviating from these objectives.
Table 2.1: Objectives and outcomes of qualitative research

<table>
<thead>
<tr>
<th>Objective of Qualitative research</th>
<th>Advantages gained from correct implementation</th>
<th>Disadvantages caused by deviation from objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualitative data should be hermeneutic</td>
<td>- Well-defined research question that is reflected through data</td>
<td>- Uncertainty of research value and research question</td>
</tr>
<tr>
<td>The participants should be seen as an active co-creator of the research process</td>
<td>- Data will reflect a democratic view of the participants thoughts and will deliver more feasible results</td>
<td>- Deviation from the initial research question will occur. - Dominant individuals or groups within the sample may undermine others' contributions.</td>
</tr>
</tbody>
</table>

From this table one can conclude that, to conduct research by using a qualitative approach, the responsibility of the researcher to define and shape the research has a direct influence on the success of the study (Martyn, 2010). The researcher should not only ensure that the research question and objectives are well defined, but it is also his/her responsibility to remain objective during data collection (Flick, 2007). Furthermore, the researcher should ensure that he/she remains objective through every step of the research and should encourage participants to contribute to the study without influencing their attitudes and behaviour (Klenke, 2008). This will result in a research study that truly reflects the findings and will ensure that when the study is duplicated, the results will remain the same. In the following section, the research strategies employed in this study will be discussed in more detail.

2.3.3 Research Strategies

The different objectives and outcomes of qualitative research illustrates the importance of both the literature and the participants in shaping the study. Therefore, as mentioned briefly in the research focus (2.2.), the data were collected through three phases. Each of these research strategy phases will now be discussed separately to understand the methodological procedures of each phase and its impact on the study better.
2.3.3.1 Phase 1: Conceptual analysis

A conceptual analysis as a research strategy can be conducted from either an inductive or a deductive approach. Inductive reasoning used in a conceptual analysis is most suitable for studies based on a grounded theory, as the researchers make use of this approach to derive theory from the data, rather than deriving it from existing theory (Ingwersen & Jarvelin, 2005:97). An inductive conceptual analysis method requires intensive observation, but provides researchers with the ability to identify new ideas and concepts that might contribute to the existing concepts and literature (David & Sutton, 2011:421). Although inductive reasoning in research proves to be very effective, it is not suitable for the purpose of this study. The aim of the study is to create an IC framework by using existing literature and therefore a deductive approach in conceptual analysis should rather be followed.

A deductive conceptual analysis entails the process of making the implicit knowledge explicit by using a predetermined set of criteria derived from literature (West & Fuller, 2001). Through this research process, the researcher identifies certain existing theories that support the hypothesis of the study. After considering and analysing the appropriate data, the researcher then has to provide empirical results drawn from the data that support the hypothesis or general research statement (Sparkes & Smith, 2014:24). This research approach will be more suitable for the proposed study, as the primary objective of this study is to create an IC audit framework from existing literature. This research approach is supported by Ezzy (2002:84) when he states that a deductive conceptual analysis is a useful method that enables a researcher to test existing theories of a given field. The researcher made use of the process of deductive reasoning to identify key factors that shape the concept of IC first, before using a literature review to examine the literature that were combined to create the framework. These predetermined themes or key factors served as the criteria on which the data from literature were collected and combined to answer the research questions.

According to Morra, Imas and Rist (2009:379) a conceptual analysis stems from a content analysis, as it requires the in-depth investigation of certain terms within a given text or field. This research strategy can be defined as a systematic and objective approach to identifying overt and covert themes and patterns within text to provide
clarification or meaning to a certain phenomenon (Kerlinger, 2000) (Bezuidenhout & Cronje, 2014:234). From this merged definition of the term, three main characteristics of the strategy were identified. These characteristics will be described in more detail to understand the nature and scope of this research paradigm better.

2.3.1.1.1 Characteristics of a conceptual analysis

The first identified characteristic of a conceptual analysis is that it is systematic. It is essential to ensure that the entire analysis is conducted according to the constraints and procedures decided by the researcher in the initial research design (Wimmer & Dominick, 2011:106). Without a guiding set of criteria to examine the data, the researcher will not be able to reach equal probability (Benoit, 2013). Therefore, when conducting a conceptual analysis, it is vital to consult the research aims and objectives during each stage of the research process to ensure that the conceptual analysis reflects these objectives. A conceptual analysis should also be written with complete objectivity. This characteristic should be seen as a goal rather than a definite factor, as the nature of qualitative research is criticised as being subjective to some or other extent (Du Plooy, 2009:204). Benoit (2013) provides a practical solution to strive for objectivity through conceptual analysis by declaring that a researcher should first identify dominant characteristics of a certain message. It is only after these main themes have been identified that emphasis can be placed on certain inferences within these themes. However, it remains the responsibility of the researcher to identify these inferences through an objective and systematic approach set out by the perceived set of research criteria (Benoit, 2013:269). In order to reach this stage of objectivity, it is vital for the researcher to ensure that the necessary steps are taken to conduct the study in an ethical way and that each part of the research contributes to the objectives of the study and not the personal objectives of the researcher.

The final characteristic of conceptual analysis have been addressed through both the systematic and objective qualities of this research method, but need to be investigated further. A conceptual analysis is a study of certain themes or patterns within a given text or field. Bezuidenhout and Cronje (2014:235) summarise conceptual analysis as the idea to group data together to assign these groups to broader categories with similar meaning. This enables the researcher to identify subcategories within the
specific field that can be examined further to deliver unbiased and viable results. The researcher should be seen as the storyteller of the research and generalisations or conclusions can only be made when the researcher has broken down the data into certain themes or focus points. However, it is vital for the researcher to select these themes from the units of data or the given literature and not the raw data itself (Schiaffonati, 2013). The only way in which the researcher can then achieve validity within the research is when similar themes that have been identified through literature, reflect in the actual data (Angelucci, 2008:58). This emphasises the ethical concern of a conceptual analysis, for without an ethical moral guiding the researcher to remain objective, the research can easily become a reflection of the researcher’s thoughts. When examining the different characteristics of a conceptual analysis, it becomes unmistakeable that certain interdependent traits should be visible in the execution of the research process to deliver feasible and reliable results. For the researcher to remain objective through the entire research process, a systematic process should be followed where supporting guidelines for the research should be used. These research guidelines will then enable the researcher to identify the main concerns or patterns within a given text or field. This will ensure that the results reflect these patterns to deliver feasible and reliable results. In the section below, the way in which the characteristics of a conceptual analysis were used in this research will be discussed. The methodological steps of a conceptual analysis that were followed in this study will follow this discussion.

The mentioned characteristics were made use of to support the development of the conceptual analysis of IC during the research. The first identified characteristic of a conceptual analysis is that it should be conducted from a systematic approach. Before the researcher conducted the conceptual analysis, the aim of this analysis was linked to an applicable secondary objective that was set out in the research design.

The secondary objective used as foundation for the conceptual analysis of IC was to analyse compare and discuss prevailing models and theories of IC to shape auditing criteria. Therefore, during the conceptual analysis of IC, the researcher made use of this secondary objective to ensure that the data collected through the conceptual analysis contributed to the overall objectives of the study. In order to remain objective during the conceptual analysis of IC, no statements or conclusions were drawn without
data from literature to support the claims. As the aim of the conceptual analysis of IC was to set the scope through which the IC audit framework could be compiled, the main themes or constructs of this concepts were identified through literature and not through the researcher’s preference or opinion. The identification of these themes was only made possible through the considerations and combination of different viewpoint of IC from literature.

2.3.1.1.2 Methodological steps in conducting a conceptual analysis

In order to adhere to the specific demands of this study, Walker and Avant’s (2005) methodological approach to conceptual analysis was used. This specific method of conceptual analysis provided the researcher with a set of identified constructs that enabled the researcher to create a operational or working definition of the specific research field (Powers & Knapp, 2011:25). Moran and Burson (2014:105) further give praise to this approach to research by stating that a conceptual analysis enables the researcher to investigate the specific field of interest in full that might assist the development of new techniques within the field of research. This research approach is often used in health-care research, as it provides the researcher with the necessary guidance to determine the impact of a concept in full before, during and after its implementation in a system. However, the benefits that can be obtained by using this strategy link directly to the objectives of this study, as the main objectives of this study are to explore the essence of IC. It was only after an in-depth investigation of IC had been conducted, that a possible IC audit framework that determines the presence of IC in a company could be created.

In a research study conducted by Morgan (2012:6), Walker and Avant’s (2005) concept analysis approach was altered to determine the precise definition of person-centred care, a concept without a definite consensus in health-care literature. These altered steps of the initial process suggested by Walker and Avant (2005) enabled Morgan (2012) to investigate the concept more in-depth. As IC can also be considered as a complex concept within the field of marketing communication, the modified approach to conceptual analysis as suggested by Morgan (2012) was used in this study:
• Step 1: Determine the historic evolution of the concept

The first step in the execution of a conceptual analysis is to examine the given field in terms of its *historic evolution*, as well as how the concept developed in that specific field (Morgan, 2012:7). By examining the historical evolution of a concept, the researcher will be able to understand the advances that were made in the past better that led to possible dimensions that were added to the initial concept (Waltz, Strickland & Lenz, 2010:36). Therefore, by examining the historic evolution of a concept, the researcher will be able to uncover the roots of the concept and to understand the driving force behind the creation of the concept better.

The historic evolution of IC was investigated to understand better how the circumstances created through the different marketing eras led to the development of this concept. This investigation also clarified the way in which IC evolved from IMC.

• Step 2: Identify the defining attributes of the concept

After the development of the concept has been investigated through the historic events that led to this concept, the researcher can move the focus of the research towards creating an operational definition. According to Walker and Avant (2005), the most influential, *defining or frequently associated attributes* of a certain concept needs to be highlighted, as they form the heart of the concept analysis (Morgan, 2012:8). During the investigation of the historic evolution of the concept, the researcher will already come to terms with some of the defining attributes of the concept. Therefore, through further investigation of those defining attributes, the researcher will be able to create a working definition of the concept that encapsulates the core of the concept. However, (Rodgers, 2000) suggests that, to create a working definition that truly encapsulates the essence of a concept, the surrogate and similar terms of the concept should be identified first. The author defines a surrogate term as different terminology that is used to describe the same concept (Rodgers, 2000). When the surrogate terms have been identified, the researcher will be able to ensure that the working definition of the concept includes all possible contributions and not only literature that makes use of one specific name for the concept. Furthermore, during this process, the similar terms
of the concept should also be revealed. Rodgers (2000) defines the similar terms as concepts that are similar, yet different from the concept being analysed. It is necessary to be aware of these terms, as they might influence the development of the working definition. When similar terms are used to create the working definition, crucial attributes that truly reflects the concept might be left out.

Therefore, in this step, the defining attributes of the concept should be highlighted. These attributes should be a true reflection of what the concept entails and it is thus of great importance for the researcher to be aware of the surrogate and similar terms that might affect the identification of these attributes.

The data from the historic evolution of IC enabled the researcher to identify the most influential attributes that define IC. However, before the defining attributes of IC can be investigated in detail, it is vital to recognise the surrogate and similar terms of IC that is used in literature. By being aware of these terms, the researcher can ensure that the identification of the defining attributes leads to the development of a working definition that truly captures the essence of IC. After these terms have been taken into consideration, the attributes were investigated in more detail by critically scrutinising definitions of IC from different authors. This enabled the researcher to create a working definition of IC where the different perceptions of IC were combined to create a more inclusive definition of IC that could be used to support the development of the IC audit framework.

- **Step 3: Determine the antecedents of the concept**

The next step in the conceptual analysis is to determine the antecedents of the concept or structure. Antecedents can be defined as the events or structures that need to be in place prior to the implementation of the concept (Carnwell & Buchanan, 2004:14). The antecedents of a concept provide the critical background through which contextual issues can be addressed for better implementation or practice of the concept (Swale, 2006). Thus, by identifying antecedents of a concept, the researcher might be able to identify possible issues that require further investigation to enhance the implementation of the concept.
The antecedents of IC enabled the researcher to determine the circumstances that needs to be set in a company that will contribute to a successful IC implementation. Through this process, three theoretical domains were identified and within these domains patterns from literature were combined to create focus points within IC that were used to shape the suggested IC audit framework in the literature review (see Table 3.4.).

**Step 4: Determine the consequences**

The final part of the conceptual analysis that will be used during this research is to examine the consequences or outcomes that are achieved by implementing the identified concept into a specific structure. By investigating the consequences of the implementation of the concept, the researcher will be able to determine the pragmatic purpose or definition of the overall concept (Gray *et al.*, 2013:119). Thus, through the identification of certain consequences that the concept may deliver, the researcher will be able to determine the impact of implementing the concept within a given context.

After the three theoretical domains of IC were identified in the antecedents of IC, the consequences of IC implementation within each theoretical domain could be reviewed. This review included the disadvantages or challenges of implementing IC in these three domains, but also the advantages or positive impact that IC may have on each domain. By discussing these consequences, the researcher, readers and potential users of the suggested IC audit framework will be able to understand the positive and negative outcomes that might be associated with IC implementation better.

Although Morgan (2012) has identified more steps to developing a working definition of a concept, it will not be used for the purpose of this study. The research for this study was not solely based on the data captured through a conceptual analysis and therefore other research methods were used to refine the framework.

By using a conceptual analysis, the researcher was able to create an operational definition of IC and to set the scope of the suggested IC audit framework. This enabled the researcher to have a more focused approach when filtering through existing literature of IC to create the IC audit framework. This process was conducted by using
a literature review and formed the second phase of the research process. In the following section, more insight will be provided on the use of the literature review during the second phase.

2.3.3.2 Phase 2: Refining the suggested IC audit framework through a literature review

A literature review is often perceived as a burdensome formality that researchers should clear out the way before the study can be conducted (Bhatnagar, 2009). Some researchers associate a literature review with a lengthy discussion where they have to transcribe and combine statements from literature that apply to a specific field of study (Dawidowicz, 2010:162). During this process, some researchers tend to forget that the literature review provides an opportunity to establish the intellectual roots of the study, to show familiarity with existing ideas, to justify the choice of research topic and even to prove that the specific study has something of value to offer. Furthermore, they also fail to see that it fills a gap in the existing knowledge of a concept (Martyn, 2010:30). A literature review should therefore rather be seen as the heart of the study that should be reflected in all parts of the research (Olivier, 2012).

For the purpose of this study, the literature review served as one of the research strategies, as the suggested IC audit framework was refined through the literature review. Therefore, the themes in literature of IC that were identified in the conceptual analysis, were discussed in more depth by combining literature on each identified theme.

However, since the aim of the research was to develop a framework through which IC initiatives of a company can be appraised, the literature that was used during the literature review was considered in terms of its practical use as auditing criteria.

Using the literature review as part of the research strategy is supported by Ongwuegbuzi, Leech and Collins (2011), as they suggest that a literature review should be seen as a *research synthesis* and not a mere review of literature. As employed in this study, these authors suggest a framework that encapsulates the essence of a literature review. The framework proposed by these authors was considered as the characteristics of the literature review for this specific study, and will be discussed in more detail in the following section.


2.3.3.2.1 Characteristics of a literature review

In an attempt to emphasise the importance of seeing a literature review as a research synthesis, Ongwuegbuzi et al. (2011) suggest a framework that aids a researcher in understanding the importance of a literature review. According to these authors, a literature review should be seen as a methodological approach and a research method.

A literature review can be seen as a methodological approach, because even though a researcher has to review existing literature, it is written from an approach that has been predetermined by the research purpose, questions and objectives (Ongwuegbuzi et al., 2011:187). When writing a literature review, it is vital for the researcher to adopt a narrative and to avoid including information of every article or book that has been read during the process (Becker, Bryman & Ferguson, 2012). The review should therefore be written from the perspective of the research aim and objectives and the focus should remain on supporting the research and not only on gathering information on the field of study. Although a literature review is written by considering different viewpoints from existing literature, the researcher plays an active part in creating the literature review. It remains the responsibility of the researcher to use the guidelines set by the research objectives to make informed decisions regarding the information that should be included or not in the review.

A literature review should also be seen as a research method as the selection of the specific procedures set for the research design, sampling, data collection and data analysis is shaped during the process of writing the literature review (Ongwuegbuzi et al., 2011:188). This statement proves its worth especially when a qualitative research study is conducted. As the general method for conducting qualitative research entails the process of identifying prominent themes or ideas within data and combining these ideas to form an all-inclusive viewpoint, the researcher conducts data analysis when the literature review is compiled (Adler & Clark, 2011). Therefore, when compiling the literature review, the researcher uses the guidelines set by the research objectives to filter through existing knowledge, but during this process, the research procedures are also refined, as the gathered information contributes to the overall design of the research.
Chapter 2: Research Methodology

Based on the identified characteristics or qualities of a literature review, literature review is a research method as it is shaped by the predetermined research purpose, aim and objectives. However, the literature review can also be seen as a research method that shapes the research purpose in terms of the research procedures such as the research design, data collection and data analysis.

In order to develop a feasible IC audit framework from the literature of IC, the qualities of a literature was used in this study. The literature review was shaped by the secondary objectives of this study, as the aim of the literature review is to create auditing criteria that encapsulate the essence of an integrated approach. This was achieved through analysing, discussing and comparing various prevailing models and theories of IC to shape the auditing criteria. The aim of the literature review was therefore established by the research outcomes of the study, but also from the data collected through the conceptual analysis of IC.

During the execution of the literature review, the researcher played the important role of choosing and combining the existing literature on IC that would not only support the data from the conceptual analysis of IC, but that could also be shaped into auditing criteria to measure the IC efforts of a company.

Even though the success of the IC audit framework depended on the researcher’s ability to identify and combine the literature to shape the framework, the scope of IC set through the conceptual analysis enabled the researcher to reach the research outcome without any deviation from the overall objective of the study.

A literature review should be seen as a study within a study as it is shaped by the research purpose, but also refines the research process during its construction. The methodological steps of conducting a literature review will now be discussed to understand better how this research strategy was implemented.
2.3.3.2.2 Methodological steps in conducting a literature review

DePoy and Gitlin (2011:70) suggest six steps in conducting a literature review that will be used in this study. Each step will be discussed to clarify the process that will be followed in this study.

- Step 1: Determine when to conduct a search

As the literature review forms such an important part of shaping the study, it is vital to determine during which stage of the research the literature review should be conducted (DePoy & Gitlin, 2011). In experimental research, the literature review is considered as one of the most important steps to be taken, as it provides the researcher with the necessary information to shape the rest of the study (Ferguson, 2010). However, when it comes to qualitative research that follows a more naturalistic approach to research, the literature review can be conducted during any stage of the research (Malcom, 2013). DePoy and Gitlin (2011) state that the aims of the literature review in qualitative research are to serve as an additional source of data, to inform the process of data collection, or to serve as guidance to the interpretation of themes. Nonetheless, it is important to determine during which stage of the research the literature review should be conducted, as it will determine the nature of the specific review.

In this study, the literature review was conducted during the second phase of the research. Given the research objectives, the researcher first needed the data from the conceptual analysis of IC before the literature review of IC could refine the suggested IC audit framework. The data from the conceptual analysis served as the scope through which the literature of IC could be reviewed in more depth.

- Step 2: Delimit what is searched

After the researcher has decided on the nature and purpose of the literature review, it is necessary to set the parameters that will guide the process of reviewing the literature (DePoy & Gitlin, 2011). According to Wilson (2010:57), parameters of a literature review are created through the identification of keywords within the field of study that has relevance for the specific study. Roberts (2010:90) suggests that when the
keywords or key areas of inspection have been determined, a researcher can use Boolean operators and online help to conduct a search query in online sources. Boolean operators can be defined as special connecting words or symbols that enable a researcher to conduct an advanced search on a specific topic through online research. In Boolean logic, the keywords act as nouns and the Boolean operators, such as AND, OR and NOT serve as the conjunctions that aids the interpretation of an advance search though a search engine (Barker & Barker, 2014). Roberts (2010:90) defines online help as the advanced search or search tip function that a search engine provides to the researcher. It is necessary for the researcher to be aware of these helpful search functions when reviewing electronic sources.

Even though the data from the conceptual analysis served as the scope through which the literature review was conducted, the researcher made use of Boolean phrases to ensure that only the literature that was applicable to the specific theme of the scope was investigated. Not only did these Boolean phrases enable the researcher to save time during the process of reviewing the literature, but also contributed to the collection of data that met the requirements of both the scope of IC and the research outcomes.

- **Step 3: Access databases**

During this step of the research, it is vital for the researcher to identify the different sources of information that are at his/her disposal to ensure that the optimum amount of data can be accessed to create the literature review (DePoy & Gitlin, 2011). Using electronic resources allows the researcher to have access to a wide variety of resources and it is a very time-efficient way to conduct research (Lenburg, 2005). However, other resources such as libraries may also be used to gather information. It is the researcher’s responsibility to consider aspects such as the quality of the information and the timeframe in which the literature review has to be completed when deciding on the types of databases that will be accessed. (Moynihan, 2009). Roberts (2010) adds to the importance of using credible sources by stating that there are some sources that cannot be seen as viable or credible and if these sources are used it may affect the integrity of the entire study. It is thus vital for the researcher to consider the credibility of each source that is used during the study.
To ensure that a wide variety of data was considered to shape the IC audit framework, the researcher made use of different sources of information. These sources included electronic resources such as online journals and online books. Google Scholar and Google Books. The electronic databases of the University of the Free State (Kovsiecat) provided the researcher with a wide range of national and international sources that could be used. Furthermore, books, papers and theses in the library of the university were also used to ensure that the suggested IC audit framework reflects the findings from various types of literature.

- **Step 4: Organise the information**

In the fourth step of a literature review, the information gathered through the various resources needs to be organised (DePoy & Gitlin, 2011). According to Roberts (2010), the success of a literature review that reflects on the outcomes of the study is based on the ability of the researcher to adhere to the parameters set out for the literature review. In order to assist a researcher in organising the data for a literature review, Rowley and Slack (2004:38) suggests useful discussion themes to include in a literature review. The first discussion theme they suggest is to include the basic definitions of the concept that is reviewed (Rowley & Slack, 2004). Not only will this discussion ease the reader into the research topic that is being discussed, but also provide the opportunity to emphasise the most important factors that constitute the concept. Another theme that can be discussed during the literature review is the portrayal of the concept in practice (Rowley & Slack, 2004). This discussion will highlight the importance of investigating the concept, but will also aid in putting this research topic more in perspective. Therefore, when compiling the literature review, it is vital to use the information gathered through the different sources to ensure that the literature review reflects the research outcomes while depicting the value of the research and the importance of investigating the specific topic.
As the conceptual analysis was conducted prior to the literature review, this data were used as the scope through which the data from the literature review had to be organised. During the conceptual analysis, three theoretical domains were identified and within these domains and several focus points were acknowledged. From this data, the researcher was able to identify an existing 8-step model of IC that was chosen as another foundation structure through which the data from the literature review have to be organised. The mentioned data assisted the researcher in the literature review process, as clear objectives were set for each theoretical domain.

- **Step 5: Critically evaluate the literature**

In order to evaluate the literature review critically, the researcher needs to inspect each of the written statements that were discovered in the data in terms of the value it has to reach the desired outcomes of the study (Machi & McEvoy, 2012). Although this process can easily be accompanied by negative thoughts where judgement is passed on everything that has been said, it should rather be seen as an opportunity where the researcher gets to reflect on what has been written to determine the merit of what has been said (Currie, 2005).

In this study, the researcher applied this step as a process to refine the literature review. Even though the data from the conceptual analysis and the identified 8-step model of IC assisted the researcher in the process of collecting data for the literature review, the researcher had to evaluate each source critically in terms of the contribution that it could make to obtain the research objectives. Therefore, the researcher had to evaluate each source according to its applicability to the focus of IC that was set in the first phase of the research, but also to its ability to be able to combine with other sources to be shaped to auditing criteria of IC.

- **Step 6: Write the literature review**

A literature review cannot be seen as a once-off chapter that is written and put aside. It should rather be seen as an on-going process that shapes the study, but is also shaped and refined as the study progresses (Anderson & Arsenault, 2002). The writing done in the first five phases of the literature review becomes the foundation of the
finished product that will be presented after the final editing and refining has been done (Machi & McEvoy, 2012). Wilson (2010) also opine that a researcher should be prepared to redraft the literature review several times as the shaping of the literature to communicate the desired outcomes best is an on-going process.

In this last step of the literature review, it was necessary to read the entire review and make the necessary changes to ensure that the data delivered on the expected results set forth by the research outcomes. Furthermore, during this process, the researcher could confirm that the literature review included auditing criteria that evaluated all the themes of IC that were identified in the conceptual analysis. The literature review was redrafted several times to enhance the clarity of the communication about the data.

During phases 1 and 2 of the research, a scope that captures the nature of IC was created and literature was reviewed to create an IC audit framework. In the final phase of the research, the data from literature were triangulated with data from a more practical approach to test the feasibility of the suggested framework. Triangulation was done by using a content analysis of data from focus-group sessions held with professionals in the field. The details of this phase will now be discussed.

2.3.3.3 Phase 3: Testing the feasibility of the IC audit framework through a content analysis

The aim of including the third phase of the research in the study was to test the combination of the existing knowledge of IC and to create a practical set of criteria through which the IC status of a specific company could be measured. Through the combination of literature and practice, the researcher aimed to address the third secondary objective of the study, namely to test the feasibility of the IC audit framework by presenting the concept of the audit to the managing staff of a specific company.

Through the conceptual analysis and the literature review, the researcher was able to use the different viewpoints on each theme of IC to create an auditing tool. The specific contribution of each identified theme within IC could therefore be measured. After the conceptual IC audit framework had been developed, the researcher needed to identify a company that would assist in testing the feasibility of the framework. The successful
implementation of a content analysis will be discussed in terms of its characteristics and methodological steps in the following section.

2.3.3.3.1 Characteristics of a content analysis

Content analysis can be defined as a coding scheme that consists of a system of categories and subcategories to evaluate and structure data (Wright, 2008:20). However, when creating the codes it can be done from an inductive or deductive approach. With inductive coding, the researcher has to develop codes and themes from the data itself, rather than aiming to make the existing categories visible in the data through correspondence (Bishop & Yardley, 2007:313). Codes created from a deductive perception can be considered as propositions that are developed through a theory, which are then tested in a compiled framework or context (Collins, 2010). As mentioned in 2.3.3.1 (in the discussion of the conceptual analysis as the first phase of the research), this study followed a deductive approach. This approach to this study was preferred because the suggested IC audit framework needed to be evaluated to determine its value and feasibility. From the discussion of that section, it was also established that the qualities of a content analysis are similar to the qualities of a conceptual analysis, as the conceptual analysis stems from content analysis. Therefore, to avoid repetition of the same literature, one can conclude that both the conceptual analysis and the content analysis are systematic, objective and make use of identified themes and patterns to evaluate data. The specific steps in conducting a content analysis will now be discussed and shaped to fit the demands of the research objectives of this study.

2.3.3.3.2 Methodological steps in conducting a content analysis

As early as 1989, Duncan identified nine steps to conduct content analysis successfully. These steps are still used today, as it breaks down the research process into more simple parts, allowing the researcher to have better focus and make progress as each step is taken (Schreier, 2012:5). Although these steps provide the researcher with a very clear description of how the research should be conducted, not all steps are applicable to deductive reasoning. Duncan’s (1989) nine steps for content
analysis are summarised in Table 2.2, followed by a more in-depth discussion of how each step was changed and implemented to meet the demands of this study.

Table 2.2: Steps in content analysis (Schreier, 2012:5; McCormack Brown, 2005; Duncan, 1989)

<table>
<thead>
<tr>
<th>Step 1: Define the units of analysis</th>
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<tbody>
<tr>
<td>Step 2: Establish the coding categories</td>
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<tr>
<td>Step 3: Pre-test the coding on a sample of the documents</td>
</tr>
<tr>
<td>Step 4: Assess the reliability of the coding</td>
</tr>
<tr>
<td>Step 5: Revise the coding categories (if necessary) and pre-test these new categories</td>
</tr>
<tr>
<td>Step 6: Draw a sample from the documents</td>
</tr>
<tr>
<td>Step 7: Code all the units of analysis</td>
</tr>
<tr>
<td>Step 8: Assess achieved reliability of coding</td>
</tr>
<tr>
<td>Step 9: Tabulate the categories</td>
</tr>
</tbody>
</table>

- Step 1: Define the units of analysis

In the first step of content analysis, the units of analysis should be defined (Schreier, 2012:5; McCormack Brown, 2005; Duncan, 1989). This refers to the initial research question that inspires the researcher to conduct the research (Cohen, Manion & Morrison, 2011:562). A research question should always be formulated after the researcher has reviewed the literature to some extent. This will decrease the chances of the data not corresponding with the basic assumptions made by the researcher prior to the actual research (Hatch, 2002). The guiding arguments of this study were discussed in section 1.5. After considering the benefit of reviewing literature before formulating the research question, it was clear that conducting research from a deductive perspective could support the formulation of the research question that is supported by existing literature. This predetermined theoretical orientation enabled the researcher to focus on the main objectives of the study.

- Step 2: Establish coding categories

In Duncan’s (1989) second step of content analysis, the author suggests that the code categories should be established. Wimmer and Dominick (2011:160) refer to this step as the process where the researcher considers a vast scope of the entire population and then decides on certain key aspect that will be examined in more detail. According
to these authors, the key aspects will then serve the purpose of the boundaries of the study.

- **Step 3: Pre-test the coding on a sample of documents**

After the research question has been established and the boundaries of the study have been determined through the identification of the code categories, these coding samples can be pretested on a sample of the documents (McCormack Brown, 2005). Sampling in content analysis refers to a reduced subset of elements that have been identified through a population of informational content (Crano, Brewer & Lac, 2014:308). Thus, through the statements made by these authors, the identified codes or concepts that shape the boundaries of the research should then be tested in the given field by examining how these concepts are portrayed within literature or informational content.

**Step 4: Assess the reliability of the coding**

In the fourth step of content analysis, Duncan (1989) suggests that the reliability of the coding system should be assessed before the study can proceed. However, this step in the analysis should be done simultaneously with the pretesting of the codes within the literature. Gorgens-Albino and Kusek (2009:438) support this belief by stating that the process of assessing the codes should be done by determining whether these identified codes are reflected in the data.

- **Step 5: Revise the coding categories (if necessary)**

Duncan (1989) adds an underpinning step to the process of content analysis, by suggesting that the coding categories should be revised if necessary and that the adapted categories should then be pretested. However, this step should only be taken when the researcher realises that the identified codes do not reflect in the literature (Flick, 2009). In order to address the initial research question, it is vital to ensure that the identified codes form a functional description of the given field and provide a realistic representation thereof (Flick, 2009). Thus, the success of the research depends on the extent to which the researcher defines the codes used for analysis. A proper coding system provides structure to the research, and aids the feasibility and reliability of a study’s results.
In the conceptual analysis employed in this study (phase 1), certain themes or constructs were identified that appeared to shape the concept of IC. These themes and constructs were then investigated in more depth through the identification of various relevant models and theories of IC that could be linked to the data from the conceptual analysis. This investigation was done in the form of a literature review (phase 2). Through this process, certain criteria/steps were developed from literature to measure the IC initiatives of a company. However, a third phase was added to the research to test the practical implementation of these steps. In this phase, content analysis was employed to data captured through focus groups.

Because the conceptual IC audit framework was created through the conceptual analysis and the literature review of IC, not all of the steps of a content analysis were applicable during the implementation of the content analysis (third phase).

Through the conceptual analysis (phase 1) and the literature review (phase 2), the units of analysis and the codes that were used for the content analysis had already been defined, established, pretested, assessed in terms of its reliability, and it was also revised.

The first five steps of the content analysis were used before and after the focus-group sessions. Before the focus-group sessions, they were used to shape the presentation of the IC audit framework.

Through the support provided by these steps in the content analysis, the researcher was able to create a set presentation that explained each step of the IC audit framework. After explaining each step, the researcher provided the participants with a few questions on the implementation of each step. However, the researcher also provided an opportunity for the participants to make their own contributions to the implementation of the steps, without influencing their input.

The combination of structured questions and an opportunity for the participant’s own input supported the researcher during the discussions of these steps in terms of avoiding deviation from the initial research objectives. It also eased the process of data collection and interpretation of the data after the focus-group sessions had taken place. Even though the participants gave their personal input of each step, the
supported presentation of the steps enabled the researcher to divide the data easily into the applicable steps of the IC audit framework.

- **Step 6: Draw a sample from the documents**

After the codes used for the specific study have been clearly defined and established, samples from the documents that reflect these codes should be identified (Duncan, 1989). This step supports a content analysis from a deductive perspective, as the theoretical codes will be used to inspect the data. In this step, it is suggested that the researcher uses the identified codes as guideline when combining and sorting the data from the literature that will provide useful insight to answer the research question (Babbie, 2014:102).

As the aim of this step in a content analysis is to analyse the data from a deductive perspective, this step was employed in the research through comparing the data from the focus-group sessions with the data from literature. During this step, the researcher analysed each step in terms of the practical and the theoretical data.

Through this process, the researcher was able to identify areas within each step where the practical implementation of the step did not correspond with the literature that were used to create the step.

- **Step 7 – 9: Code all the units of analysis, test the reliability of the coding and tabulate the results.**

The final three steps used in content analysis were to code the units of analysis, assess the reliability of the research and to tabulate these results (Duncan, 1989).

In this final step of the content analysis, the researcher had to refine the final steps of the IC audit framework, by considering the theoretical and practical data that were collected for each step. In Step 6 of the content analysis, the researcher was already able to identify the areas within each step where the theoretical composition of each step in the IC audit framework was in conflict with the practical implementation of the step. During this process of the research, it was the responsibility of the researcher to consider both the theoretical and the practical data of each step. By considering both these perspectives, the researcher developed an IC audit framework that reflects the
true nature of IC from literature, but that is also feasible to implement in practice. These steps were combined for the purpose of this study, as the conclusion could be drawn from the data that had already been made available through the previous phases of the research.

2.4 DATA-GATHERING METHODS

When making a decision on the data gathering methods, it is important for the researcher to distinguish between primary and secondary data. Primary data can be seen as data that are captured for the first time and secondary data are data that are compiled through existing data (Kothari, 2004). As the first two phases of the research for this specific study were based on shaping the suggested IC audit framework though literature, the data required for the research were of secondary nature. However, during the third phase of the research, content analysis was conducted on data gathered from focus-group sessions. This data were considered primary data. The data-gathering methods of each of the research phases will now be discussed in terms of the types of data that needed to be collected, as well as the main sources that were used to gather the data.

2.4.1 Conceptual analysis (Phase 1)

For the first phase of the research, literature regarding IC was filtered with a conceptual analysis to identify certain themes that appeared to be prominent within the literature. These themes were then each refined to become part of a more practical and feasible auditing tool. It is only after these themes had been identified that the researcher could use the set criteria or process to inspect these themes and to identify the necessary literature that would contribute best to the IC audit framework.

To gather the data necessary for the conceptual analysis, the methodological steps of this research strategy were implemented. The first focus point of the data had to include the development of the concept. After the development of this concept had been established, the most defining attributes were extracted from literature. The antecedents of the concept were also included in the review as it was vital to enquire about the circumstances or requirements that needed to be present before the concept
could be implemented in a business structure. Finally, the consequences of implementing the concept in a business structure were added to the review.

In order to collect the necessary data for the conceptual analysis, a variety of sources such as journals, books and articles had to be reviewed. The main sources of data used for this study were the search engines Google Books and Google Scholar and the online sources available of the University of the Free State databases. Through this online search, several sampling methods were used that will be discussed in more detail in the section where data sampling is discussed (Section 2.3.6.). More information regarding the literature that was reviewed will be provided in section 3.2. The data-gathering methods of the second phase of the research follow in the next section.

2.4.2 Literature review (Phase 2)

The purpose of the literature review in this study was to create the IC audit framework by using the scope of IC that was provided through the data of the conceptual analysis (phase 1). The data used for the literature review were of secondary nature and were used as an additional source of data to contribute to developing the conceptual audit framework. As the parameters had already been set through the data of the conceptual analysis (phase 1), the literature review was conducted using the scope set through this data as the guiding structure. The data for the IC audit framework were gathered by first reviewing prevailing models of IC to identify a model that was in line with the requirements set out by scope of IC. This model then served as the fundamental platform on which the IC audit could be built. The scope of IC was then analysed in every source that was reviewed to determine whether the specific data could contribute to the IC audit framework.
2.4.3 Focus groups (Phase 3)

In the third phase of the research, a content analysis was conducted of the data gathered through focus-group sessions. A focus group is defined as a research method that requires the researcher or appointed party to lead a small group of people in a structured conversation regarding a certain topic (Lewis, Sheringham, Kalim & Crayford, 2008:140). The aim of this research method is to understand the attitudes, behaviour or experiences of the participants of a small selected sample by providing participants with a relatively structured and non-threatening environment in which the topic can be discussed (Puchta & Potter, 2004:73; Wimmer & Dominick, 2013:136). Liamputtong (2011:2) emphasises the importance of making sure that the same set of questions is asked during these focus-group sessions. This author opines that a more structured approach to focus-group sessions delivers the best results when it comes to market research. These discussions should include 6 to 10 participants per session and 3 to 5 sessions, depending on the scope of the study (Liamputtong, 2011:44).

For a researcher to maximise the potential of using a research method during the collection of data, he/she needs to be aware of the advantages and disadvantages of the certain research method prior to the actual research (Evans & Rooney, 2014:251). When it comes to focus groups, the main benefit of using this research method is that it is a relatively easy method that enables the researcher to capture concentrated data on a specific topic (Hatch, 2002:132). Unfortunately, this benefit can easily become a pitfall to the research, as it is easy for the researcher to lose control over the discussions, resulting in a deviated research study with an unanswered research question (Hackley, 2003:82). Nonetheless, for a researcher to harvest the best possible data through focus-group research, this research method should be inspected further. The steps suggested by Hevner and Chatterjee (2010:125) were used to enhance the quality of data gathered through the focus groups. A discussion of how each step was used during this study follows.

- Step 1: Formulate the research question

The first step to conducting a focus group is to formulate the research question or problem (Hevner & Chatterjee, 2010). This enables the researcher to have a clear vision of the research and decreases the chance of deviation during the execution of
the study. Steward and Shamdasani (2015) proclaim that when it comes to focus-
group research, a well-defined problem is half solved.

The researcher made sure that answering the research question of the study remained
priority by using the data from the first two phases of the research as guiding structure
to create and lead the focus-group discussions.

Step 2: Identify the sample or groups

After the research questions had been defined, the researcher identified the sample or groups needed to acquire the data (Hevner & Chatterjee, 2010). According to Steward and Shamdasani (2015:57), the two most critical elements of focus-group research are the recruitment of the participants and the design of the interview guide.

As the aim of the focus-group sessions was to test the practical implementation of the steps of the IC audit framework, the researcher invited the management of a decentralised company to take part in the focus-group sessions. After several companies had been considered, the ideal company was chosen based on its structure, size and industry it operates in. Furthermore, this company was chosen based on the participant’s knowledge of IC. More detail on the chosen company will be provided in section 2.6.3.

- Step 3: Decide on the moderator

Step three in focus-group research required the researcher to decide on the moderator that had to lead the discussion (Hevner & Chatterjee, 2010). This is also a vital step to the success of the research process, as the success of the focus group is dependent on the way in which the moderator led the discussion (Quirke, Making the Connections: Using Internal Communication to Turn Strategy into Action, 2008). Hennink (2007:76) states that it is the responsibility of the researcher to ensure that the individuals involved in monitoring the focus-group session are well trained and that they have a clear understanding of the purpose of the study.
With proper guidance from the moderator, the different opinions of the participants could be used to build the discussion for an even deeper understanding as to why there are different mind-sets amongst the sample of participants. For this specific study, the researcher did not need to train any moderators for the focus groups, as the sessions were conducted by the researcher.

- Step 4: Develop a pre-test

It is necessary for the researcher to develop a pre-test to ensure the quality of the data during the actual sessions (Hevner & Chatterjee, 2010). The main benefit of having a pre-tested concept before the actual sessions is that it ensures that the concept is consistent with the main strategy or research question of the study (Percy & Rosenbaum-Elliott, 2009). This process also includes the development of the questions that are asked to the participants.

As mentioned in the discussion of Steps 1-5 of a content analysis strategy, these steps were used to develop the pre-test of the presentation that was used during the focus-group sessions.

During this process, the suggested steps of the IC audit framework that were compiled through a conceptual analysis (phase 1) and literature review of IC (phase 2) were shaped into a presentation. The aim of the discussion with the participants is to capture data regarding the practical implementation of each step. As the discussion of these steps include a vast amount of theory, the researcher decided not to include a set of questions after each step, as it would make the participants feel more restricted to provide feedback.

However, the researcher anticipated that some of the conversations with participants might not deliver quality data. To address this possible issue, the researcher compiled possible questions that could be asked after the discussion of a step to get the conversation started in the right direction.

Chapter 5 provides an in-depth discussion on the steps employed to create the presentation discussion guide for the focus groups.
To ensure that the aim of the research is obtained through the data, it is vital to provide guidance to the participants of a focus-group session. Barksdale and Lund (2002:36) have identified six basic types of research questions that can be asked during a focus group. By having knowledge of the different types of focus-group questions, the researcher was able to create a set of possible questions that could be asked to guide the conversation of the participants. However, as mentioned earlier, these questions would only be used if the conversation did not provide adequate data, as the researcher decided not to restrict the feedback of the participants by providing a fixed set of questions after each step.

Table 2.3 summarises Barksdale and Lund’s (2002) six types of focus-group questions by proving a definition of each question type. An example of the type of questions that could be relevant to ask during the focus-group sessions in this study was added to the table.
Table 2.3: Types of focus-group questions (Adapted from Barksdale & Lund, 2002:36)

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Background or demographic</td>
<td>Asks identifying characteristics of the participants</td>
<td>To set a relaxing environment by asking the professionals to explain briefly what their role in the company is. This type of question will be asked before the steps of the IC audit framework are explained. (The anonymity of the participants will still be protected.)</td>
<td>- Before we begin with the explanation of the IC audit framework, can each of you please tell me: a) What division of the company do you work for? b) What is your overall responsibility in that division?</td>
</tr>
<tr>
<td>Experience</td>
<td>Questions aimed at seeking details of how participants experienced a certain phenomenon</td>
<td>To test the participants’ knowledge of IC before the steps are explained. These questions will be asked prior to the explanation of each step.</td>
<td>- Define Integrated Communication in your own words -Are you aware of the company’s IC strategy?</td>
</tr>
<tr>
<td>Sensory</td>
<td>Questions aimed at how the participants experienced a phenomenon by recalling their sensory observations</td>
<td>To determine the association that these employees link to the implementation of IC. These questions will be asked before and after the explanation of each step.</td>
<td>- Provide one word that you would associate with the implementation of IC. - What are the overall difficulties of implementing IC that has affected your work personally.</td>
</tr>
</tbody>
</table>
### FOCUS-GROUP QUESTION: | DEFINITION: | THE AIM OF THESE QUESTIONS FOR THE SPECIFIC STUDY | EXAMPLE OF THE TYPE OF QUESTION THAT WILL BE ASKED DURING THE FOCUS-GROUP SESSIONS:
--- | --- | --- | ---
Knowledge | Assessing the knowledge of the participants regarding a certain topic | To evaluate how these participants would react to the actual implementation of each step of the suggested IC audit framework. | - What would you consider as barriers that might affect the implementation of the discussed steps?  
- How would you implement this step differently? |
Feeling | Evaluating the attitudes and feelings of the participants regarding a certain topic | To determine the emotional involvement that the participants would have if the suggested IC audit framework would be implemented in the company. | - What would demotivate you to assist the person in collecting the necessary information to conduct the IC audit?  
- What would encourage you to assist the person in collecting the necessary information to conduct the IC audit? |
Opinion or value | Asking participants to provide their opinions to a certain topic | To use the expertise of these participants to determine whether the identified themes or constructs of IC in literature is reflected in the practical implementation of IC. | - Would you add any other steps to this IC audit?  
- Would you remove any steps of this IC audit? |
As the conceptual IC audit framework consists of a great deal of viewpoints from literature, the researcher also anticipated the challenge of ensuring that the participants followed the explanation of each step. It was foreseen that the participants might become confused while trying to keep up with the discussion of each step. This would result in distorted data, as the participants might not understand the step. To avoid this issue, the researcher decided to compile a booklet that encapsulated the framework of each step in the conceptual IC audit framework. It was also decided that these booklets would be handed to the participants a week before the focus-group sessions. This would grant participants enough time to work through the booklet before the focus-group sessions took place. Not only did this aid in preparing the participants for what would be discussed in the focus-group sessions, but also provided the participants with enough time to come to terms with the spectrum of analysis tools that the conceptual IC audit framework provided.

The booklets also provided the ideal opportunity to cater for the participants that were too shy to engage in conversation with other participants. In the booklet, space to make notes was included after the discussion of each step. This space could therefore be used by the participants to write down their initial thoughts about each step before the focus-group sessions, but could also be used during the sessions. This supported both researcher and participants during the discussion of the steps in the focus-group sessions.

- Step 5: Recruitment of the participants

Step 5 of the focus-group research methodology entails the recruitment of the participants needed to conduct the study (Hevner & Chatterjee, 2010). During the recruiting process, it is important to ensure that the participants are a fair representation of the bigger sample (Quirke, 2008:348). The importance of having participants with different views from the same sample has several benefits for the researcher. The main benefit of this participant selection is that the conflicts of these participants during discussion could be used to identify why people believe what they do (King & Horrocks, 2010:70).
When the sample for this specific study was chosen, the researcher (in collaboration with a senior person from the chosen company) ensured that the sample included participants with different viewpoints. The sampling method employed in this study is discussed in more detail in section 2.3.6.

- Steps 6: Analysing and reporting the data

The final steps in focus-group research involve the actual execution of the sessions and the analysing and reporting of the data (Hevner & Chatterjee, 2010). In these steps, the ethical conduct in which the researcher decides to shape the research is of the utmost importance. Without the objectivity of the researcher during the data collection and analysis, the whole study is tainted and cannot be seen as credible. This matter is discussed in more detail in the section where the research ethics of this study are addressed (see section 2.3.9). The data-gathering methods used for the focus-group session will now be discussed.

When the date and times of the focus-group sessions were established, the researcher refined the concept of the IC auditing framework into questions that could be asked during focus-group sessions (see Table 2.3). The questions that were asked during these sessions focused on the knowledge and the opinions of the participants. However, the aim of consulting participants when testing the conceptual IC audit framework was to provide insight on the practical implementation of the audit. Therefore, the researcher also made use of questions where the experiences of the participants were explored to some extent. This ensured that the researcher had a better understanding of the problems these professionals had endured in the past regarding IC implementation. By combining the level of expertise of these participants with their practical experience in the field, the researcher was able to collect data that were useful in shaping the IC audit framework. The IC audit framework and the questions for the participants were developed into a presentation by making use of Prezi. This presentation provided the participants with the exact steps that would supposedly be taken during the implementation of the suggested IC audit. Each session was recorded by using a voice recorder, as the data needed to be transcribed after the session had taken place. To reduce the chance for confusion, the researcher provided the opportunity for participants to ask questions and to give input after each
step had been explained. Furthermore, the booklet handed to each participant a week prior to the sessions could also be used by the participants to follow the discussion of each step. During each focus-group session, the researcher provided the participants with information about the purpose of the study and how the focus-group session would be conducted. During this introduction, the participants were also informed about their contribution to the research and how their input would be used. It was vital for the researcher to maintain a professional relationship with the participants while creating a stress-free environment. This enabled the participants to be more confident when they provided their input.

The discussion of the data-gathering method enabled the researcher to explain better how the methodological steps of the research strategy of each phase contributed to reaching the objectives of the study. Furthermore, through this discussion, the main sources that the researcher made use of during the data-gathering process were identified. This discussion contributes to the credibility of the specific data that were chosen. In order to shed more light on how the actual study was conducted, the process through which the data were analysed will now be discussed.

2.5 DATA ANALYSIS

Analysing data in qualitative research refers to the process of making sense of a given context through the evaluation of codes or data from a variety of research methods (Gibson & Riley, 2010). Therefore, when referring to the data analysis of this specific research study, the process of analysing the data of all three phases will be discussed.

2.5.1 Conceptual analysis (Phase 1)

The methodological steps in conducting a conceptual analysis provided certain themes of discussion that supported the development of the scope of IC. As these themes of discussion (e.g. historic evolution, antecedents and consequences) allowed the researcher to taper the focus of the type of data that needed to be gathered, the researcher could sift more easily through the data to find data that contributed to the research objectives of the study. As the primary objective of the study was to create an IC audit framework through which a company can measure their IC initiatives, the
researcher was able to sift through the data sources by means of deductive reasoning. Through this review, the researcher identified a pattern regarding certain themes that kept surfacing throughout different types of literature. The researcher then used these repeating themes as the main constructs of IC.

### 2.5.2 Literature review (Phase 2)

The initial step taken during the second phase of the research was to identify an existing model of IC that reflected the scope that had been set through the conceptual analysis of IC. After considering different models of some of the most renowned authors of IC (such as Don Schultz, Sandra Moriarty and Tom Duncan) were considered as basis of the IC audit, an 8-step model suggested by Kitchen and Schultz (2000) was chosen to serve as the platform of the proposed IC audit. This model was chosen as the platform of the audit as complex implementation of IC was broken down into progressive steps. The combination of the scope of IC (phase 1) and the existing model of IC provided the researcher with the needed support to compile the framework from existing literature without deviating from the research objectives. Through this process, different literature types were considered in terms of its auditing qualities and only the most appropriate literature was added and combined to form the steps of the framework.

### 2.5.3 Content analysis (Phase 3)

For the purpose of this specific study, the answers given by the participants had to be used to evaluate the feasibility of the suggested IC audit framework. All comments of the participants had to be considered to shape the final IC audit framework. After the focus-group sessions had been conducted, the researcher compared the input given by the participants with the structure of the conceptual IC audit framework. This enabled the researcher to address inconsistency between literature and practice directly, by examining how a specific issue differs in practice and why. The input of the participants served the purpose of refining each step, so that the IC audit framework moved from conceptual to practical format.
2.6 SAMPLING

The sampling method used during all three phases of the research was purposeful sampling. This sampling method can be defined as the selection of information-rich sources that contribute to the research objectives (Lodico, Spaulding & Voegtle, 2010).

2.6.1 Conceptual analysis (Phase 1)

As purposeful sampling was used to select the data for the scope of IC, the data were selected in terms of the value it might have with regard to reaching the research objectives. In order to taper the search for the most appropriate literature using search engines, Boolean operators such as “AND”, “OR” and “NOT” were used. This enabled the researcher to focus on integrated strategies as a whole during the development of the historic evolution of IC (IC “AND” IMC). This also enabled the researcher to filter through research where certain concepts had to be distinguished clearly, such as during the defining attributes of IC (IC “NOT” IMC). By using Boolean operators on Google Scholar and the databases of the UFS (Kovsiecat), the researcher was able to gain access to data that have been filtered through more refined search methods.

2.6.2 Literature review (Phase 2)

The use of Boolean operators with Google Scholar and the UFS’s databases also provided a great deal of support when the actual audit framework had to be compiled. Furthermore, the Boolean operators and the scope of IC that was provided through the first phase of the research also enabled the researcher to sift through existing models of IC (IC “NOT” IMC) to identify a step-by-step process of IC implementation. This model was then used to shape the auditing framework further and to narrow down the type of data that could be considered as auditing criteria for IC initiatives.

2.6.3 Content analysis (Phase 3)

Professionals of a company called Central Media participated in the focus-group sessions. This company was chosen as it is a decentralised company that operates in diverse segments and provides products and services within the broadcasting, new
media, publishing, eventing and outdoor advertising industry (Central Media Group, 2015). A contact person of the specific company was identified to assist the researcher in setting up the focus-group sessions. With the support of this contact person, the participants were identified based on their managerial position in the company. As all persons in managerial positions in that company had attended a workshop on IC in 2014, they had a basic knowledge of IC. Two group sessions were held with six staff members participating in the first session and eight participants in the second session. The benefit of using staff members of the same company was that the participants knew one another. They were comfortable with answering the questions, as it did not include any sensitive information. However, to avoid the chances of dominant participants forming groups within the session, the staff members were on the same corporate level and the staff members of the three departments were integrated with two representatives of each department per session. Furthermore, the individuals that preferred not to engage in the conversation could also use the booklet handed to each participant to provide their point of view in writing.

After the focus-group sessions had been conducted, the data recorded on the voice recorder were transcribed. As the conceptual IC audit framework formed the basis of the focus-group discussion, the researcher managed to identify the themes of analysis that were needed to scrutinize the content with ease.

2.7 PARTICIPANT VALIDATION

After the data from the focus-group sessions had been analysed, the researcher sent an email with the summarised results to the participating company’s CEO (for his notice) and to all the participants of the study for them to validate the results. In this email, the researcher briefly explained how the contributions made by the participants had supported the development of the IC audit framework. This discussion also included a summary of the answers given by the participants regarding each step of implementation of the conceptual IC audit framework. This process gave the participants the opportunity to confirm that their input had been captured and interpreted correctly within the specific context.
2.8 RELIABILITY AND VALIDITY

In order to ensure reliability and validity of results, Newby (2014) suggests that the data collection and interpretation should remain systematic. Furthermore, research claims should also be made plausible through credible evidence within the literature. For a study to be seen as credible, it should not be positioned beyond judgement and it should provide its readers with the material on which judgements can be made (Mason, 2002:7). Triangulation is also used to ensure further that the study delivers reliable and viable results. The main benefit of triangulation during research is that it contributes to the credibility of the study (Patton, 2014:661). During the execution of this specific study, triangulation of different theories, different research methods and triangulation of the actual data took place. *Theoretical triangulation* can be defined as the way in which the researcher considers and tests different theoretical perspectives regarding the same topic of interest with the same set of data (Waltz, Strickland & Lenz, 2010:460). In this specific study, triangulation of theories took place when the actual IC audit framework was created. Through the process of a conceptual analysis, different perspectives on IC were derived from literature, where each perspective was considered in terms of the value it can add to an IC audit. These theoretical perspectives were then combined with the support of complementing literature by means of a content analysis. The combination of these two research paradigms enabled the researcher to create a conceptual IC audit framework that consisted of several viewpoints. However, because the data gathered through these research methods did not include data from a practical perspective, focus-group research was added to the research methodology of the study. *Methodological triangulation* is achieved when a combination of research methods of a similar paradigm or even across different paradigms are used to conduct the research (Gerrish & Lacey, 2010:344) (Dowling & Brown, 2010). Although this triangulation type often entails the combination of qualitative data with quantitative data, it can be used for different data-collection methods within one of the two fields as well (Denscombe, 2007).

To meet the demands of this specific study, the data of the conceptual analysis of IC (phase 1) were triangulated with the theoretical statements from the conceptual IC audit framework that was created in the literature review of IC (phase 2). This data were then tested through the practical experience of the managers and marketers.
during the focus-group sessions. *Data triangulation* was achieved after the input from the participants had been validated and compared to the data from literature. Data triangulation can be referred to as the process where data are collected from more than one source or at different times (Williams, 2014). By using three focus-group sessions with different staff members of the specific company, the researcher ensured that the practical input from these participants were triangulated and could contribute to the objectives of the study.

### 2.9 RESEARCH ETHICS

When conducting research, there are certain ethical implications that need to be taken note of prior to the actual study. Lichtman (2013:66) identified certain principles of ethical conduct that address some of the most common ethical implications found in studies. These principles include confidentiality, anonymity, inappropriate relationships and informed consent. The researcher made sure that the study was conducted in an ethical way by incorporating these principles to the study. The study was proposed to the Ethics Committee of the faculty of Humanities at the University of the Free State and was approved. The ethical clearance number received for this study is UFS-HSD2015/0585.

Some studies, especially in psychology require a code of conduct that ensures *confidentiality* between the researcher and the participant. During the contact sessions the researcher had with the participants, personal thoughts and feelings were shared, and it was the responsibility of the researcher to protect the participant by keeping the information confidential, as noted by Seidman (2006:70). According to Lichtman (2013), the researcher should always protect the identity of the participant when conducting research. Although it is always necessary to protect the participants during research, this ethical principle does not play a significant role in this specific study. During the focus-group sessions, the participants had the freedom to answer questions or provide input by discussing it with other participants. *Anonymity*, however, is a principle that had a bigger influence on the ethical conduct of this specific study. Without the assurance of anonymity, the participants would not feel free to answer the questions truthfully, as the fear of an exposed identity would suppress their answers. It was vital to assure the participants that their identity would remain anonymous.
Another ethical principle that had a great influence on this specific study was the *relationships* the researcher had with the participants. When conducting qualitative research, it is integral for the researcher to maintain a professional relationship with the participants, as becoming too involved with the participants will deliver results that are subjective and manipulated by the researcher (Tolmie, Daniel & McAteer, 2011). For the purpose of this study, the researcher identified one contact person in the company that assisted in organising the focus-group sessions. This person was not present during the focus-group sessions, and the researcher met the participants in the actual sessions for the first time. This enabled the researcher to maintain a professional relationship with the participants.

The final ethical principle that was considered during this specific study was the *informational consent* that was shared with participants. Lichthman (2013) defines informational consent as the extent to which the participants are aware that they are being observed. In order to meet the demands of this specific study, the participants were well informed of the research objectives and the contribution they would make to the study.

To ensure even further that the research steps delivered feasible and reliable results, the researcher needed to evaluate the research without constraining the entire process. The National Centre for Social Research suggests guidelines that researchers can use to ensure reliability and validity of the gathered data (Newby, 2014:460). These guidelines served as the ethical conduct of this study to ensure that the research delivered feasible and reliable results.

The first criterion identified is that the research should contribute to existing knowledge and understanding, despite the changes that have been made to the methodology (Newby, 2014). Hammersley (2011) emphasises the idea of using research methodology as a guideline instead of a rigid process, by suggesting that not all research can be done according to a set criteria of steps. It is suggested that the researcher should consult the methodological approach that will best collect the necessary data for the research, but that the researcher should always conduct the research in such a way that the maximum contribution can be made to existing literature (Hammersley, 2011:40). For the purpose of this study, several research methods were made use of in different phases. As each of these methods formed part
of a phase of the research, not all of the steps suggested in the methodology were used. However, the steps from each research method were explored to determine its feasibility and to shape this specific research study.

The research design also addressed the research question (Newby, 2014). Hatch (2002:42) supports this notion by stating that, to ensure that the research remains valid, the researcher should try and evaluate any changes or uncertainty in terms of the aims of the initial research objectives of the research. Therefore, throughout the entire research process, it was the responsibility of the researcher to reflect on the research question to ensure that progress was made through each step in the research.

In conclusion, to compile a framework that covers all the aspects of the specific topic, a broad scope of literature should be reviewed (Wright, 2008:510). The aim of the study was to view the literature from a deductive perspective and therefore the framework could only be compiled after considering several sources of literature and viewpoints. As the aim of this framework was to aid companies in measuring its IC status, existing IC models served as the outline of the framework. This outline was reinforced with literature addressing the different subsections and divisions to capture the essence of all the components. By using the different experts’ opinions and work, the framework consisted of different perspectives and angles to specific identified themes or areas of IC. This theoretically based framework aimed to address the most important areas of IC by providing the necessary structure to audit these areas in practice.

With a combination of the ethical principles, triangulation requirements and the ethical criteria discussed in this section, the researcher was able to conduct the research without any fear of delivering manipulated results.
2.10 SUMMARY

In this chapter, the research methodology that was used to shape the study was discussed. In the introduction, a better understanding was provided on the way in which a research design should be constructed. This enabled the researcher to identify the research focus and design. Within the research design, the researcher was able to identify the philosophical foundation that was suitable for the study, as well as the research paradigm and research strategies that were necessary to shape the research to reach the research outcomes. To adhere to the primary and secondary objectives of the research, the research strategy consisted of three phases, namely a conceptual analysis (phase 1) a literature review (phase 2) and a content analysis (phase 3). These three research strategies were discussed in terms of its qualities and its methodological steps. The data-gathering methods for each of these phases were also discussed, as it was necessary for the researcher to identify the sources from where the data were collected. A detailed explanation was provided on how the data that were collected through each research phase were analysed and the sampling techniques for each of these phases were provided. In the final sections of this chapter, the researcher included the respondent validation, reliability and validity as well as the ethical conduct that shaped the research. In the next chapter the results of the conceptual analysis of IC that was described and explained as Phase 1 in this chapter, will be discussed at length.
CHAPTER 3 INTEGRATED COMMUNICATION: A CONCEPTUAL ANALYSIS

3.1 INTRODUCTION

This chapter aims to provide a background to IC by discussing the role and nature thereof. Through scrutinising the different aspects of IC, certain dominant themes will be identified that will serve as the foundation of the IC audit framework. The process of a conceptual analysis suggested by Morgan (2012) (see sections 2.3.3.1/2.3.4.1/2.3.5.1/2.3.6.1) will be employed. The outcomes of the conceptual analysis will serve as foundation of this study. The framework could not be developed without a thorough knowledge of existing literature on IC to serve as vantage point in creating the conceptual IC audit framework.

A conceptual analysis creates a knowledge foundation of a certain concept (Becker & Correira, 2005:325). To create this foundation, this chapter begins with the contextualising of IC through investigating its historic evolution and development. This discussion refers to the different marketing communication eras that led to the development of IC and illustrates how each era influenced IC. After an extensive discussion of these different eras, the similar and surrogate terms of IC are identified (in section 3.4), as it is important to be aware of these terms prior to the development of the working definition of IC. In section 3.5, the defining attributes of IC are identified and explained. These defining attributes are discussed separately, but is combined in a working definition of IC in section 3.6. After the working definition of IC has been determined, the antecedents of this IC are explored. The antecedents refer to the events or structures that need to be in place for IC to be implemented. This discussion is based on the structures within the company that needs to be in place for a company to create a tailored IC strategy. It is only after a better understanding has been reached regarding the structures that should be in place prior to the implementation of IC, that the consequences of implementing IC can be reviewed. This review is provided in section 3.8 and includes the advantages and disadvantages of implementing IC into the business strategy, and enlightens an understanding of IC and how it can add value to an organisation’s health and wealth.
The last step in conducting a conceptual analysis is to refer to empirical referents. This step will only be addressed in Chapter 5 when the IC audit framework will be tested by presenting it to an actual company. The information gathered from the focus-group participants will be used to adapt the suggested audit framework to improve its feasibility.

The in-depth discussion of IC highlighted certain dominant themes or theoretical domains. These themes will be considered as the scope or areas of discussion that will be focused on when creating the IC framework. In order to understand the importance and the role of each theme within IC, the appropriate context for each identified theme has to be provided. This will contribute to the readability of the research and will support the reader or potential user of the research to understand the important role of each theme within IC.

3.2 LITERATURE REVIEWED

According to the methodology of a conceptual analysis discussed in Chapter 2 (section 2.3.3.1), certain themes of analysis were identified that will be used as guidance when sifting through data. These themes include the historical evolution, similar and surrogate terms, and defining attributes, working definition, antecedents and consequences of a concept.

To collect the data for the conceptual analysis, several articles that focus on these specific themes of analysis were identified. These articles were divided into two main disciplines, namely communication and mass media, and business and management. The referencing cites or databases that were used to access these articles include CREDO, EBSCO Publishing, Kovsiecat (the databases of the University of the Free State), Google Scholar, and Google Books. CREDO is a referencing site that has 3399,856 full text entries in 726 academic/scholarly sources. Amongst these sources, 1 400 journals with over 3.5 million articles fall under the humanities source. In the communication and mass media discipline, 870 titles included full text for over 450 journals. EBSCO Publishing is another database that was used during the conceptual analysis. These databases have over 1 800 peer-reviewed academic or scholarly journals under business source complete. Within these journals, there are 1 160 full
articles available. Kovsiecat is the computerised catalogue of the books available at the library of the University of the Free State. This search engine grants the researcher access to a complete record of every book, audiovisual source and periodical in the UFS Library. In this study, the data provided through Google Scholar and Google books were utilised as well. These search engines provide a wide variety of sources, including academic publishers, universities and renowned authors in a wide variety of fields.

In order to sift through the countless articles provided through these sources, Boolean operators were employed to narrow the search. Although these searches provided a wide variety of viewpoints on IC as marketing communication strategy, only the articles that contributed to the overall objectives of the research were used during the conceptual analysis.

The historic evolution of IC will now be reviewed to commence with the conceptual analysis of IC. To develop the scope from which the conceptual IC audit framework should be created, it was vital to consider how the concept of IC was created and developed.

3.3 THE HISTORIC EVOLUTION OF IC

Integrated Marketing Communication (IMC) and Integrated Communication (IC) enable the company to enhance the brand presence and communicate the corporate values to all stakeholder groups with great impact (Young, 2010). However, to improve an understanding of the way in which these strategies shape the communication industry, one needs to examine the history of integrated communication and how it was shaped by different eras. As IC developed from IMC, marketing and marketing communication-related information would be prominent in this discussion. Table 3.1 summarises the four marketing eras that led to the shift from a once distribution-driven market to an approach that is more strategic to building sustainable stakeholder relationships (Fassnacht, Schmidt, Gallas & Dewan, 2008:77). The table consists of the major events in history that led to the changes in marketing perspectives (Hurd, Barcelona & Meldrum, 2008). The major events are followed by the prevailing attitudes of these eras (Fassnacht, Schmidt, Gallas & Dewan, 2008:77) to understand the
impact these events had on the marketing and communication perceptions. The different foci of the eras were compared to indicate how these attitudes influenced the overall focus of marketing (Hurd, Barcelona & Meldrum, 2008). The marketing elements used in the specific eras are highlighted to indicate the priority of marketing in these specific eras. Finally, the impact of these marketing strategies on the internal and external stakeholder groups is compared to demonstrate the importance of having an integrated communication strategy (Boone & Kurtz, 2012; Koekemoer, 2004).

Table 3.1: The Development of IC through the marketing eras (Boone & Kurtz, 2012; Hurd et al., 2008; Koekemoer, 2004)

<table>
<thead>
<tr>
<th></th>
<th>Production Era</th>
<th>Sales Era</th>
<th>Marketing Era</th>
<th>Service marketing Era</th>
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<tr>
<td>The events that</td>
<td>- Henry Ford’s</td>
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<td>- The Great</td>
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<td>influenced marketing</td>
<td>Mass production</td>
<td>Revolution</td>
<td>Depression</td>
<td>world-wide web</td>
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<td>Line</td>
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<tr>
<td>Prevailing attitude of</td>
<td>- A good product</td>
<td>- Creative advertising and selling will overcome the consumer’s resistance to buying/</td>
<td>- The consumers are in control, find their needs and fulfil them.</td>
<td>- Long-term relationships with these customers will ensure repurchase</td>
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<td>the era</td>
<td>will sell itself</td>
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<td></td>
<td>- “They can have any colour they want, as long as it is black.”</td>
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<tr>
<td>Focus of the marketing</td>
<td>- Improving internal processes rather than focusing on external influences</td>
<td>- Production increased and therefore sales should increase by using personal selling</td>
<td>- Marketing is seen as more than just selling products</td>
<td>- Relationships with internal and external stakeholder groups</td>
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<td>era</td>
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<tr>
<td>Marketing elements</td>
<td>- Marketing is seen as an afterthought just to sell products. - No investments were made on improving marketing</td>
<td>- Personal selling</td>
<td>- Consumer behaviour was studied and marketing became part of product development</td>
<td>- Integrated Marketing Communications: The marketing mix</td>
</tr>
<tr>
<td>Impact on consumers</td>
<td>- They had to buy whatever was on the market</td>
<td>- Sales techniques were used to stimulate demand</td>
<td>- Customers’ could buy a product that fulfil their needs</td>
<td>- Customers feel that the company takes their opinion to heart</td>
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<tr>
<td>Impact on internal</td>
<td>- Labour-intensive work without proper control</td>
<td>- Sales persons sold products without having knowledge or input in the products</td>
<td>- Internal stakeholders had an input in product development</td>
<td>- Internal stakeholders feel that the company takes care of their needs</td>
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<td>stakeholder groups</td>
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Table 3.1 demonstrates that the demand for the development of the concept of integrated communications progressed as the different eras passed. The least favourable circumstances for the development of an integrated communication concept were during the production era. During this period, companies believed that a good product would sell itself and that the focus should rather be on improving internal processes and ensuring that the company had the most effective production system in place to ensure maximum manufacturing output (Hurd et al., 2008). No investments were made in marketing communication, as marketing was seen as an afterthought to selling products. Even though the companies managed to keep up with the demands of a growing market, this soon became a problem, as the companies neglected the external influences of the company (Koekemoer, 2004). The market started to deteriorate due to external negligence such as the fact that consumers had to buy whatever was on the market, but also internally as staff members were treated like machines that could easily be replaced.

The deterioration of the market due to negligence of stakeholders, especially internal stakeholders, soon led to the advent of the sales era. During this era, companies started to realise the important role of the internal stakeholders with regard to selling products (Hurd et al., 2008). Furthermore, companies realised that more emphasis should be placed on advertising and they started to see creative advertising as a means to overcome the consumer’s resistance to buying a product (Koekemoer, 2004). During this era, the concept of personal selling also became a very popular marketing communication channel for companies to reach the consumers personally. Companies made use of personal selling to persuade consumers to buy products. However, this soon led to greater problems than during the production era, as customers started to lose faith in the company (Koekemoer, 2004). The main reasons for their disbelief were because personal sellers did not receive the necessary training or information regarding the product and they were also driven by selling more products to increase their own salaries.

The sales era soon ended as the great depression era took over before the outbreak of World War II (Hurd et al., 2008). Even though the prevailing attitude of that era was to identify the consumer’s needs and fulfil it, companies started to realise that marketing can be used to influence the perceptions of consumers and not only to sell
products (Willmer, 2011). Companies started to invest in studying consumer behaviour to understand their needs better. Consequently, consumers were exposed to products on the market that fulfilled their needs. Furthermore, during this era, another ground-breaking development was made in the corporate structure of the companies (Koekemoer, 2004). Staff members were allowed to provide input on the development of products and the need to include staff in decisions that affected the entire company started to increase.

Finally, the era of service marketing evolved with the discovery of the World Wide Web and an increase in information technology (Willmer, 2011:120; Hurd et al., 2008). As people started to connect via several communication platforms provided through the internet, the focus moved from selling products to engaging in two-way communication with different internal and external stakeholder groups. As the focus started to move to creating long-term relationships with stakeholders, companies needed to integrate all communication efforts to ensure that all contact with the brand reflected a specific message (Kapferer, 2012:170). This demand led to the development of IC and the marketing communication mix elements. Through creating unified messages by means of these elements, the company succeeded in building a relationship with customers, but also led to a workforce that was loyal and dedicated to reaching the overall objectives set by the company (Smith & Taylor, 2004:16).

From the discussion of the different marketing eras that led to the development of the concept of IMC, it is concluded that the discovery of information technology had a direct influence on the evolution and development of IMC and IC (Willmer, 2011:120). IMC enables companies to succeed in integrating basic promotional mix elements with other elements of the brand, to such an extent that the company forms a unity (Shimp & Andrews, 2013:12). However, as IMC led to the development of the concept of IC, one needs to scrutinise the role of IMC in IC further to gain a better understanding of IC (Gorpe, 2015:212). This will also indicate how the use of IMC can contribute to the overall IC strategy of a company.

Duncan (2002:8) defines IMC as a process where customer relationships are managed to drive brand value. This author states that it is a cross-functional or two-way process of creating and maintaining relationships with different stakeholder groups by controlling and influencing the marketing messages sent to these groups.
Duncan (2002) identifies several benefits that an organisation with an IMC approach can optimise. With the correct IMC strategy, purposeful dialogue can be created between the brand and the different stakeholder groups (Duncan, 2002:8; Leditschke, 2005:8). An IMC approach can thus give marketers the opportunity to manage the communication process between the brand and the stakeholder groups. It seems that by using this process, the core values and identity are conveyed more easily to the stakeholders, making it more likely to perceive the brand in intended way. The American Association of Advertising Agencies captures the essence of IMC by stating:

It is a concept of marketing communications planning that recognises the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines and combines these disciplines to provide clarity, consistency, and maximum communications impact (Schultz, Tannenbaum & Lauterborn, 1993:10).

The communication disciplines mentioned in this statement are known as the elements of the marketing communication mix. By using unified messages sent through these elements or marketing communication channels, a company can improve message consistency and brand equity (Trehan & Trehan, 2009:35).

Social-media marketing can be seen as one of the main catalysts of IMC, as this communication platform is used to create relationships with stakeholders through two-way communication. By using social media, customers are no longer seen as an audience to manipulate, but rather placed in the position to demand that their voices be heard (Koekemoer, 2004:3). IMC is the new holistic strategy chosen to use in all marketing activities to foster a customer-based approach (Schultz et al., 2011:45). The focus of IMC is to use various communication channels to create consistent, customer-focused promotional messages (Shimp, 2010; Kitchen & De Pelsmacker, 2004). IMC enables companies to create a unified message driven by the mission, vision and values of a company that enables the brand to be easily recognised by customers and potential customers (Cornelissen, 2014). IMC is thus used to create a “one voice, one look” image of the company that communicates value to certain target audiences (Kitchen & Schultz, 1998:466). However, Duncan (2002:8) posits that IMC does not communicate brand value, but it is that the relationship created between stakeholders and the brand that creates and drives the value of the brand. Companies can invest
millions in advertising the brand, but value is only created when customers associate themselves with the brand (Schultz, Barnes, Schultz & Azzaro, 2009:127).

From the previous discussion it became evident that there is no doubt that IMC provides a company with the support to coordinate all marketing communication efforts to reach clarity and consistency in marketing messages. However, this concept focuses on marketing communication endeavours and does not include all the touch points of the company (Pickton, 2004:237). True integration in all organisational communication efforts can only be obtained when there is a synergy in all departments and communication functions of the company and not just in the marketing communication function (Pickton, 2004:237). This ideal has led to the development of IC. However, IC should not be seen as a substitute for IMC. IC should rather be seen as a theory that recognises that communication in the company is too complex to be fragmented into limited disciplines (Thorson & Moore, 2013:302).

3.4 SURROGATE AND SIMILAR TERMS OF IC

The discussion of the historic evolution of IC (see section 3.3) led to a better understanding of the circumstances that led to the development of IC. However, to understand better what is meant by the concept of IC, the surrogate terms of this concept need to be identified. Rodgers (2000) defines a surrogate term as a term that is similar to the term that is being analysed. Through identifying surrogate terms of IC, the researcher will be able to develop a conceptual view of IC that includes a wide variety of viewpoints.

Some authors refer to IC as strategic communication (Frandsen & Johansen, 2015:230), corporate communication (Cornelissen, 2014) or even communication integration (Barker & Angelopulo, 2006:40). Although different terminology is used by these authors, it still encapsulates the essence of IC.

Throughout literature, some authors refer to IC, but the definitions they provide focus more on IMC and the way in which marketing communication should be used to communicate the core values of the company (Schultz et al., 2011). Rodgers (2000) defines these types of terms as similar terms, as they provide a similar, yet different interpretation of the concept.
Now that the researcher has become more aware of the surrogate terms, the investigation of the defining attributes of IC can include a broader variety of literature, as some authors use different terminology to describe IC, such as strategic communication (Frandsen & Johansen, 2015:230) or Corporate communication (Cornelissen, 2014). Furthermore, the researcher also became aware of the fact that some authors refer to IC, but describe IMC instead. This similar term to IC includes some of the attributes of IC, but does not provide a true reflection of IC. Therefore, through the process of reviewing literature to identify the defining attributes of IC, the researcher should be careful of including attributes that complement IMC instead of IC. Nonetheless, through reviewing the citations of different authors, comparing the different definitions and viewpoints, a working definition of IC can be created. This working definition serves as the foundation of the entire IC audit framework that will be developed.

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3.5 A WORKING DEFINITION OF IC

As the aim of conducting the conceptual analysis of IC (phase 2) is to discover the nature and scope the concept, it is vital to create a working definition of IC. Through developing a working definition, the specific constructs of IC that need to be included in the framework will be identified. In order to create a working definition of IC, some citations in literature were identified that serve as the starting point in the identification of these attributes. The first citations are those of Duncan and Moriarty (1997:15), who define IC through strategic drivers that encapsulates the essence of IC. According to Niemann (2005:80), not all of these drivers need to be in place before a company can benefit from IC. These drivers are divided into three categories, namely corporate focus, corporate processes and infrastructure. Some of these drivers will serve as the vantage point in creating the working definition of IC through combining these drivers with more contemporary viewpoints from literature. The first driver category of IC identified by Duncan and Moriarty (1997) is corporate focus. Within this category, it appears that IC is has a strong stakeholder focus and is driven by creating and maintaining relationships with these stakeholders.

According to Tancs (2014), to create steadfast relationships with the different stakeholders, a company first needs to define its mission statement. By defining the mission statement, a company will be able to determine what the core values of the institution are, what the company aims to achieve, as well as to define the different stakeholder groups and to determine the expectations that each of these groups have of the company. Bugdol and Jedynack’s (2015:150) interpretation of IC is that it is a process of using core values to harmonise all management systems, documentation and operational procedures within the company to reach a degree of unity that is accepted and acted out by the company’s internal and external environments. In Duncan and Moriarty’s (1997) second driver category of IC, the focus is on the infrastructure that needs to be in place to be able to implement IC successfully. Within this category, cross-functional management was emphasised. According to Gitlow (2001), cross-functional management can be defined as the integrated efforts of all business management functions to create and achieve a unified rational target that is achieved through the actions of all departments or business functions. Other drivers of IC that were mentioned in the infrastructure category are core competencies, data-
driven marketing and integrated agency (Duncan & Moriarty, 1997). However, based on Gitlow’s (2001) interpretation of cross-functional management, it appears that if a company is able to create a target for the company that can only be reached through the unified efforts of all business functions, the other drivers of IC mentioned by Duncan and Moriarty (1997) will be achieved in the process. Therefore, some of the fundamental elements of IC that have already been identified through the mentioned definitions are that IC is a strategy that aims to reflect the mission statement and the core values of the institution in the relationship it has with different internal and external stakeholder groups. In order to maintain a long-term relationship with these stakeholders, all the stakeholder groups should be recognised and exposed to the core values. This can only be achieved through cross-functional management, where all business functions are focused on reaching a unified goal that not only benefits the separate business functions, but the company as a whole.

Duncan’s (2002:8) definition of IC seems to serve as the bridge between Duncan and Moriarty’s (1997) drivers that are constituted in the corporate process and infrastructure categories. Duncan defines IC as:

A cross-functional process for creating and nourishing profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven, purposeful dialogue with them.

According to Duncan and Moriarty (1997), IC is driven by strategic consistency, purposeful interactivity, mission marketing and zero-based planning. From these two definitions there is a strong focus on strategic consistency when it comes to the implementation of IC. Furthermore, according to Niemann-Struweg and Grobler (2007:70), IC should be implemented from a holistic perspective, as the strategic intent of the company should be the point of departure for all activities in the company. If the company is able to view IC as a holistic strategy that is driven by the mission statement and integrates all business functions the company will be able to implement and benefit from purposeful interactivity, mission marketing and zero-based planning more easily.
Although all the above-mentioned elements of IC are very important in the implementation of the strategy, purposeful interactivity is a key defining element of IC that binds the entire concept (Duncan, 2002). Without purposeful interactivity with stakeholders, there is no way of establishing or maintaining relationships. Figure 3.1 illustrates how each defining element of IC shapes the concept by summarising the discussion.

Figure 3.1: The fundamental elements of IC

Based on the definitions provided and the illustration of how the identified elements of IC forms the concept, the working definition that will be used for this study is that IC can be seen as:

A cross-functional process generating purposeful dialogue that reflects the core values of the company. These values are channelled via a stakeholder-focused approach to create and maintain long-term relationships that meet the demands and expectations of each group. When these values are reflected in the relationship with the different stakeholder groups, the company will be able to create a holistic view of what it stands for.
The working definition reflects a set of attributes of IC. In section 3.6, these defining attributes will be discussed separately.

3.6 DEFINING ATTRIBUTES OF IC

Although these definitions contribute to a better understanding of the concept of IC, there might still be confusion when trying to determine the relation of all the different constructs within this strategy. This confusion might jeopardise the success of the development of the conceptual IC audit framework. Therefore the attributes of IC need to be identified clearly. Each of the defining attributes of IC will be discussed separately.

3.6.1 Cross-functional planning

Although it is not always possible for a company to manage all touch points of the brand, the company needs to use cross-functional planning to ensure that all controlled touch points of the brand communicate the same set of brand values (Roll, 2006:113). A cross-functional planning podium for IC enhances message consistency in stakeholder interactions (Niemann, 2005). This cross-functional process includes the ability of the company to create a corporate focus that aids the development of a unique compensation system that enables the company to prosper from certain core competing traits that are different from those of competitors (Grunig, Grunig & Dozier, 2009). Furthermore, cross-functional planning entails the effort of the company to ensure that the core values are communicated on a consistent basis. In order to reach this consistency, the company needs to manage stakeholder interaction and evaluate the consistency and impact of all communication efforts (Galbraith, Downey & Kates, 2002:118). According to Bhattacharyya (2011:11), a zero-based budget approach should be used to ensure that the company’s overall goals and objectives reflect in the goals and objectives of the different individual departments within the company. Therefore, when it comes to the development of the conceptual IC audit framework, it is important to ensure that cross-functional planning plays a prominent role in creating measuring guidelines for a company’s integration structure. The audit should also include an evaluation of the corporate focus, how the focus is conveyed in the different internal and external communication functions. It is only after the strength and ability
of the different communication functions have been determined that the company’s efforts to allocate financial resources through a zero-based planning process can be evaluated. Cross-functional planning also enables the company to create a purposeful dialogue with different stakeholder groups.

3.6.2 Purposeful dialogue

Another defining characteristic of IC is that it focuses on two-way communication between stakeholders and the company. As IC includes both internal and external stakeholders, it is vital to ensure that all stakeholder groups are well defined and that continuous feedback is given to every involved stakeholder group on a frequent basis (Barker & Angelopulo, 2006:198). Not only will engaging in conversation with stakeholder groups reinforce relationships with these stakeholders, but it will also enable the company to identify areas of potential development of the brand or product that will meet the expectations of the stakeholder groups more effectively (Pitt, 2014). When conducting the IC audit, it is integral to include continuous assessment of the interaction between the company and all stakeholder groups. IC should therefore be used to generate a purposeful dialogue with all stakeholder groups through reflecting the core values of the company in every contact point.

3.6.3 Core value communication

A company can only reach true integration when all the communication efforts of the company have a focus on communicating the corporate values in a way that reaches all stakeholder groups with impact (Shin, 2013:9). In an overly competitive market, the challenge for brands has shifted from persuading stakeholders to buy products to engaging with them through proper communication. According to Pride and Ferrel (2014:567), the brand or company will increase the chances of stakeholders buying into or associating themselves with the values that a brand offers instead of just buying a product if the values are reinforced through all brand communication. Aggarwal (2008:122) supports the idea of using IC to communicate core values by stating that it enables the stakeholders to believe the promises the brand makes, as these promises reflect on the past and present experiences they have with the certain brand. When the core values are communicated repeatedly, it increases the trust of these
stakeholders with regard to the specific brand and increases the loyalty of these stakeholders to the brand. However, for a brand to create a set of values to be driven by, a brand personality first needs to be created. According to Franzen and Moriarty (2009:243), brand values can only be manifested when the brand has a certain brand personality that conveys these values. Through a well-defined brand personality and strong core values communicated in all communication functions, the brand can increase its brand equity (Boone & Kurtz, 2010:382). However, these core values are of little value when it is not seen as part of the corporate culture of the company (Cohen, Inside the Box: Leading With Corporate Values to Drive Sustained Business Success, 2009). All functions within the company should have a clear understanding of the values that drive the company, but should also provide the opportunity to use certain knowledge and skills to improve the overall image of the institution and to establish the value they add to the company (Quirke, Making the Connections: Using Internal Communication to Turn Strategy into Action, 2008). Therefore, when creating the auditing criteria to determine the strength and status of IC in a company, evaluation measurements should be in place to identify and evaluate the brand personality and brand values as well as to inspect the different departments or functions in terms of how they can contribute to the overall identity of the company.

When the company succeeds in communicating the core values of the institution to such an extent that the different stakeholder groups associate themselves with the core values of the institution, the company has succeeded in creating a long-term relationships with the stakeholders. This enables a company to follow a stakeholder-focused approach when communicating with each stakeholder group.

3.6.4 Stakeholder focused

When a company focuses on the person rather than the product, the focus on communication leads to commitment from both parties and results in a mutual achievement of goals and a feeling of fulfilment for both parties involved (Baran, Galka & Strunk, 2008:123). For a company to create relationships with the different stakeholder groups, it is vital to identify these groups and to determine the value they have to the company (Olsen, 2005:43). However, it is of great importance for a company to create relationships with all stakeholder groups and not just the customers.
and shareholders (Barker & Angelopulo, 2006). Therefore, a company needs to realise that the overall brand equity can only be sustained and developed through creating relationships with all stakeholder groups and addressing the needs of these identified groups. To create these relationships, companies need to realise that stakeholder groups require more from the company than just a product or service. All stakeholder groups have certain expectations from the specific company or brand and the company should use IC to identify and attend to these needs. By making use of IC, a company will be able to create and manage long-term relationships with different stakeholder groups.

### 3.6.5 Long-term stakeholder relationships

When the different internal and external stakeholder groups feel that their input is taken to heart by the company or brand, they develop a sense of belonging and become more loyal to the brand. Therefore, through ensuring that the proper communication channels are in place, thereby encouraging stakeholders to engage in conversation with the brand, the brand or company will be able to build long-term relationships with the stakeholders (Gregory & Willis, 2013:14). As mentioned in the previous section, one of the most influential factors of building long-term relationships with stakeholders is to ensure that the brand or company create a firm set of values or a very distinct brand personality that the stakeholders can associate with (Moser, 2003:82). Furthermore, to ensure that these values are communicated effectively to the different stakeholder groups, it remains the company’s responsibility the company to provide effective communication channels through which stakeholders can regularly give feedback to the company (Marr, 2008:101). By making use of these communication channels or platforms, the company can ensure effective communication that meets the demands of each stakeholder group. Not only will these effective communication platforms ensure better two-way communication, but it will also motivate and inspire the different stakeholders to be more loyal to the brand (Demmerling, 2014:40). To evaluate the company’s efforts to build long-term relationships with different stakeholder groups effectively, the available communication platforms of the company need to be reviewed. The messages communicated through the different platforms and divisions of the company should always reflect the core values of the institution. When all these platforms are used to
convey the core values of the company, the company will be able to create a holistic view of the institution that is easier to accept and trusted by the different stakeholder groups.

3.6.6 Holistic view

According to Yeshin (2012:77), true communication integration can only be reached when all the internal and external communication channels of the company reinforce the core values of the institution. Baker (2003:146) concurs with this notion by stating that when integration of all communication efforts is ensured, the company can prosper from clearer and more realistic objectives. Furthermore, through the presence of proper integration serving as the underlying structure of all business communication activities, the company can ensure that the short-term objectives set by the company contribute to the long-term objectives (Hrebiniak, 2013:212). However, for a company to benefit from having an integrated strategy, all functions within the company should accept responsibility for reflecting the core values through its daily actions (De Chernatony, 2010:148). Each department within the company should accept the core values of the institution as the driver of all its actions and they should use these values to shape all their daily endeavours. When compiling the IC audit framework, it is thus vital to ensure that the different functions within the company reflect the core values of the institution. This evaluation should be done at different stages during the audit, as it is vital to ensure that the core values are carried through each task within the different divisions of the company. It is only by ensuring that all corporate messages and actions are driven by the core values of the company that the company’s communication efforts can be regarded as holistic.

To conclude this discussion, the defining attributes of IC can be seen as a stakeholder approach that aims to communicate core values to create long-term relationships with these stakeholders. Furthermore, to create these relationships, IC should be seen as a holistic approach to integrate all communication efforts of the company. This interaction with various stakeholder groups will lead to the company engaging in purposeful dialogue with the different stakeholders. However, to maintain control over the efficiency of all the communication efforts of the company, IC requires cross-
**functional planning.** In the following sections, the antecedents that need to be in place prior to the implementation of IC will be discussed.

### 3.7 ANTECEDENTS

An antecedent variable is the variable that should be identified and defined prior to the identification of the focal dependent variable with the aim of understanding the origin of the dependant variable (Aneshensel, 2013:288). Therefore, in this study, it is necessary to identify the primary circumstances that need to be in place for IC to be implemented in full in a company. From the working definition of IC, it was made clear that IC requires a cross-functional planning process and should include all divisions and departments of a company. Therefore, to understand the scope of IC better, three domains of IC will be used. The importance of the presence of IC in a company will be emphasised by considering how the implementation of this strategy will enable the company to reach different stakeholder groups with an impact. Therefore, it is vital to investigate the supporting context that is necessary for successful IC implementation. Furthermore, a discussion of rules for integration will be provided as support to the implementation of IC.

#### 3.7.1 The domains of IC

When asked about a company’s communication strategy, most management executives would state that their companies are driven by an effective IC strategy (Shin, 2013:60). Ironically, when looking at the way in which these companies handle its day-to-day communication activities, one finds that most companies rely on external agencies when it comes to advertising and other communication endeavours (Percy, 2008:7). The reason most companies choose to outsource these endeavours is to reduce the development costs and to bring different viewpoints to the process (Stone & Sidel, 2007:308). When a company focuses on improving production to such an extent that it leaves an external source with the responsibility to communicate with its stakeholders, the company is no better off than those companies competing to sell products in the production era. Thus, the role of IC in the company is to communicate the core values and principles of the institution, not only through marketing communication, but also by creating custom messages for all the different business
functions and stakeholder groups. These functions or departments can be divided into three main areas of communication within the company, namely the business, corporate and marketing communication (Niemann, 2005). By making use of IC within the different business functions, a company can create a competitive advantage. This leads to the stakeholders not only experiencing the brand through its marketing communication efforts, but also recognising certain values in the daily activities of the company that can be associated with the brand (Smith & Taylor, 2004:16).

3.7.1.1 Business management

The first domain that forms part of IC is the business management function. IC should serve as the basis in which all communication endeavours of the company are rooted. Without the presence of IC in the business management function of the company, the company continues to operate by using a silo structure (Lambert, 2008). This results in each department focusing entirely on reaching their own department’s targets and surviving the pressure of another month end. The only way a company can truly be regarded as integrated is when a strong set of corporate values has been created and when these values are acted out by all the different departments in the same way in everyday tasks (Schein, 2010). In order to create this strong set of corporate values and to increase brand equity, the company needs to define its brand personality and the way in which they want the different stakeholders to perceive the brand (Aaker, 2009). Relationships with stakeholder groups can only be created when the brand offers a certain set of values with which the stakeholder can associate (Hollis, 2008). It is thus the responsibility of the company to identify and prioritise the different stakeholders of the company first and then to provide effective communication channels and messages for these stakeholders to have the opportunity to associate themselves with the brand. When corporate values are communicated in a way that best suits the demands and preferences of the different stakeholder groups, the company can build lasting relationships. However, to communicate the core values and principles of an institution best, it is vital for these companies to connect the employees and the customers (Ind & Bjerke, 2007:74). Actions speak louder than words; therefore, for companies to communicate these values and principles to both internal and external stakeholder groups would be to satisfy the desires of these groups with more than just providing a product or service. In order to reward internal
and external stakeholders for their loyalty, companies should engage in activities that communicate Corporate Social Responsibility (CSR) (Husted & Allen, 2011). The aim of IC thus also includes communicating company values on an active basis by engaging in CSR activities. CSR can be defined as the way in which companies express sustainable behaviour in all company matters. This includes the financial, environmental and social areas of the company (Lakin & Scheubel, 2010). The term to describe the way in which the effectiveness of these areas can be measured is known as the “triple bottom line”. This term emerged from the King III report on Corporate Governance (Botha et al., 2007). Within this context transparency, sustainability and corporate community involvement can be reached (Sawitz & Weber, 2006). It is evident that, when creating the IC audit framework, the researcher needs to ensure that the IC strategy of the company contributes to the three areas of the triple bottom line.

By providing the different departments with a unified set of corporate values, each department can ensure that the corporate values are communicated in everyday tasks (Ind, 2007:116). Furthermore, by acknowledging the skills and resources of each department, IC will support management to find a balance between what the company can offer the different stakeholder groups and what the stakeholder groups demand from the company (Gurbutt, 2011:71). This acknowledgement from management will not only aid in building relationships with internal stakeholders, but the external stakeholders will also feel that their demands are met by the company. Thus, the synergy between departments will increase the brand equity, and will enhance all communication functions’ contribution to a consistent and unified brand message.
3.7.1.2 Marketing Communication Management

IC in the marketing management strategy of the company involves the way in which marketing materials and communication functions are used to create and develop unified messages to various stakeholder groups to increase brand value and drive sales (Copely, 2004:14). The focus on the integration of the marketing management function of a company is to ensure that consistent messages of the brand values reach the different stakeholders in such a way that these stakeholders want to associate themselves with the brand. The function of marketing communication is primarily concerned with gaining trust from customers and potential customers by using different marketing materials that communicate a unified message (Wormell, Olesen & Mikulas, 2011:65). Although the customers and potential customers are seen as very important stakeholder groups to communicate with by means of marketing communication, the internal marketing communication strategy should also be noted. Internal marketing can be defined as an establishment of the needs of employees and the way in which their needs can be addressed by referring to the corporate values. An ideal internal marketing strategy ensures that the interests of the company are met and accepted by staff while they have a sense of acceptance and support from the company. When staff members feel the company takes their desires to heart, their loyalty to the company increases and this results in a better service to customers.

Since it is important to have a proper marketing communication strategy for the internal and external stakeholder groups in place, the company needs to assess all the stakeholder groups and the way in which they prefer to communicate. The actual messages sent through these communication channels can only be unified after the importance of each marketing communication function has been determined. This knowledge will also enable the company to use zero-based budgeting when allocating financial resources.

Zero-based budgeting can be defined as the process where increments of costs are compared with increments of benefits before the allocation of budgets is calculated for each function (Debarshi, 2011:469). Therefore, when the company understands the value and impact of all communication channels of the company better, better decisions regarding budget allocations can be made. This will support the process of
allocating financial resources by means of demand and contribute to all communication functions that are driven by the potential they offer to increase brand equity (Bush, 2000:106).

With a clear understanding of the value of all the stakeholder groups and the way they prefer to communicate, the company can create and maintain lasting relationships with the different stakeholders more easily. Proper management of all marketing communication functions will also enable companies to use zero-based budgeting to ensure that all financial resources are allocated by means of the value they add to the company as a whole.

3.7.1.3 Strategic communication management

Through the presence of an integration strategy in the business and the marketing management functions, the company is in a better position to have a strong brand personality that reaches each stakeholder group with maximum impact. However, the communication management function of the company should also be integrated, as IC is defined as a complete cross-functional process. A cross-functional process can be defined as the integration of skills and resources that each department or function of the company has to offer to optimise the output of the entire company (Monczka, Handfield, Giunipero & Patterson, 2009). This process involves the responsibility of management to ensure that there is a proper communication flow between different departments, so that each department can use their level of expertise to contribute to the overall mission and vision of the company (Boone & Kurtz, 2010:279). When integration is part of the business function of the company, the different departments have a clear understanding of what management expects of them and how their business function can contribute to the overall image, success and targets of the entire organisation (Jolly, 2014:154). This will ensure that the skills of each individual of the company is used to the benefit of the company’s output. By enabling the different departments, especially the marketing communications and financial departments to
collaborate in reaching the ideals of the company, the different departments can aid in determining a more accurate Return on Investment (ROI) (Reece, 2010).

For integration to take place in every business function, the responsibility of management should be discussed. It is the responsibility of management to ensure that the core mission, vision and values of the company are strongly communicated in all business functions (Hill & Jones, 2008:10). Management should also ensure that the company engages in two-way communication with all the internal and external stakeholder groups.

In conclusion, the role of IC in business management is to ensure that the company creates a strong set of brand values that can be acted out in all business function. When these values become visible in every department, the departments no longer function as individual entities. This integration leads to each department using their distinct set of skills and expertise to contribute to the overall brand personality and value of the brand. Through integration in the marketing management function of the company, the company will be able to link the desires of the different stakeholder groups to the values of the brand. This should contribute to create long-term relationships as the different stakeholders feel that the brand offers them more than just a product or service. The knowledge about how stakeholder groups prefer to communicate also enables companies to use zero-based budgeting to allocate financial resources according to the performance of each communication function.

This discussion demonstrates that to have successful implementation of IC in a company, the domains of IC need to be in place prior to implementation of the concept. Therefore, IC can be seen as a very disciplinary approach and with the proper guiding structures or auditing criteria available, a company should be able to ensure that the necessary structures are in place before IC is implemented. To provide further guidance on the implementation of IC, the rules of integration will now be discussed.
3.7.2 The rules for integration

As internal conflict and a lack of interest from management or staff members can become a hurdle when implementing IC in the company, this implementation process has to be supported. Smith, Smith, Berry and Pulford, (1999) suggest certain rules for the successful implementation of an integration strategy in the company. During the development of the suggested IC audit framework, these rules have to be taken into consideration. These rules will contribute to the practical application of the framework and should address possible challenges of implementation.

The first rule for successful integration is to ensure that senior management provides support during all stages of the implementation process (Smith et al., 1999). Implementation of an integration strategy causes a lot of change in the company and can often result in confusion and even a feeling of alienation of staff as they struggle to adapt to the changes (Murray, Poole & Jones, 2006). According to Moyles (2006:22), an effective leader is a person who sees change as an opportunity to motivate staff and make the change part of the corporate culture. However, it is very important to ensure that the managers are well informed of the change or implementation process, as this will reduce the chance of any confusion amongst the rest of the staff members (Jugenheimer & Kelley, 2009:107). It is only when management has a clear understanding of how the change will be implemented that the strategy can be communicated to the rest of the staff members. This directly leads to the second rule of integration, which is that integration should take place on the vertical and horizontal levels of the company (Smith et al., 1999). Proper integration requires a team effort and therefore staff members at every level in the company need to be part of the integration process (Hickman, 2010:118). In order to assist these staff members with the process of integration, Smith et al. (1999) suggest that a manual should be created where common visual standards are set out for all internal and external communication efforts. Linton (2012) agrees that a set of visual standards is beneficial in creating unified messages and adds to this success by pointing out that unified messages lead to consistent branding, which increases brand equity. Brand equity can be defined as the intangible assets that can be linked to the brand and can be linked directly to the experience and perceptions of customers and other stakeholders (Bick, 2011:34). By supplying staff members with a set guideline to
create all messages, the internal and external communication efforts can be supported to contribute to creating a strong brand personality.

Consistency in communication efforts enhances a clear focus of the marketing communication strategy of the company (Smith et al., 1999). During the integration of all communication efforts, the value of each communication channel should be determined (Barker, Valos & Shimp, 2011:6). By having a clear understanding of the impact of messages sent through a specific communication channel, the company will be able to use zero-based budgeting when allocating financial resources (Smith et al., 1999).

With the last three rules for integration, the focus is on building relationships with stakeholders through brand values by following a customer-first approach. These relationships can only be sustained when strong communication platforms are created for each stakeholder group according to their specific needs and expectations of the company (Smith et al., 1999). These three rules can be considered as the core of an integrated communication strategy, because without the support of personalised communication channels for each stakeholder group, it would be difficult to build relationships (Aaker, 2012).

By using the suggested rules in developing the conceptual IC audit framework, the framework should be able to contribute to the actual implementation of the IC audit. Table 3.2 provides a summary of how the three domains of IC will be evaluated in terms of the antecedent structures prior to the implementation of IC. The rules for integration will also be included in this table, as it is vital for a company to see IC as a disciplinary approach as precautions should be taken prior to implementation. Although these structures will be evaluated after IC has already been implemented in the company, the aim is to assist companies in identifying the gaps in the existing IC strategy of the company.
Table 3.2: Antecedents of IC

<table>
<thead>
<tr>
<th>Structures that need to be in place prior to IC implementation</th>
<th>Business management</th>
<th>Marketing management</th>
<th>Communication management</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Define brand personality and identify core values</td>
<td>- Create unified messages that convey core values</td>
<td>- Management should set clear objectives for each department in terms of how they can contribute to the overall brand image</td>
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</tr>
<tr>
<td>- Identify all stakeholders</td>
<td>- Invest in internal marketing communication strategy</td>
<td>- Create unified messages that convey core values</td>
<td></td>
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<tr>
<td></td>
<td>- Assess all stakeholder groups in terms of their preference of communication medium</td>
<td>- Use cross-functional planning to ensure integration of all skills</td>
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</tr>
<tr>
<td></td>
<td>- Apply zero-based budgeting</td>
<td>- Core mission and values should be realised by all functions of the company</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>- Ensure unity of effort in all departments or functions</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rules for integration</th>
<th>- Senior management should provide support</th>
<th>- Include integration of the vertical and horizontal levels of the company during IC implementation</th>
<th>- Include integration of the vertical and horizontal levels of the company during IC implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Place the aim of IC on building relationships through a customer-based approach</td>
<td>- Set common visual standards for all internal and external communication efforts</td>
<td>- The most effective communication platforms should be identified</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- There should be a clear focus of the marketing communication strategy of the company</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- The most effective communication platforms should be identified</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Use zero-based planning when allocating resources to create marketing communication strategy</td>
<td></td>
</tr>
</tbody>
</table>

After the discussion of the antecedents that need to be in place before implementing IC, the consequences of implementing IC have to be reviewed. This discussion will provide insight regarding the positive and negative effects of implementing IC in a company’s structure.
3.8 CONSEQUENCES

The aim of a consequences variable is to follow the focal dependant variable to explain its aftermath (Aneshensel, 2013:288). To understand the scope and impact of IC, it is necessary to review the consequences or the impact that the implementation of IC could have on the different domains within a company. Although IC seems to be an effective strategy to use to create a transparent brand identity, there are certain advantages and disadvantages that a company needs to consider before implementing this strategy. The following discussion will aim to identify the challenges, but also the advantages in each domain during and after IC implementation.

3.8.1 Implementation of IC in the business management function

Ang (2014:4) suggests that, although IC provides a broad spectrum of advantages for a company, the implementation of this strategy often leads to internal conflict and disparity. One of the first problems a company faces when it comes to IC is the decision whether IC should be implemented in the company or not. This issue could result in internal conflict between management and staff, as the corporate culture embedded in the company’s structure is usually reluctant to change (Alvesson, 2013:186). Percy (2014:18) acknowledges the negative impact that staff can have on the implementation of IC by stating that a rigid organisational culture resistance of staff to accept changes can easily bring the implementation of IC to a standstill. As IC requires all functions within the company to contribute to the development and implementation of the company’s IC strategy, a lack of interest or participation from internal stakeholders might be one of the biggest concerns of IC implementation. Furthermore, when the actions of staff members are not aligned with the core values of the company, it might lead to distrust and cynicism from external stakeholder groups (Gage, 2008:59). Tinsley (2006:135) suggests that, to address this issue, the staff members should be involved during all steps of IC implementation (Secord, 2003:67). Although there are some challenges when implementing IC, the advantages of implementing IC can easily overrule these challenges.

Lepla and Parker (1999:13) acknowledge the benefits that can be obtained through IC by stating that IC is a strategy created to build the most important asset any company
has, namely its relationships with its customers. Smith and Taylor (2002:4) agree that the relationships with stakeholders are some of the company's biggest assets and suggest that companies should focus not only on customer acquisition, but also on customer retention. One of the main benefits of IC is that it enables a company to engage in two-way communication with each stakeholder group on a more personal basis. These more personal conversations might result in an increase in brand equity as committed employees could communicate strong brand values that will cause customers to identify the company values through the actions of its staff members (Ind & Bjerke, Branding Governance: A Participatory Approach to the Brand Building Process, 2007). Therefore, for a company to follow an IC approach, it has to realise its responsibility to communicate the core values of the institution to the internal and external stakeholder groups (Keinert, 2008:81). By using two-way communication with different stakeholders, IC can be used to create trusting relationships through communicating a strong brand personality that meets the demands of each stakeholder group.

3.8.2 Implementation of IC in the marketing communication management function

One of the main concerns of implementing IC is that most IC enthusiasts perceive marketing communication as a form of support to IC, instead of one of the managing functions of IC (Grunig & Grunig, 2013:61). As this perception may easily cause undeliverable results, a company may start to feel that IC is an unreachable ideal (Hohpe & Woolf, 2004). Furthermore, even if the implementation of IC is accepted by the internal stakeholders of the company, the application of zero-based budgeting through IC may result in internal competition between departments as they compete for a budget.

Fortunately, IC also enables companies to follow an approach where the value of each stakeholder is determined before a more personal communication platform can be created to meet the demands of each individual group (McManus, 2007:95). IC enables a company to apply zero-based budgeting when resources need to be allocated to the different marketing communication channels (Thorson & Moore, 2013:148). Zero-based budgeting ensures that communication efforts are result
oriented to achieve greater impact of messages (Atrill, McLaney, Harvey & Jenner, 2012).

3.8.3 Implementation of IC in the communication management function

When a company focuses more on the financial gain and well-being of each department, the focus on attending to customer’s demands is lost and staff members lose interest in implementing IC (Perrey & Spillecke, 2013:18). This loss in interest of IC may cause the departments to set back to the initial silo structure of the company and without management providing clarity on the shared objectives of all the departments within the company, the different departments may fail to see the point of implementing IC. When management does not provide the different departments with the support needed to implement IC, it will also be difficult to include all departments when decisions need to be made (Ferrell, Fraedrich & Ferrell, 2011). Another reason for the loss of interest from staff with regard to implementing IC is often, because managers prefer to outsource the implementation of an IC strategy (Michales, 2011).

Fortunately, when the company succeeds in implementing IC, the company is able to support and motivate each staff member to become a brand ambassador that lives out the company’s values and meets the promises of the company (Bauer, Bloching, Howaldt & Mitchell, 2005:136). This motivation is supported through a cross-functional planning structure that enables the different business functions to collaborate and the corporate values become the driving force of all communication endeavours (Rosenau & Wilson, 2006). When all business functions or departments have a shared set of values and an overall goal to achieve, it will reduce internal conflict between departments, as the different business functions will form a unity (Simonsen, 2010:18). It is essential for organisations to focus all business functions and not just marketing communication initiatives on improving the overall brand image. In order to align all messages to contribute to a brand’s image, an integrated approach to communication seems vital. IC should, however, not be seen as a once-off activity set out to improve communications, but rather a coordinated method that aligns the main communication strategies of a company (Lee & Johnson, 2004). However, IC can provide companies with the support to ensure that its values and principles are clearly communicated to
external stakeholders, through internal stakeholders living out these values in their daily tasks (Koekemoer, 2004:435). This will ensure that there is trust between the company and its different stakeholders.

Although the mentioned disadvantages pose a threat to the implementation of IC, it should rather be seen as challenges that can be overcome. When management is well informed about the implementation process and the benefits that can be obtained from having a proper IC structure in place, they will be able to provide internal stakeholders with more support when implementing IC. Table 3.3 provides a summary of the advantages and disadvantages that should be taken into consideration when the actual IC framework will be developed.
Table 3.3: The consequences of the implementation of IC

<table>
<thead>
<tr>
<th>Disadvantages or challenges of implementing IC</th>
<th>Business management</th>
<th>Marketing Communication management</th>
<th>Communication management</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Internal conflict</td>
<td>- Marketing communication is seen as support of IC rather than a managing function</td>
<td>- Departments may fail to see the reason for IC implementation when they are not properly informed about the overall objectives of the company</td>
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<tr>
<td>- Corporate culture reluctant to change or accept IC</td>
<td>- IC is seen as complex and unreachable ideal</td>
<td>- It is sometimes difficult to assume a broad decision-making role</td>
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<tr>
<td>- Lack of interest or participation from internal stakeholders</td>
<td>- Zero-based budgeting could cause internal competition between departments</td>
<td>- Management outsources the implementation of IC</td>
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<tr>
<td>- Core values are not acted out by staff and damage the image of the company</td>
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<table>
<thead>
<tr>
<th>Advantages of the implementation of IC</th>
<th>Business management</th>
<th>Marketing Communication management</th>
<th>Communication management</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Build stakeholder relationships</td>
<td>- Creates more personal communication platforms</td>
<td>- Staff become brand ambassadors that live the brand values</td>
<td></td>
</tr>
<tr>
<td>- Two-way communication</td>
<td>- Meet the demands of each stakeholder group</td>
<td>- Core values become the driving force of communication</td>
<td></td>
</tr>
<tr>
<td>- Increase brand equity</td>
<td>- Zero-based budgeting ensures that communication efforts are result oriented for bigger impact of messages</td>
<td>- Cross-functional planning creates shared values, goals and unity</td>
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</tr>
<tr>
<td>- Stakeholder groups trust the company to deliver</td>
<td></td>
<td>- Trust within the company</td>
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</table>

After reviewing IC in terms of the historic evolution that led to the development of the concept and the defining attributes that constitute IC, a clear picture of the essence and scope of IC emerged. However, to understand the full impact of implementing
this concept into a business structure better, the antecedents and the consequences of implementation of IC also needed to be reviewed. By using the information gathered through the guidance of a conceptual analysis, the researcher was able to identify the most prominent themes of IC and the most important factors that need to be in place for IC to be implemented. The structure developed through the conceptual analysis, facilitated the identification of the most prominent themes of IC, and served as essence of the suggested IC audit framework. Thus, by using a conceptual analysis, the reader and possible user will have a better understanding of how the scope of the IC audit framework was determined and will contribute to a possible duplication of the study. The following section will provide more information on how each of the identified elements will form part of the conceptual IC audit framework.

3.9 IDENTIFICATION AND STRUCTURING OF THE DOMINANT THEMES AND CONSTRUCTS OF IC

As was indicated in the previous section, to implement IC successfully in a company, integration should take place in all domains or functions of the company. Figure 3.2 provides a schematic representation of the primary variables or dominant themes that have been identified in the literature through the conceptual analysis of IC. More insight into the scope of each domain will be gained during the second research phase when the different constructs will be explored by means of a literature review. Through the development of this outline, the researcher is able to assign specific objectives for each theoretical domain to ensure that the appropriate literature is considered when creating the IC audit framework.
Figure 3.2: A schematic representation of the theoretical themes within IC (Adapted from Niemann, 2005)
3.10 SETTING THE SCOPE AND SPECIFIC OBJECTIVES FOR THE THEMES OF THE IC FRAMEWORK

As the dominant themes and the supporting constructs have been determined, it is necessary to determine how the literature can further contribute to the actual process of creating the IC audit framework. The structure provided through the conceptual analysis enables the researcher to set a firm guiding structure for gathering data that will enable a reader or potential user to create an IC audit framework that has a similar scope.

Table 3.4 provides a visual demonstration of how the knowledge foundation of IC created through the conceptual analysis supports the identification of aims and objectives for each theoretical domain. These aims and objectives will shape the development of the IC framework during the content analysis that will be conducted in Chapter 4.
### Table 3.4: Constructing the aims and objectives of the IC audit framework

<table>
<thead>
<tr>
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<tbody>
<tr>
<td><em>- Create personal relationships</em></td>
<td>- Build long-term relationships</td>
<td>- Align all communication to core mission, vision and values</td>
<td></td>
</tr>
<tr>
<td><em>- Ensure that the brand personality accommodates the brand values</em></td>
<td>- ID communication channel preference</td>
<td>- Continuous feedback</td>
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<tr>
<td><em>- Identify all stakeholders</em></td>
<td>- Provide support to stakeholders</td>
<td>- Integrate the aims and input of all departments</td>
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<tr>
<td></td>
<td>- Provide more than a product or Service</td>
<td>- Get management involved in communication process</td>
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<td></td>
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<td>- Facilitate the calculation of ROI</td>
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<tr>
<td><strong>Driver of IC</strong></td>
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<tr>
<td><em>- Focus on stakeholder loyalty</em></td>
<td>- Consistency in marketing communication messages</td>
<td>- Consistency in strategic communication messages</td>
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<tr>
<td><em>- Create sustainable relationships</em></td>
<td>- Purposeful interactions</td>
<td>- Cross-functional management</td>
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<td><em>- Core value communication</em></td>
<td>- Mission marketing</td>
<td>- Core competencies</td>
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<td></td>
<td>- Zero-based planning</td>
<td>- Overall integrated strategy</td>
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<td></td>
<td>- Data-driven marketing</td>
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<tr>
<td><strong>Characteristics of IC</strong></td>
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<td></td>
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<tr>
<td><em>- Two-way communication</em></td>
<td>- Two-way communication</td>
<td>- Stakeholder focused</td>
<td></td>
</tr>
<tr>
<td><em>- Manage relationships</em></td>
<td>- Manage relationships</td>
<td>- Two-way communication</td>
<td></td>
</tr>
<tr>
<td><em>- Increase brand equity</em></td>
<td>- Increase brand equity</td>
<td>- Manage relationships</td>
<td></td>
</tr>
<tr>
<td><em>- Cross-functional planning</em></td>
<td>- Cross-functional planning</td>
<td>- Increase brand equity</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>- Cross-functional planning</td>
<td></td>
</tr>
<tr>
<td><strong>Rules of Integration</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>- Integration: Internal communication</em></td>
<td>- Ensure visual standards In messages</td>
<td>- Get support from management</td>
<td></td>
</tr>
<tr>
<td><em>- Building relationships</em></td>
<td>- Clear IMC strategy</td>
<td>- Integration on all business levels</td>
<td></td>
</tr>
<tr>
<td><em>- Establishing values</em></td>
<td>- Zero-based budgeting</td>
<td>- Zero-based budgeting</td>
<td></td>
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<tr>
<td></td>
<td>- Stakeholders-first approach</td>
<td>- Build relationships through brand values</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Build relationships through brand value</td>
<td>- Develop strong information systems</td>
<td></td>
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<tr>
<td></td>
<td>- Strong information systems</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Chapter 3: Integrated Communication: A Conceptual Analysis

#### Theoretical Domain 1: Business Management

- **CSR and the Triple bottom line**
  - Improving the social and environmental area of the business

- **Possible disadvantages or challenges faced through IC implementation**
  - Internal conflict
  - Lack of participation from internal stakeholders
  - Internal stakeholders do not accept core values

- **Possible advantages obtained through IC**
  - Increase brand equity
  - Build stakeholder relationships
  - Two-way communication

#### Theoretical Domain 2: Marketing Communication Management

- **CSR and the Triple bottom line**
  - Improving social and environmental areas of the business

- **Possible disadvantages or challenges faced through IC implementation**
  - IC is seen as too complex
  - Marketing communication is seen as support of IC instead of a managing function
  - Zero-based budgeting might cause internal competition

- **Possible advantages obtained through IC**
  - Creating personalised communication platforms
  - Meet the demands of all stakeholders
  - Bigger impact of messages through zero-based budgeting

#### Theoretical Domain 3: Communication Management

- **CSR and the Triple bottom line**
  - Improving the financial area of the business

- **Possible disadvantages or challenges faced through IC implementation**
  - Management outsources IC implementation
  - Departments fail to see bigger picture

- **Possible advantages obtained through IC**
  - Staff engagement
  - Cross-functional planning
3.11 SUMMARY

In this chapter, the results of the conceptual analysis were shared with the aim of identifying the essence of, and developing the scope for the IC audit. In section 3.1, a brief introduction was given to provide background of a conceptual analysis. This was followed by a description of the literature that was reviewed to conduct the conceptual analysis. In order to understand better how the concept of IC was created, the historical evolution of the concept was provided. This discussion served as vantage point to identify how IC differed from the other views of marketing through the different production eras. After this discussion, a working definition of IC was created and the different elements that shaped this concept were identified and explained in more detail. In section 3.6, the antecedents of IC were identified to contextualise the circumstances needed for IC to be implemented. In this discussion, three domains of IC were identified, namely business management, marketing communication management and strategic communication management and the rules for integration were identified. This was followed by the consequences of IC implementation, as it is necessary to consider the possible outcomes that could be reached through the implementation of IC. In this section, the advantages and disadvantages of implementing IC were discussed in more detail.

Finally, by combining the different themes identified throughout the conceptual analysis, the outline of the dominant themes and constructs of IC were established. These themes and constructs will serve as the point of departure for the IC audit framework that will be developed further through the literature review (phase 2 of the research). During this process, existing theories and models of IC that fall within the identified themes of IC will be shaped into auditing criteria.

In Chapter 4, an exploration of the literature reviewed to identify models and theoretical claims that support the identified themes of IC, will be provided. Through this process, the researcher will combine different theoretical viewpoints of each theme to create auditing criteria for each theme in IC.
CHAPTER 4: SHAPING AUDITING CRITERIA FOR THE IC AUDIT FRAMEWORK

4.1 INTRODUCTION

A conceptual analysis of IC was conducted in Chapter 3 that enabled the researcher to set the scope through which literature should be reviewed and combined to create the suggested IC audit framework. The main themes or concepts identified in the previous chapter will now be refined by combining different perspectives from literature. Literature focusing on specific sections of IC will be used to complement the structure. This literature review will serve as a report of an in-depth discussion of each element that will used in the IC audit framework. Thus, by making use of expert knowledge on each of the various sub-divisions, a substantial in-depth framework will be presented, based on authentic sources. The data collected through the literature review will shape the framework from a theoretical perspective. However, to adhere to the research objectives and to support the researcher in the development of the framework through literature, an existing model of IC needs to serve as the foundation of the framework. For this specific study, Kitchen and Schultz’s (2000) 8-step model of IC was chosen as the ideal platform through which literature could be filtered. The following section provides a discussion on the motivation for selecting this model and an exposition on the way in which this model will contribute to the development.

4.2 KITCHEN AND SCHULTZ’ (2000) 8-STEP MODEL OF IC: FOUNDATIONAL STRUCTURE FOR THE IC AUDIT FRAMEWORK

As the scope provided through the conceptual analysis of IC (summarised in Table 3.4) includes a wide variety of themes and constructs within IC, the researcher needed to identify an existing model of IC that would provide the necessary support to accommodate all these mentioned themes and constructs. Ehlers’ (2000) model of structuring IC in South Africa was one of the first models that were considered for this foundational structure to the conceptual IC audit framework. The main benefit that could have been attained from using this model would be that it was compiled from a
South African perspective and therefore, all the challenges of implementing IC in a South African business environment were considered. However, as IC includes various themes and constructs and this model mainly focuses on stakeholder engagement, it should rather be used as a focus point in the conceptual analysis and not be the foundation for the entire IC audit. More information regarding how this model was used in the IC audit framework is provided in section 4.3.2.1. Another model that was considered for the foundational structure of the research was Grönstedt’s (2000) three-dimensional model of IC. This model of IC provides a clear demonstration of the various communication dimensions that can be utilised to implement IC. This model would also be more appropriate as a focus point in the conceptual IC audit framework. As this model focuses mainly on communication dimensions, there is little focus on the actual stakeholders affected by these communication dimensions. However, Grönstedt’s model on IC should still be considered as a step in the IC audit framework, as it is important to include an analysis of these communication dimensions when evaluating IC. Finally, Kitchen and Schultz’s 8-step IC model of IC was chosen as the ideal foundation on which to build the study.

As the nature of an audit is to provide a systematic framework in which a certain field can be evaluated, the 8-step model of IC suggested by Kitchen and Schultz (2000) was deemed suitable to support the development of the IC audit framework. This model was chosen for a number of reasons. In this specific model, the authors acknowledge the progression of IC as a ‘closed loop’ in the company (Kitchen & Schultz, 2000). The idea of this closed-loop model contributes to the statement made by Wood (2013:29) that communication is an on-going process that starts at no discreet beginning and build up to no discreet ending. In practice, companies are often unaware of the closed loop where communication is adapted and improved by a constant increase of marketplace experience or knowledge of the stakeholders (Niemann, 2005:136). Niemann (2005:144) also comments on the model suggested by Kitchen and Schultz (2000) by acknowledging the uniqueness of the “closed-loop” system of the model and its contribution to the learning process of the company. However, according to Kim (1995:6) this closed-loop system can also lead to severe miscommunication, as one-step progresses on the results of the previous steps. Another remark made by Niemann (2005:145) suggests that the main contribution of
this model is that companies can have a better understanding of the value of customers. Despite the focus on the customers in this specific model, IC requires that other external and internal stakeholder groups should also be taken in consideration. In order to address this issue, the model should be adapted to accommodate a bigger scope of different internal and external stakeholder groups. In Table 4.1, the applicable steps of Kitchen and Schultz’s (2000) 8-step model of IC are linked to the objectives of the scope of the IC audit framework that was created through the conceptual analysis of IC (Chapter 3). However, some of the steps are altered to serve as auditing criteria of IC. An extra step is also added to the original 8-step model. All changes to Kitchen and Schultz’s (2000) model of IC will be indicated clearly. This table (Table 4.1) will provide guidance to the researcher when compiling the conceptual IC audit framework through literature, and will help ensure that there is no deviation from the primary objectives of the study.
Table 4.1: Linking the objectives of the IC audit framework to steps based on Kitchen and Schultz’s (2000) model of IC

<table>
<thead>
<tr>
<th>Theoretical domains of IC</th>
<th>Business Management</th>
<th>Marketing communication management</th>
<th>Strategic communication management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aims of the IC audit framework</td>
<td>- Create a strong brand personality</td>
<td>- Identify communication channel preference</td>
<td>- Align all communication to core mission, vision and values</td>
</tr>
<tr>
<td></td>
<td>- Identify all Stakeholders</td>
<td>- Build long-term relationships</td>
<td>- Provide continuous feedback</td>
</tr>
<tr>
<td></td>
<td>- Create personal relationships</td>
<td>- Provide support to stakeholders</td>
<td>- Integrate the aims and input of all departments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Provide more than a product or service</td>
<td>- Get management involved in communication process</td>
</tr>
</tbody>
</table>

Applicable steps of Kitchen and Schultz’s (2000) Model of IC

| Step 1: Global database - This step will rather focus on getting an overview of the company based on its mission statement |
| Step 2: Customer/Prospect value |
| Step 3: An extra step should be added to the audit to analyse the brand personality |
| Step 4: Contact point preferences |
| Step 5: Brand relationships |
| Step 6: Message development and delivery |
| Step 7: Estimate Return on Investment – This step will be changed to the facilitation of the return on Investment calculation |
| Step 8: Investment and allocation – This step will be changed and will focus on facilitating the communication of changes in return on investment |
| Step 9: Marketplace measurement |

The 8-step model of Kitchen and Schultz (2000) will be used as departure point in the IC audit framework. Even though some of the original steps suggested by Kitchen and Schultz (2000) are changed and another step added, this model will still be considered as the foundational structure of the IC audit framework.
Each of the steps identified in Table 4.1 will be used to contribute to the three dimensions of IC, which includes business management, marketing communication management and strategic communication management. To maintain structure during the research process, each of the domains of IC will serve as a main heading. The steps of the IC audit that contribute to the specific domain are numbered as subheadings under each domain. The first domain within which IC auditing criteria will be developed is the business management domain. The outcomes that were identified from the conceptual analysis of IC suggest that within the business domain, it is necessary to create a strong brand personality. In order to create an audit to measure the IC initiatives of an existing company, this step will rather be used to provide the auditor with an overview of the company, reflected against its mission statement. When the auditor has established and defined the values that drive the company, the stakeholders, as well as the value that they have for the company, should be identified. It is only after the company is able to establish the values of the company and the value of each stakeholder group that relationships with stakeholders can be evaluated. In the marketing communication management domain, an extra step will be added to the IC audit framework, where the brand personality is analysed. The aim of this analysis is to determine whether the values identified in the first step of the IC audit reflect in the way the company presents itself. The focus will also be on determining the identified stakeholder groups’ preferred contact points, and to determine how the way in which all organisational communication messages are formed can influence the brand relationships created with these stakeholders.

The final domain of IC that will form part of the IC audit framework is the strategic communication management domain of IC. Within this domain, it is vital to facilitate the process of ROI calculation by means of the data captured through the analysis of the business and marketing domains of the company. The financial department of the company will not only receive support to make better decisions regarding the financial investments of the company, but also enable the company to improve cross-functional communication and teamwork amongst different departments in the company. The steps of the suggested IC audit framework that will be used to analyse the strategic communication management domain are to facilitate the calculation and the
communication of ROI, as well as to ensure that proper measurements are in place to improve future ROI calculation. In the following section, the analysis of the business management domain of IC will be discussed in detail.

4.3 BUSINESS MANAGEMENT

According to Niemann (2005:25), the business management domain of IC has a strong focus on creating balance between internal and external stakeholders, setting long-term objectives and creating a well-defined mission that could drive the company. Therefore, the first step that needs to be taken in an IC audit is to measure the strength of the mission statement. This step might also support an external auditor to understand the company and its values. From as early as 1982, Pearce has identified criteria through which to evaluate a mission statement. This criterion has proven its relevance to a more modern business setting, and it is still used by various authors such as Cochran, David and Kendrick (2008), and Olsen (2010). However, to link the mission statement to the main purpose of IC as identified through the conceptual analysis in Chapter 3, the criteria that will be used in the IC audit framework will also focus on the CSR initiatives of the company. A brief SWOT analysis will also be conducted, where the auditor should try to identify the strengths, weaknesses, opportunities and threats of the company just by reviewing the mission statement. This step in the IC audit framework will consist of one phase only and conducted in the form of a table. This will enable the researcher to create criteria to analyse a mission statement that addresses the areas of a business environment that were identified in the conceptual analysis of IC, while getting an overview of the values the company claims to stand for.

After the auditor has a better understanding of the business environment and core values, the focus can shift to identifying all stakeholders and the value they add to the company. This assessment will form the second step of this audit. During this second step of the audit process, the different internal and external stakeholder groups will first have to be identified. Phase 1 will use Ehlers’ (2000) model to identify the stakeholder groups of the company. After the identification of each of these stakeholder groups, there will be a separate assessment of the internal and the
external stakeholder groups. These assessments will be considered as two separate phases during the auditing step.

After completion of the first two steps of the IC audit, the auditor will not only have a better understanding of the values that drive the company, but will also have knowledge about how these values are perceived in the minds of the different stakeholder groups. These two steps will now be discussed by referring to the appropriate literature that will aid the auditor in conducting the audit.

4.3.1 Step 1: Overview of the company

From the data of the conceptual analysis of IC (section 3.4), it became clear that for a company to maintain a respected image in its community, the company needs to ensure that a positive brand image is maintained. This will require the company to have certain identified corporate values that are acted out through each corporate endeavour of the company. The discussion of the business environment provided in section 4.3 emphasised the importance of a company to establish its values before long-term relationships with stakeholders can be created. As mentioned previously, to improve the understanding of the company, the auditor has to uncover the roots of the company through an analysis of the mission statement. A mission statement can be defined as an establishment of the company’s relationships and expectations with all internal and external stakeholder groups (McCain, 2011). Although this step does not form part of Kitchen and Schultz’s (2000) 8-step model of IC, it is added to the IC audit framework. Not only will adding this step to the IC audit framework support the auditor with an overview of what the company stands for before a deeper investigation is initiated, but it will also assist the auditor to identify the core values of the institution. The impact of communicating these core values to the different stakeholder groups can then be assessed in other steps of the framework at a later stage.

In reviewing the mission statement during the first step of the conceptual IC audit framework, questions based on different focus points of the company need to be answered. These questions will be based on Pearce’s (1982) criteria to measure a mission statement. These questions were formulated based on eight focus points.
The first focus point that should be identified in the mission statement is based on the customers (Pearce, 1982). Through reviewing the mission statement, the auditor should have a better understanding of how the company perceives its customers and whom it considers as future customers. According to Deming (2010), some companies are so focused on uncovering the perceptions customers have of the company that they neglect to communicate the perceptions the company has of its customers. A customer wants to feel a sense of belonging when they think of a brand/company and it is the responsibility of the company to create a statement that communicates the company’s perception of clients clearly (Forbes, 2015:183).

Through the review of the mission statement, the auditor also needs to identify the way in which the company defines the product or service offered, what industry or market the firm competes in, as well as a description of the technology that the company makes use of. A company should be proud of the products and services it offers. Through the mission statement, the company should be able to persuade the customer or potential customer that the product or service offered by the company is better than that of any competitors (Burchell & Robin, 2011:128).

The final set of questions that will be asked focuses on the economic goals, philosophy, self-concept and public concern of the company. These questions are based on the core values of the company they claim to stand for. Communicating the core values of the company in a clear and concise manner not only allows the company to distinguish itself from competition, but also enables the company to relate to stakeholder groups that share those values (Doole & Lowe, 2008:130).

To provide more focus on the CSR initiatives of the company, a question was added to the overview of the company, where the auditor has to use the information from the mission statement to identify actions that the company takes that address concerns of its immediate environment. For company values to be accepted, it has to reflect in the actions of the company (Mello, Mackey, Lasser & Tait, 2006:18).

Finally, a basic SWOT analysis is added to the first step of the IC audit framework, as it provides a basic understanding of the business management domain of the company (Fujii, 2013:9). The criteria of a basic SWOT analysis include the Strengths and
Weaknesses of the company, as well as possible Opportunities and Threats the company may face. The strengths and weaknesses are internal factors that may influence the company (Hirsch, 2006:503). External factors that might affect the company are the possible opportunities or threats that the company may face within the specific external circumstances in which it operates (Ferrell & Hartline, 2014:85). Even though the SWOT analysis is added to create an overview of the company, it will not be conducted in depth. The aim of including a SWOT analysis in the first step of the IC audit framework is to provide the auditor with a detailed background of what the company claims to stand for. Table 4.2 provides a summary of the questions that need to be answered concerning the review of the mission statement.

Table 4.2: Creating a basic overview of the company based on its mission statement (Adapted from David & Kendrick, 2008)

<table>
<thead>
<tr>
<th>Focus point in the mission statement</th>
<th>Question to answer regarding the mission statement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Who are the company’s present and future customers?</td>
</tr>
<tr>
<td>Products</td>
<td>What are the company’s major products or services?</td>
</tr>
<tr>
<td>Markets</td>
<td>Where does the company compete?</td>
</tr>
<tr>
<td>Technology</td>
<td>What is the company’s basic technology?</td>
</tr>
<tr>
<td>Concern for survival, growth and profitability</td>
<td>What is the company’s attitude towards economic goals?</td>
</tr>
<tr>
<td>Philosophy</td>
<td>What are the basic beliefs, values, aspirations, and philosophical priorities of the company?</td>
</tr>
<tr>
<td>Self-concepts</td>
<td>What are the company’s major strengths and competitive advantages?</td>
</tr>
<tr>
<td>Concern for public image</td>
<td>What is the company’s public image?</td>
</tr>
<tr>
<td>Corporate Social Responsibility</td>
<td>What actions does the company take to address issues in its immediate environment?</td>
</tr>
<tr>
<td>Strengths</td>
<td>Could any possible strengths be identified in the mission statement?</td>
</tr>
<tr>
<td><strong>Focus point in the mission statement</strong></td>
<td><strong>Question to answer regarding the mission statement</strong></td>
</tr>
<tr>
<td>Weaknesses</td>
<td>Could any possible weaknesses be identified in the mission statement?</td>
</tr>
</tbody>
</table>
Opportunities | Could any possible opportunities be identified in the mission statement?
---|---
Threats | Could any possible threats be identified in the mission statement?

Step 1 of the IC audit framework equips the auditor with the necessary questions to create a basic overview of the company. The data collected from these questions will be useful especially for external auditors that need to understand the company. Furthermore, this data will also enable the auditor to identify the core values of the company. Throughout the other steps of the IC audit framework the auditor can reflect on the data collected in this overview to determine whether the core values reflect in all aspects of the company, but also to determine whether the initial perception of the mission statement changes with a deeper investigation. The second step of the IC audit framework is to identify all stakeholder groups and to determine their value. This step will now be discussed.

**4.3.2 Step 2: Identify internal and external stakeholder groups and their value**

The second step in Kitchen and Schultz’s (2000) IC process is to identify the different internal and external stakeholder groups and the value that these groups offer the company. This step will also be used in the IC audit framework, as it is necessary to identify the role of each stakeholder group before a more in-depth analysis can be conducted. Through defining the value of the customer or prospects, companies will be able to identify individuals or groups that are the most valuable on a financial basis at a specific time (Kitchen & Schultz, 2000). The focus of this study is not only to identify the necessity of the customers, but also to identify other external and internal stakeholders that influence the company’s overall communication. The importance of identifying the value of these stakeholders is to regulate whether the predetermined investments set out for these groups align with the delivered output performance (Niemann, 2005:138). Lindegaard (2010:22) opines that by knowing the potential and drivers of each stakeholder group, a company will be able to use these qualities to deliver long-term results that promote the company and the participating stakeholders.
IC focuses on a holistic view of the company and not just on marketing endeavours and therefore it is essential to build a relationship with all the different internal and external stakeholders through database research. Although this may seem an easy enough task, the process of gathering information through databases reveals the true colours of this research type. Unfortunately, creating a consistent profile of the different stakeholders via database research only serves as an effective parameter to measure the changes in stakeholders’ interests (Siau, 2006:82). In order to build relationships with internal and external stakeholders, the company needs to understand the behaviour of these different groups. Duncan and Moriarty (1997:25) suggest data mining as a solution to understanding stakeholder behaviour through database research. Data mining can be defined as the way in which existing data can be used to analyse the current buying patterns or trends in customer behaviour (Wind & Mahajan, 2001:154). This method may give companies a better understanding of the current trends in the market, but social media provide a chance for companies to engage in two-way communication with different stakeholders to improve relationships. Therefore, companies should use a combination of communication technologies to gather enough information regarding the different stakeholder groups. It is not only important to define all stakeholder groups of the company, but also to establish each group’s motivation for engaging with the company (The International Association of Business Communicators, 2006:418). When these groups and their motives are identified, it is easier for the company to focus on areas where growth can increase. Clarkson (1995:110) facilitates the process of defining stakeholder groups by identifying primary and secondary stakeholder groups. Primary stakeholder groups have the strongest influence on the company’s survival, for without continuous support from these groups, the company’s survival would be in jeopardy. The secondary stakeholder groups also play a significant role in the company’s growth, for these groups shape the company. Secondary stakeholder groups are responsible for influencing the company, or are influenced by the company’s actions. Although these groups may have an effect on the growth of the company, the company is not dependent on these groups.

For the purpose of this study, the second step of the IC audit will consist of three phases. In the first phase of Step 2, the different internal and external stakeholder
groups of the company will be identified. To identify these groups, a combination of the company’s databases and Ehlers’ (2002) model on stakeholder relationships (from a South African perspective) will be used. The second phase of this step will be to analyse the identified external stakeholder groups by making use of certain principles of stakeholder engagement (Clarkson, 1999). Finally, in the last phase of this step, an investigation of the company’s relationship with internal stakeholders will be conducted to understand better how daily business activities shape the relationship with staff members (Tracy, 2011) (Herzberg, Mausner & Snyderman, 2010; Thomas, 2009). By examining the internal and external stakeholder relationships separately, the auditor will be able to examine these relationships in more detail.

4.3.2.1 Step 2 – Phase 1: Identify stakeholder groups

A striking quality of Ehlers’ (2002:339) model on stakeholder relationships is that the employees are seen as a separate stakeholder group that forms the link between the external stakeholders and the internal divisions of the company. The significance of placing the employees as a separate individual stakeholder group between the company and its external stakeholders emphasises the different set of skills that these employees possess. It is only by engaging in cross-functional relations between the different divisions in the company that true integration can be employed (Angelopulo & Barker, 2005:372). This model is also based on structuring IC within a South African context and is thus even more applicable to use for this study. By defining the different external stakeholders involved in the company, a more flexible and personal IC strategy can be developed that suits the needs of the specific company.

Figure 4.1 illustrates Ehlers’ (2002) model of IC within a South African context. This model will be used to aid the identification of important internal and external stakeholders.
In this specific model, Ehlers identified seven external stakeholder groups, namely financial, media, government, community, customers or consumers, suppliers or distributors and interest groups. With access to the stakeholder databases of the company, the auditor will be able to identify each specific stakeholder group.

The competitors of the company are not seen as part of the external stakeholders, but will be investigated to some extent during the IC audit. Although a relationship with the competition does seem strange, maintaining a professional relationship with the competitors is beneficial to the company (Brink & Berndt, 2004:127). Furthermore,
competitors are also dependent on each other to stabilise industry relationships through price leadership, as it will prevent head-to-head competition and raise the overall profitability of the industry (Hill & Jones, 2008:126).

Ehlers’ (2002) model also includes various internal stakeholder groups, but it is not grouped with the external stakeholder groups. As a result, the internal stakeholders will also be audited separately in the suggested IC framework. In order to analyse the company’s relationship with external stakeholder groups, these groups will be integrated with Clarkson’s (1999) principles of stakeholder relationships.

4.3.2.2 Step 2 – Phase 2: Establish the value of external stakeholders

After a discussion of the influence of the different external stakeholder groups have been given, an in-depth analysis can be done of the principles that should be visible in the relationship with these stakeholder groups. In order to fulfil this purpose, the databases of the company would be consulted and Clarkson’s (1999) suggested principles for successful stakeholder relationships would be used to analyse each identified stakeholder relationship. Although the ideal is to have all these principles present in the different relationships with the various stakeholder groups, some of these principles are crucial to the relationship’s survival.

Table 4.3 sketches the practical environment of how these principles directly influence the company’s relationship with various stakeholder groups. The first column identifies the different stakeholder group as mentioned by Ehlers (2002). The second column categorises the principles revealed by Clarkson (1999) that is crucial to the development of the different stakeholder relationships. The table will be followed by a description of how the correlation between the stakeholder groups and the principles will influence the specific stakeholder relationships; these descriptions will be used to facilitate the actual analysis. During the audit, the auditor needs to establish whether these vital principles of each stakeholder group are visible in the existing relationships of the specific company by using the company databases. In order to gather more information, short interviews with management, and the identified stakeholder groups can be conducted.
Table 4.3: The principles needed in specific stakeholder relationships (Ehlers, 2002; Clarkson, 1999)

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
<th>Principle vital to the survival and development of the specific relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>- Acknowledge the concerns of the legitimate stakeholders and take their opinions into account.</td>
</tr>
<tr>
<td>Media</td>
<td>- Recognise the interdependence of efforts and rewards between the groups.</td>
</tr>
<tr>
<td>Government</td>
<td>- Cooperatively work with stakeholder groups to minimalize the risks of corporate activities.</td>
</tr>
<tr>
<td>Community</td>
<td>- Cooperatively work with stakeholder groups to minimalize the risks of corporate activities.</td>
</tr>
<tr>
<td>Customers or consumers</td>
<td>- Adopt processes and modes of behaviour that are sensitive to the concerns of the stakeholders.</td>
</tr>
<tr>
<td>Suppliers or distributors</td>
<td>- Recognise the interdependence of efforts and rewards between the groups.</td>
</tr>
<tr>
<td></td>
<td>- Acknowledge potential conflicts and address it with open communication.</td>
</tr>
<tr>
<td>Interest Groups</td>
<td>- Listen and openly communicate the assumed risks and concerns of these stakeholder groups to be part of the company.</td>
</tr>
<tr>
<td>Competition</td>
<td>- Acknowledge potential conflicts and address it with open communication.</td>
</tr>
</tbody>
</table>

To understand the impact the external financial stakeholder group has on the company better, this group needs to be defined in more detail. Waterworth (1995:57) identifies that the two biggest influences of the external financial stakeholder groups are banks and external investors. External investors or shareholders will primarily focus on shareholder return, asset growth, increasing dividends and market capitalisation (Ulrich & Brockbank, 2005:11; Waterworth, 1995:57). These investors want to be assured that the investment they make in the company will increase their interest as the company grows. Therefore, to keep the interest of these external investors, frequent communication of the financial position of the company is vital. As external stakeholder groups, banks are more focused on safety or manageable risks, higher margins on loans and higher fees for services (Waterworth, 1995:57). To communicate with this specific group, there should be enough evidence based on research to substantiate the claims or requests made by the company. This matter is thus
supported by Clarkson’s (1999) stakeholder relationship principle of acknowledging the concerns of the legitimate stakeholders and considering their opinions. By communicating with these two groups with complete transparency, the trust that these groups have in the company will be reinforced. This could result in having more assurance of financial support in the future.

The media is an external stakeholder group that has a big influence on the way in which the company is portrayed (Ehlers, 2002; Donnelly & Linton, 2009:164). Barnes (2007:12) opines that one of the biggest mistakes companies make is that they perceive journalists and other contact points of the media as hurdles to overcome rather than people to build a long–term relationship with. It is important for a company to have a transparent and open relationship with the media to gain their trust. By using the media as a platform to admit to any mistakes made by the company, the company can ensure that a detailed description of the truth is communicated to the stakeholder groups (Holtz & Havens, 2008:265). Furthermore, the ability of the company to be consistent and persistent with media efforts and the way in which the company can keep an updated list of all media contacts will influence its media relations (Donnelly & Linton, 2009). Clarkson (1999) opines that part of the principles needed in stakeholder relationships is to recognise an interdependence of rewards and efforts between the stakeholder group and the company. When a company realises the importance of making the media part of their overall communication strategy, a better relationship will result from this symbiotic relationship.

Trade Unions, government, regulatory bodies and membership groups form part of a group of external stakeholders that influence the internal efficiency (Donnelly & Linton, 2009:164; Ehlers, 2002). This includes any governmental legislation and laws that have a direct influence on the way in which daily tasks are administered. The most important way for companies to maintain its relation to government and unions, is always to stay on track with the newest development is legislations or protocols (Dittenhofer & Stepnick, 2012). By meeting the criteria set out by these stakeholder groups, companies can ensure that issues such as corporate governance and corporate social responsibility are attended to (Monks & Minow, 2011:12). Companies can further build trust with this specific group by promoting transparency in all the
company’s endeavours. Therefore, Clarkson’s (1999) suggestion for companies always to cooperate with stakeholder groups to minimalize the risk of all corporate activities seems vital to the survival of the company’s relationship with the government.

The community within which the company is situated has a big influence on the way in which the company is portrayed in the specific area (Donnelly & Linton, 2009:165). Friedman & Miles (2006:191) refer to this stakeholder group as the environment to which the company has to adapt. In order to ensure that a society supports the actions of a company, the company should engage in endeavours that will benefit to their Corporate Social Responsibility (CSR) and corporate governance image. Martin (2011:95) identifies several benefits a company can obtain by investing in CSR. Firstly, by engaging in these endeavours, the overall brand image can be enhanced, acting as a replacement for alternative marketing practices. Taylor (2003:10) further emphasises the importance of engaging in CSR. He opines that by engaging in CSR with the company’s environment, the company creates a space for the society to connect with the brand. In order for a brand to connect to its community, a deeper sense of trust needs to be developed. When a brand succeeds in proving their worth to the community, no amount of alternative advertising material can quell the effect. Devereux and Smith (2009:137) refer to companies with a well-developed community profile as a company that invests in its “trust bank”. They are of the opinion that the companies that have invested in the CSR will more likely be forgiven by the community for mistakes made. In order to reach corporate citizenship, the company should be seen as an institution that reflects shared principles and values of the community. Furthermore, the company should create a platform where individuals can be integrated into the communities where they work (Young, 2003:179). For a company to show corporate citizenship, it has to invest and believe in the community, and consequently Clarkson’s (1999) principle of cooperating with stakeholders to minimalize the negative effect of the company on the immediate environment.

The customers or consumers form part of the community, but are the individuals that want to relate with the specific company by choosing use its products or services. However, it is in the companies’ interests to ensure that customer satisfaction is reached with each transaction or service. Customer satisfaction will not only increase
the chances of customer loyalty, but also increase the chances of the customer speaking favourably to others about the company (Kotler & Armstrong, 2014:42). To understand the relationship that the customer has with the company better, Wellington (2010:6) has identified six satisfaction elements that influence the loyalty of customers. The first element is the *product or service* and has the biggest impact on the customer’s decision to repurchase (Wellington, 2010:6). In the simplest terms, by providing the best product or service possible, a satisfied customer will feel a sense of achievement in deciding on the correct product or service. A satisfied customer is a customer that feels the product or service was worth paying for (Itami, 1991:33). Sales and after-sales are big catalysts for consumer satisfaction (Wellington, 2010:6). The sales staff is the primary engine of corporate profitability, for they are the individuals communicating with the customers on a daily basis (Bragg, 2010:153). The success in creating customer-staff relationships with long-term proficiency is to train staff with the adequate skills to facilitate the customer in the buying process (Rai, 2008:123). In order to develop customer satisfaction further, it is necessary for the company to be selective in recruiting staff members (Sugandhi, 2003:130). It is through appointing staff with personal values similar to that of the company that the corporate values are communicated clearly. Facilitating the after-sales process is another element that influences customer satisfaction (Wellington, 2010:6). After-sales often require a company to address specific needs and behaviour of the customers. Therefore, to maintain a healthy relationship with the customers or consumers, the company often needs to adopt processes and modes of behaviour that are sensitive to the concerns of the customers (Clarkson, 1999).

When it comes to the *suppliers or distributors* of the company, one often forgets that this stakeholder group competes with the company to increase its shares in the overall margin of the market (Van der Heijden, 2005:212). Instead of competing with suppliers and creating distrust amongst the two parties, Barrow, Brown and Clarke (2006:175) suggest that a long-term relationship with suppliers should be maintained. To reach this objective, the company should rather warn suppliers in advance about any increase in prices. Many companies have the challenge of communicating with several suppliers on a daily basis (Narus, 2005:27). However, a company can reinforce the relationship with the different suppliers by realising the interdependence it has with the
suppliers (Clarkson, 1999). Furthermore, this relationship should be maintained by acknowledging potential conflict between the company and its suppliers and to address these problems through open communication (Clarkson, 1999). When the company and suppliers reach agreement on what is expected of them, there will be no room for unnecessary errors that could lead to distrust (Anderson & Billings-Harris, 2010:210). It is only through mutual commitment and open communication that loyalty between the company and its suppliers can be created and maintained.

_Pressure groups_, or defined by Ehlers (2002) as _interest groups_, is a group that drives public opinion and that shapes a company’s policies. Although the thought of an external group with such influence can be seen as a threat, these groups are also an invaluable source of information (Donnelly & Linton, 2009:164). The secret to a successful relationship with pressure groups is for a company to engage in frequent communication. When a company invests time and effort in these pressure groups by sharing compassion of a mutual cause, it can only have a positive outcome in the way which these groups portray the company (Bloomgarden, 2007:97). Therefore, when a company listens to these groups and communicate openly about the assumed risks and concerns with regard to the company, a more transparent relationship will be created (Clarkson, 1999). Companies have certain grey areas that these interest groups strive to reveal. In order to create a better relationship with these groups, clear communication about the company’s faults or risks is essential. When a company is able to realise its faults, it will be easier to gain the respect and trust of the different interest groups.

_Competitors_ are an external stakeholder group that is not added to Ehlers’ (2002) model. Gummesson (2008) proclaims that by collaborating with competitors in certain areas, it could lead to joint development or cost reduction. This would directly influence the relationship that the company has with the suppliers and the customers. It is important for a company to realise its capabilities and restraints. By entering into a coalition with the competition might be the solution for both the companies to resolve an issue that affects both their stakeholder environments. When a coalition is reached between the competing companies, it is vital to acknowledge potential conflict and address it beforehand (Clarkson, 1999). Consequently, when the competing
companies rule out possible differences, a successful partnership might lead to an increase in market shares.

After the external stakeholders of the company have been reviewed, the internal stakeholder relationships of the different staff members should be analysed. In order to view the internal stakeholder relationships as a whole, the views of stakeholder relationships by Tracy (2011) Herzberg, Mausner and Snyderman (2010), and Thomas (2009) will be integrated.

**4.3.2.3 Step 2 – Phase 3: Establish the value of internal stakeholders**

The internal stakeholders of a company are also identified and included in Ehlers’ (2002) model of structuring IC in South Africa, but is not placed with the external stakeholder groups. Morris and Goldsworthy (2008:33) supports the notion of isolating the internal stakeholders, by stating that the internal stakeholders are the company’s most important asset and ambassadors for all external stakeholder groups. Therefore, as Ehlers’ (2002) model suggests, the internal stakeholders will be audited separately from the external stakeholders. From this more in-depth focus on the impact these internal stakeholders have, a better understanding can be reach of how these internal groups influence the overall IC strategy of a company. When it comes to IC strategies for internal stakeholder groups, the key is to focus on how to communicate the values of the company in such a way that it is realised by the employees of the different departments. However, staff members of the different domains or departments each create a personalised strategy to integrate the company’s values and principles in their line of work (Verghese, 2012:5; Kitchen & De Pelsmacker, 2004:130). Therefore, in this specific IC audit framework, the focus will be placed on how to get these internal stakeholder groups involved, rather than to identify the different groups of staff members. For this particular aim, the guidelines for full engagement from internal stakeholder groups as suggested by Tracy (2011) will serve as suggestions to improve staff engagement in the company. However, the intrinsic value staff receives tends to be valued more and has proven to be more effective over time than a monthly salary (Hurd, Barcelona & Meldrum, 2008:269). Therefore, these guidelines will be supported with the different types of intrinsic motivators as mentioned in the two-factor model of
motivation developed by Hertzberg, Mausner and Snyderman (2011). This model will aid to provide a better understanding of how the internal stakeholder groups can benefit from engaging in building the corporate values and principles. Although this two-factor model is based on Hertzberg’s research done in 1959, the factors identified is still applicable to today’s working environment and is thus suitable to use in the suggested IC framework (Hollway, 2005:102; Kreitner, 2013:381).

Table 4.3 summarises how the literature of Tracy (2011), Herzberg et al. (2010) and Thomas (2009) can improve the way in which a company motivates internal staff members to engage in activities that build the overall brand. In the first column, the guidelines for improving internal stakeholder engagement will be identified (Tracy, 2011). In the second column, the personal benefits or intrinsic motivators of the internal stakeholders will be indicated to understand the personal motivation for staff members to engage better in these activities (Herzberg, Mausner & Snyderman, 2010:11). A more detailed description of the possible solutions a company can use to improve stakeholder engagement will be discussed in the final column, with the purpose of linking the literature with practical implementation (Thomas, 2009).

During the IC audit, the auditor needs to use Table 4.3 to investigate the daily activities of staff members. To gather the necessary data, the auditor needs to attend meetings, observe how daily activities are done in the company and use short interviews with staff to gather the necessary information. When the data are presented to the company after the audit has been conducted, the auditor needs to emphasise the areas where the company succeeds in supporting internal stakeholder relationships. However, the areas where the internal stakeholder relationships need more support should also be communicated to them and the possible solutions provided in Table 4.4 should be used as a potential future goal that can influence these relationships in a positive way.
Motivating full internal stakeholder engagement

<table>
<thead>
<tr>
<th>Intrinsic Rewards</th>
<th>Possible solutions to improve internal stakeholder engagement</th>
</tr>
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<tbody>
<tr>
<td><strong>Ignite the flame for personal performance and passion</strong></td>
<td>Passion of staff members often begins where the boundaries of strict rules and regulations end. By <em>leaving a sense of choice</em> in the hands of the employees, the staff members will not only feel more responsible for the outcome of the task, but will make them more involved in each task. Furthermore, by <em>leaving room for the staff member to experiment</em> in the specific line of work, the environment can be set for the individual to improve his/her passion for the line of work. The company can also benefit from this sense of freedom offered to the staff member by being rewarded with a more refined strategy to the individual’s line of work.</td>
</tr>
<tr>
<td>Responsibility</td>
<td></td>
</tr>
<tr>
<td><strong>Make people feel important at what they do</strong></td>
<td>By <em>emphasising teamwork and the importance of each team player</em>, a leader in company can ensure that each individual’s worth is communicated. Furthermore, a leader should <em>play the role of coaching and guiding</em> each individual to realise his/her potential, rather than to throw this individual in at the deep end. By allowing the individual to develop his/her own sense of worth in the company, the staff member will soon enough have the confidence to share ideas with the group.</td>
</tr>
<tr>
<td>Recognition</td>
<td></td>
</tr>
<tr>
<td><strong>Drive out fear of feeling alienated</strong></td>
<td>The attempts of leaders aiming to please every individual in the company often leave the staff members with a sense of alienation, as the leader shows no sense of consistency. Therefore, by rather focusing on motivating and <em>engaging with the “motivational middle”</em>, a leader can ensure that the majority of the staff members contribute to the overall culture of the brand. This will encourage individuals who feel alienated to join the celebrations and motivational spirit of the bigger group. Furthermore, by using the majority of the staff members as motivators, an <em>exciting vision should be created</em> and communicated and it will more likely be executed with more passion by these members. Soon enough every staff member will join the enthusiasm seeded by this group.</td>
</tr>
<tr>
<td>Work satisfaction</td>
<td></td>
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Table 4.4: Improving internal stakeholder engagement (Tracy, 2011; Herzberg, Mausner & Snyderman, 2010; Thomas, 2009)
Motivating full internal stakeholder engagement |

<table>
<thead>
<tr>
<th>Intrinsic Rewards</th>
<th>Possible solutions to improve internal stakeholder engagement</th>
</tr>
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<tbody>
<tr>
<td><strong>Create a winning feeling amongst all staff members</strong></td>
<td>Work satisfaction</td>
</tr>
<tr>
<td></td>
<td>Achievement</td>
</tr>
<tr>
<td></td>
<td>One of the most important responsibilities of a leader is to ensure that a non-cynical climate is set in the entire company. When all staff members have the confidence to share their dreams and passion with one another, teamwork will ensure that what seems impossible is made possible. However, it takes one or two cynical “dream killers” to demotivate an entire group. Even though the power of these cynics often lies in facts, it is the responsibility of the leader to ensure that every little progress made in achieving the dreams of the staff members is celebrated. With support and motivation from the higher ranks in the company, the dreams of the staff members will remain safe from the doubts and negativity of the cynics. This will result in staff members feeling a sense of achievement and satisfaction for all the effort they have put into the work.</td>
</tr>
<tr>
<td><strong>Select the right people that is most suitable for the position</strong></td>
<td>Personal Advancement</td>
</tr>
<tr>
<td></td>
<td>Personal Growth</td>
</tr>
<tr>
<td></td>
<td>There is nothing more satisfying to a staff member than to have a sense of importance in their line of work. Leaders should invest time in their staff members to identify the passions of these individuals. Then it is the responsibility of these leaders to align the passion of the staff with the specific positions in the company that will best reflect their passion. Furthermore, leaders should allow these individuals to be part of the whole task and not just one part. When an individual gets to be part of a task from beginning to end, a deeper level of satisfaction will be reached than just being part of one similar activity in each task.</td>
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After Step 2 of the IC audit has been completed, the auditor will have better knowledge of the specific internal and external stakeholder groups involved with the specific company. Through this step, the auditor will also have the necessary literature to identify possible improvements that can be made to enhance the relationship with a specific stakeholder group. By using these two steps in the IC audit, the auditor will contribute to the business management domain of the company’s IC strategy by identifying the strength of the company’s stakeholder relationships and to what extent the company is accepted in the community. The analysis of the data gathered in the first two steps should be completed first before the auditor conducts the steps in the marketing communication management domain. The marketing communication management domain of the IC audit framework will be discussed in the following section.
4.4 MARKETING COMMUNICATION MANAGEMENT

In the analysis of the business management domain of the company (section 4.3), the data collected through the IC audit framework will provide the auditor with an overview of the company as well as the identification and valuation of internal and external stakeholder groups. This data will be useful when following the steps in the marketing communication domain, as the core values of the company and the stakeholder groups and their values will already have been determined.

According to Niemann (2005:49), the focus of the marketing communication domain should be on building relationships through creating effective messages to customers, but it also requires a focus on internal stakeholders. The aim of improving the marketing strategic communication management domain of the company’s IC efforts is to ensure that all the company’s core values are communicated clearly and that these values inspire and affect all stakeholder groups (Davis, 2010:96). In the light of this discussion, a step will be added to the IC audit framework that will enable the auditor to analyse the brand personality to determine whether the core values of the company that is identified in the first step of the IC audit framework (section 4.3.1.) are truly reflected in the personality of the brand.

A successful marketing communication strategy requires proper communication channels that reach the different stakeholder groups with a maximum impact (Niemann, 2005:47). In the light of this apprehension, a step should be included in the IC audit framework that analyses the strength and impact of the company’s messages sent to the different stakeholders. Therefore, in the fourth step of the IC audit, four phases will be used to examine the different internal and external communication channels used in the company (section 4.4.2.). In the first phase of this step, Grönstedt’s (2000) three-dimensional model of IC will be used to identify the different domains in which organisational communication takes place. After these three dimensions have been identified, they will be inspected individually in phases 2 to 4 of Step 4. By conducting this examination of each communication dimension, the auditor will be able to examine the existing communication channels and to use literature to identify possible improvements that can be made to the current communication structure. This will not only improve the company’s relationship with the involved
stakeholder groups, but will also ensure that all messages reach stakeholder groups in a way that best meet their demands or expectations.

After the communication channels have been reviewed, Step 5 of the IC audit will aim to examine how the actual messages sent through these channels are refined to ensure that the corporate values remain visible through all messages. In Step 5 of the IC audit (section 4.4.3), the actual marketing communication material will be examined by making use of two phases. In the first phase of Step 5, the marketing material will be reviewed by using a framework compiled through literature. This framework will aim to determine whether the corporate values are visible and consistent in all the marketing communication material. The second phase of this step will entail the analysis of the graphic elements used in the marketing material in order to gather the information needed for the inspection, the marketing communication material. Information regarding the company’s strategic communication structure also needs to be examined.

It is only after having a better understanding of how the company communicates its corporate values and sustainability ideals to the different stakeholders that the actual sustainability actions can be addressed. In Step 6 (section 4.4.4) of the conceptual IC audit, the company’s CSR endeavours will be reviewed. The aim of Step 6 of the conceptual IC audit is to determine the strength of the company’s CSR endeavours and how it can contribute to the company’s image. This step will consist of two phases. In Phase 1 of Step 5, the view of the company’s overall CSR structure will be examined (Mostovicz et al., 2011). After the view of the company’s CSR initiatives has been determined, the actual CSR activities need to be examined to determine whether these activities contribute to the CSR of the company or not (IRC, 2013; Hohnen, 2007).

During Steps 3 to 5 of the conceptual IC audit, the auditor will aim to examine the strategy of the company to engage in CSR and to improve its environmental area of the triple bottom line. During this analysis, information regarding the company’s marketing communication as well its strategic communication approaches needs to be reviewed. Therefore, these steps will not only focus on CSR, but also on how the
different communication fields of IC can be used to improve CSR. Each of the steps taken to improve the environmental area of the company will now be discussed.

4.4.1 Step 3: Analyse the brand personality

IC is a holistic approach to all communication activities of a company (Angelopulo & Barker, 2005:284). Therefore, before the IC strategy of the company can be reviewed by isolating and auditing the different business functions, a more holistic approach in terms of the overall brand personality should be determined. Davis (2010:195) stretches the importance of a company to identify the key contributions to the social fabric of the brand first, before communication strategies can be developed. He defines the social fabric of the brand as the social atmosphere of the brand that is influenced internally and then spirals out to the macro-environment in the way in which this atmosphere realised by the employees. Although this social atmosphere of the brand refers more to the internal communication of staff members, it can be linked to the way in which the brand personality is shaped internally before it is communicated externally.

The brand personality is the driver for memories and associations that different stakeholder create regarding the brand (Franzen & Moriarty, 2009:244; Aaker, 2004:53). Ironically, several companies fail to create a steadfast brand personality and therefore fail to link the intended messages to this brand (Baisya, 2013:51; Batra, Myers & Aaker, 2006:366). In light of this apprehension, Moser (2003:69) has identified several pitfalls that lead to misguided and miscommunicated brand personalities and will serve as the first phase of this step of the IC audit. In the second phase of the first step, these pitfalls will be addressed by using certain qualities that will help to maintain brand promises, as suggested by Perry and Spillecke (2013). In order to understand the pitfalls and the qualities better, each element will be discussed separately. During the actual audit, the auditor will use the pitfalls of a brand personality to identify possible shortcomings or bad habits in the company’s overall marketing communication initiatives and the qualities to maintain a brand promise will serve as possible solutions to overcome these issues.
4.4.1.1 Step 3 – Phase 1: Examine the brand personality

One of the biggest mistakes companies make is to delegate the creation and management of the brand personality to an external party (Moser, 2003:69). The personality of a brand should be seen as the specific characteristics or traits of the brand that distinguishes it from its competitors (Grau & Kleiser, 2012:145). It should not be seen as an instant recipe to create a presence in the market, but rather as a delicate and long-term process of developing principles and traits that are already visible in the company (Verma, 2002:255). It is therefore important to create the brand personality from within the company and to ensure that it is fully developed in all the business functions. It is only when the brand personality is pivotal in all business functions that the actual activities within these functions can reflect the values of the brand personality. To create such a strong brand personality, the internal stakeholder groups should have been part of shaping the personality of the brand from the beginning. However, when a company outsources the creation of the brand’s personality, it has no control over how the brand personality is created. For a company to create an authentic brand personality that reflects the core values and principles of the company, staff members that have already realised the important role of these values in everyday activities should create the brand.

Another mistake that companies make regarding the brand’s personality is to change the personality when there is a change in the audiences or messages (Moser, 2003). A brand personality can possess many characteristics that shape all organisational communication and daily activities (McDonald, Payne & Frow, 2011:158). However, these qualities all go to waste when these corporate values lack consistency (McDonald & Wilson, 2011:160). Although it is sometimes necessary to improve the product or packaging to attend to the needs of the different stakeholder groups best, the personality of the brand should be unaffected (Plantes & Finfrock, 2009:26). These companies rely on their ability to read the audience and then to turn themselves into what they think the audience would like them to be (Moser, 2003:70). This issue can be rooted to the very core of the company, namely the internal corporate culture. When companies are unable to have a strong internal culture with rigid principles, there is no way that a consistent brand personality can be communicated and perceived by
external stakeholder groups (Van Belleghem, 2012:54). The corporate culture provides the opportunity to let the brand values come to life so that external stakeholders can have a hands-on experience of these values through actions (Rosenbaum-Elliott, Percy & Pervan, 2011:307). It is important to realise that customers want to be associated with a brand that shares the same set of values that are of importance to that stakeholder group (De Chernatony, 2001:120). However, when companies change their brand personality to suit the needs of the external audience groups, they face the fear of moving from authenticity to adaptability (Doucett, 2008:26). When the company is only focused on adapting to change, the internal culture and external identity of the company might be neglected.

By identifying the issue that companies often misjudge the balance between what is said and how it is said, Moser (2003:71) warns companies that they should focus more on the emotional appeals of buying their product instead of the rational reasons. This pitfall is supported by Guffrey’s (2008:240) perception of the way in which rational appeal has lost its power in an over-competing market with too many similar products. The aim of using an emotional instead of rational appeal is to have an emotionally grounded relationship with unwavering stakeholders in an over-communicated market (Moser, 2003:71). Although this pitfall is mainly focused on marketing communication, it can be applied to the overall IC strategy of the company. Upheavals in internal communication are mainly caused by unemotional and impersonal messages that are communicated through the company without any consent of the employees (Du Brin, 2012:145; Burke, 2011:9). It is only by confirming corporate values through linking it to daily employee behaviour that the values can be adhered to on a daily basis (Cohen, Inside the Box: Leading With Corporate Values to Drive Sustained Business Success, 2009). The written mission and vision statement may seem very elaborate on paper, but it is vital for the company to ensure that all internal stakeholders have a sense of pride or emotional connection to these values.

According to Moser (2003:72), companies that create an idealised, unrealistic brand personality, is sure to fail in the long term. Millions are invested in marketing material that sells empty promises. Ironically, there are companies that do not realise that instead of focusing on clever ways to overpraise the qualities of the product or service,
customers prefer a realistic brand that they can make part of their lifestyle (Ragas & Bueno, 2002:8). Consequently, brands that use these unrealistic and elaborate statements regarding their brands could lead to an irreversible unrealistic, image in the hearts and minds of the customers. Even though the over-competing market has driven companies to create a super-brand identity, keeping basic promises remains vital to the survival of the company. With consumers and other stakeholders becoming more involved with the brand, companies have been forced to create a complex cluster of benefit that stretches beyond the functional purpose of the product or service (De Chernatony, McDonald & Wallace, 2011:91). However, in this cluster of benefit, consumers and other stakeholders prefer a consistent message of realistic value to the overpromised and bold promises of some brands (Till & Heckler, 2010). Therefore, for a company to ensure that a consistent and authentic brand personality is communicated to all stakeholder groups, realistic values and principles should form the basis of the actions and messages of the company. Any unrealistic promises of the company will lead to doubt in the minds and hearts of the stakeholders. To avoid second thoughts of stakeholders about a company’s values a more realistic and consistent identity should be communicated.

The next pitfall identified by Moser (2003) adds to the pitfall of creating an unrealistic brand. *When a company creates traits that are hard to apply to marketing materials, it is impossible to communicate a brand personality of stability* (Moser, 2003:75). The link between advertising and brand personality cannot be overlooked. Although creating a strong brand personality is the product of a long-term investment in the creation of a brand identity as well as promoting these qualities in frequent advertising, advertising can also contribute to short-term results (Kapferer, 2008:506). Therefore, to ensure that the different stakeholders perceive the brand as intended, it is vital to ensure that the qualities or values associated with the brand are visible in all advertising and other marketing communication materials.

To attend to the pitfalls identified by Moser (2003), Perry and Spillecke’s suggestion of qualities to maintain a brand promise can aid to address these issues. In the suggested audit framework, the qualities from the checklist will be used as a possible
solution to the pitfalls of the company’s brand personality by integrating these qualities with the pitfalls.

4.4.1.2 Step 3 – Phase 2: Provide support through the principles of a brand personality

To create an authentic brand personality that communicates values and transparency, certain principles need to be visible in the overall brand image. Considering this matter at hand, Perry and Spillecke (2013) have created a list of qualities that need to be visible in any promises made by the brand. These qualities will serve as support in overcoming the pitfalls to a brand personality as identified by Moser (2003) and will therefore be integrated with these pitfalls during the audit. To understand the essence of each of the different qualities that help to maintain a brand promise better, each quality will be discussed briefly.

To create a brand of distinctiveness, only the qualities that make the brand unique compared to its competitors deserve to be communicated. These core qualities might contribute to a brand that mainly uses rational appeals to communicate facts to stakeholders that are prone to be interpreted as basic requirements for a product or service (Perrey & Spillecke, 2013:50). However, Burgos and Mobolade (2011:176) shed more light on this matter by stating that an “overdressed” or hidden promise might cost the company or brand the needed exposure in the short time that he or she gets time to spend on different media forms. Therefore, to create a brand that stakeholders can have an emotional connection with, the distinct qualities of the brand should be embossed, thus making it easier for these stakeholders to find qualities in the brand that they can relate to.

When a brand possesses distinct qualities that stakeholders can relate to, it immediately contributes to a brand personality that is of relevance to the different constituents (Perrey & Spillecke, 2013:50). It is only by emphasising how the unique identification of the brand fits into the lifestyles of the customers that an undisputable loyalty amongst customers can be developed (Panda, 2005:59; Ragas & Bueno, 2002:47). Furthermore, to establish a brand that is relevant to the lifestyles of the internal and external stakeholders, the different stakeholders’ interests should be
visible in all brand communication endeavours (Hollis, 2008; Schultz & Hatch, 2006:31). Thus, from the literature it is demonstrated that a brand cannot be relevant to the different stakeholder groups if it does not fit into their lifestyles. To become a brand of relevance to these different stakeholder groups, the brand needs to communicate a sense of belonging to its different audiences. By revealing a “human characteristic” or attitude in all brand communication activities, it will be easier for the different stakeholder groups to accept or relate to what the brand has to offer.

The power of a brand message lies in the influential power of its corporate credibility when making a statement (Perry & Spillecke, 2013:50). Newell and Goldsmith (2000:235) define corporate credibility as the extent to which the different stakeholder groups believe in a company’s trustworthiness or expertise regarding a certain field to which the company claims to have an influence on. Having corporate credibility also includes the responsibility for a company to provide the different stakeholder groups with information that is honest and leads to feasible results. People are bombarded by thousands of persuasive brand messages in all different media channels on a daily basis. This issue makes it seem impossible for brands to influence the different audience groups into becoming loyal to the brand. However, instead of aiming to reach a wide audience with a bold and distant statement regarding a brand, true brand credibility is to get the brand within arm’s reach to the desires of the different stakeholder groups (Joseph, 2012:104). A company only deserves credibility and integrity when everything that is communicated connects with the different stakeholder groups and can be traced back to the brand’s core concept (Franzen & Moriarty, 2009). Therefore, the power and influence of a brand do not depend on the empty promises often shouted through different media channels, but rather on the soft and caring voice accessible to different stakeholders on a daily basis. For a brand to be seen as credible by the different stakeholder groups, the brand should focus on proving its worth on a daily basis instead of communicating unreachable ideals to these stakeholders.

The next quality identified by Perrey and Spillecke (2013:50) is consistency and directly links to the aim of having an IC strategy. By adopting a more holistic view on all organisational communication activities, a company can ensure that all communication efforts contribute to the overall image of the brand. When a more
unified brand image is communicated to the different stakeholder groups, companies will have better control over the way in which the brand is perceived by these groups (Wilson, 2008:140). Franzen and Moriarty (2009:518) suggest that, to create consistency in all brand messages, the internal stakeholder groups should first root all corporate activities in the corporate values. It is only after a unified voice has been created in the internal environment of the company, a company can communicate the corporate values externally. Thus, to ensure that the core brand values remain visible in all brand communication activities, the values should reflect in daily activities. When a company invests in creating a desire for internal staff to dedicate all tasks to a consistent and unambiguous brand identity, the external audience groups will perceive a clear and consistent image of the brand (Franzen & Moriarty, 2009:517). Therefore, to ensure that the stakeholder relationships are nourished by the company’s communication efforts, a company has to identify all the internal and external stakeholders as well as establish the value that they have to the company.
### 4.4.2 Step 4: Determine contact point preferences

In Step 3 of Kitchen and Schultz’s (2000) 8-step model, the contact points of communication are separated from the contact preferences of the stakeholders. A contact point can be defined as the way in which the customers or other stakeholders perceive the brand based on the way in which they experience the brand through any communication or contact with the brand or company (Dienel, 2006:36). The essence of contact preferences is to determine how messages will be sent to the different stakeholders. Not all stakeholders share the same interests of the company; therefore, these different stakeholders should be communicated with in a way that meets the expectations of these stakeholders in the most effective way (Friedman, 2008:92). This step forms part of Kitchen and Schultz’s (2000) 8-step model of IC, as the importance of developing and structuring the communication channels was recognised. Well-managed communication channels and contact preferences serve as the basis to build a steadfast relationship with consumers and other stakeholders. Therefore, in the first phase of this step, the different corporate dimensions as suggested by Grönstedt (2000) will be analysed, as it is vital for the auditor to investigate the condition of each communication dimension. Each of these identified dimensions will then be investigated through questions developed from literature that is based on each dimension (Phases 2-4). The aim of this step in the is therefore to assist the auditor in determining the condition of each communication dimension of the company, and to determine how the stakeholders involved in each dimension experience the current communication within this domain. Each set of questions is followed by the ideal answers found in literature. This will enable the researcher to draw conclusions of each communication dimension that is supported through literature. Each phase within Step 4 will now be discussed in more detail.

#### 4.4.2.1 Step 4 – Phase 1: Identify the different business dimensions

Ehlers (2002) realised the importance of the role of the stakeholders in the IC model for a South African context and has identified several internal and external stakeholder groups. However, to ensure that communication with these different stakeholder groups take place on an integrated basis, Grönstedt (2000) suggests a three-
dimensional integration of stakeholders. Figure 4.2 illustrates these three dimensions. This will be followed by a detailed discussion of how these different dimensions will be integrated into the suggested IC audit framework.
By suggesting a three-dimensional model in which IC should be executed, Grönstedt (2000) supports the importance of identifying different stakeholder groups. In his research, the focus has moved from an inside-out way of thinking of the production century to a customer century where an outside-in approach aims to include different stakeholders in the communication process (Dienel, 2006:26). Eden and Ackermann (2004:475) promote Grönstedt’s urge to include internal stakeholders in external conversation by identifying the internal stakeholders as the individuals or group that helps the external stakeholders embark on a brand journey. It is thus important to identify the different stakeholder groups, but even more important to plan the role of each internal and external stakeholder group in daily organisational communication activities.

The first triangle in Grönstedt’s (2000) model describes the external integration of all messages that will be required for a company to reach the external stakeholder group effectively (Niemann, 2005:130). In this triangle, the focus is on creating a clear and consistent message from top management to the front-line employees. When this holistic view is achieved, clear and consistent messages are communicated from all departments and divisions of the company. This will result in the external stakeholders immediately associating the messages to the specific company or brand and will contribute to the brand journey of these external stakeholder groups (Eden & Ackermann, 2004). Thus, by ensuring that integration takes place in the external dimension, a company can ensure that all external messages contribute to the brand image and will safeguard external stakeholders to familiarise themselves with the brand or company.

In Grönstedt’s (2000) vertical integration dimension, the focus is on engaging in frequent two-way communication between the top management, middle management and the front-line employees (Grunig, Grunig & Dozier, 2009). The days of a strict hierarchy overpowering all input from the employees are long gone. In Grönstedt’s vertical integration dimension, this traditional approach of regulating communication with a strict hierarchy has been turned around. The crucial fact that led to this renaissance in management’s structure was when management realised that decisions regarding daily encounters with customers cannot be made in a cold and
disconnected boardroom. Instead, opportunities should be given to individuals that communicate with customers on a daily basis. The front-line employees and middle management get the opportunity to identify gaps or opportunities in daily customer interaction; therefore, they should be given a voice to give input in the overall communication strategy of the company. Katzenbach (2000:9) supports the employees' part in the communication planning process by stating that more than one third of individual workers consistently exceed the expectations of their managers and even the customers. This is mainly due to these employees forming an emotional bond to the company or brand. Thus by having employees that are emotionally involved in all the details of the communication planning process, will call for a more motivated and determined workforce ensuring that the communication strategy is executed.

The last triangle of Grönstedt’s (2000) IC dimensional model focuses on making horizontal integration part of the overall IC strategy. Horizontal integration can be defined as the way in which a company can create a team of individuals of the same business levels, working together in a productive way (Klein, 2000:55). Ironically, management has no control over creating unity and teamwork amongst employees, unless they lead by example (Henkel, 2006:26). By engaging in cross-functional and two-way communication amongst peers in the company, the employees have the power to break down the silo structure of the once hierarchy-driven structure (Cornelissen, 2008:137). By inspiring two-way communication amongst individuals in the same corporate positions, companies can ensure that horizontal communication is promoted. This will result in a solid communication structure that leaves little space for misunderstandings to affect the daily activities in the different departments or divisions.

The core of Grönstedt’s (2000) three-dimensional model of integration is not only to realise the importance of identifying the different types of internal and external stakeholder groups, but also to create a relationship with these groups (Grunig, Grunig & Dozier, 2009). According to Grönstedt (2000:19), for a company to harvest from an IC strategy, all three the dimensions (external, vertical and horizontal) need to be in place. Although all three dimensions are pursued simultaneously in daily
organisational communication, the dimensions will be used in a specific order to compile the systematic framework that companies will use to measure its IC strategy. In the systematic IC framework, the company will first have to ensure that the internal communication of the company creates a strong communication platform. Therefore, Grönstedt’s (2000) third dimension (horizontal integration) and second dimension (vertical integration) will be the first dimensions that will be attended to. Only after the internal communication strategies (vertical and horizontal) have been reviewed, Grönstedt’s first dimension or external integration dimension will be inspected. The main reason for the specific order of the dimensions is to ensure that if there are internal communication gaps, they can be attend to before attempting to communicate with the external stakeholder groups. Furthermore, corporate values and beliefs should first be accepted and acted out by the internal stakeholder groups before it is communicated to the external stakeholder groups. This will contribute to a more unified message carried out through communication and actions, and will therefore be easier for external stakeholders to accept.

To audit the vertical and horizontal integration dimensions identified by Grönstedt (2000), these dimensions should be analysed by identifying the presence of certain standards that contribute to brand equity. Brand equity is generally accepted as the value of the brand for the product and is often measured by the response of the customers (Crane, 2010:131). However, in the suggested IC framework, brand equity will be measured from the internal stakeholders’ perceptions. This fresh perspective on brand equity is supported by Tavassoli, Sorescu and Chandy (2013) and will focus on the value a brand provides through the attitudes and behaviour of its employees. These individuals are in contact with the customers on a daily basis and therefore it is vital to determine the value they add to the brand by determining their perception of the brand. Kapferer (2008:9) further emphasises the importance of determining the internal brand value by stating that no external communication can take place without a proper internal communication platform on which all internal attitudes and behaviour are based. The success of a strong internal communication strategy is to communicate the brand values in such a way that they form part of the corporate culture and is realised by the staff members on a daily basis (Schultz & Hatch, 2003). In the light of this discussion, Grönstedt’s (2000) vertical and horizontal integration dimensions will
have to be evaluated in terms of the value of its brand equity amongst internal staff members. The internally based brand equity of the vertical and horizontal integration dimensions (Grönstedt, 2000) will be evaluated through the brand equity elements as identified by Ind and Bjerke (2007:124). Although these elements are usually measured in external communication, it is crucial to identify these values internally before aiming to communicate them externally (Kotler & Pfoertsch, 2011:129). Therefore, these brand equity elements will be combined with other literature to provide a perspective on how these elements influence internal communication and internal brand equity. By using two sets of questions, each dimension will be analysed by using the same brand equity elements, but supported by different literature. These questions will then be presented to the staff members in the form of questionnaires. Although it would be ideal to use the same brand equity principles to audit the external integration dimension, this dimension will be analysed through another method for the purpose of this study. The discussion of how the external integration dimension will be reviewed will be discussed after the method of the vertical and horizontal integration dimensions has been established.

Because Grönstedt’s (2000) vertical and horizontal integration dimensions focus on the internal communication of the company, it is essential to identify whether the internal communication contributes to the overall brand equity of the company. Ind and Bjerke (2007) suggest brand elements that contribute to overall brand equity that will be used to conduct the IC audit. These elements include awareness, personality and reputation of the brand, brand loyalty and the story of the brand (Ind & Bjerke, Branding Governance: A Participatory Approach to the Brand Building Process, 2007). In order to emphasise the importance of these external elements to be visible in internal communication, the relevance of each element will be reinforced with literature that explains the practicality of the element in internal communication.

4.4.2.2 Step 4 – Phase 2: Analysing the vertical communication dimension of the company

There is an undeniable link between the way in which top-level managers prefer to communicate with staff members and the job satisfaction of these individuals (Pincus
& Wood, 1997:289). However, regardless of a management's positive communication attitude, communication with employees remains ineffective when management is not aware of how communication changes in the executive domain (Steeves, 2010:181). When it comes to management's effort to communicate with staff members, it is vital to be aware of all the factors that make staff members feeling alienated by the firm structure of hierarchical power in the company. To address this issue, Whitworth (2011:197) suggests that it is management’s responsibility to contextualise each message in terms of the different internal audiences that are expected to adhere to these messages. This effort will not only provide more flexibility to a company’s hierarchical structure, but it will also motivate staff members to engage in two-way communication with top management. When staff members feel that their opinions are taken into consideration, they will be more likely to contribute to the implementation of the change that is being communicated (Pellicer, 2008:20). Therefore, for management to communicate successfully with staff members, they have to be aware of the communication barriers set by the hierarchy of a company. To ensure that communication is not affected by these barriers it remains management’s responsibility to facilitate change in such a way that suits each audience group to create two-way communication with staff.

When it comes to the personality and reputation of the brand, it is imperative that the perceptions of the staff members are reviewed before any attempts are made to communicate with the external audiences. For managers to have a better understanding of how the staff members perceive the brand, the corporate culture of the company should be reviewed. The corporate culture of a company can be defined as the pulse of the company, as it provides a social-psychological construct in which staff members are strongly influenced in terms of behaviour and attitude in everyday tasks (Flamholtz & Randle, 2011). Unfortunately, it is impossible for a manager to have complete control over the internal or corporate culture of the staff members (Schein, 2009:11). However, by ensuring that staff members are aware of their irreplaceable role in ensuring the customer’s needs are satisfied, management can build a brand community that evokes service-mindedness and inspires all staff members (The Chartered Institute of Marketing, 2011; Kunneke, 2006:152). To ensure that staff members feel appreciated, Chapman and White (2012) suggest that managers should
invest time in interacting with staff members to build trust and to establish the company’s gratitude for their efforts. This action will not only reflect in the daily tasks of each individual, but also lead to a corporate culture of cohesion and teamwork.

It is important for top management not only to ensure that there is teamwork amongst the staff members, but also to ensure the undivided loyalty of every individual. The deepest level of loyalty a staff member can reach in the company is when the individual starts to acknowledge the company as a part of their lifestyle. When a staff member associates himself/herself with the company, his/her confidence in top management becomes the driving force that enables him/her to meet the expectations management set for him/her (Kovaleva, 2007). To create this level of loyalty, management should ensure that staff members believe in themselves and in their capability to perform in the company. Furthermore, these individuals have to believe in the company they represent and the products they sell (Durkin, 2005). However, the most important belief every staff member should have is that top management will support their efforts to promote the overall brand with daily activities. For a company to prove its confidence in its staff member’s potential it has to invest in training and development of these individuals. (Evans, Intner & Weihs, 2011:47). This will not only result in an individual that excels in the workplace, but also in a long-term relationship with staff members are rewarded for their dedication (Abiodun, 2010:33). It is therefore the responsibility of management to ensure the loyalty of their staff members by providing them with continuous appreciation of their efforts. This loyalty from top management can be proved by investing in staff training to develop the potential of each individual in the company further. Furthermore, to ensure that the corporate values and principles remain visible in the actions of staff members in the long-term, management should ensure that each new candidate complies with the standards and values of the company before appointing them (Reichheld, 2011:97). By measuring the personal standards of the candidate against the corporate values, management can ensure that the individuals chosen to form part of the company will easily fit in with the existing corporate culture and will contribute to the promotion of the brand.

In the light of the discussion of the mentioned brand equity elements, questions have been formulated that will be presented to top management. These questions are
presented in Table 4.5. By using the answers from these questions, a better idea can be established of the way in which communication from top management is mediated through to front-line employees. The aim of these questions is to enable the auditor to confirm whether some of the fundamental principles in the overall communication structure of the company are visible:

Table 4.5: Questions to determine the position of vertical communication in the company

<p>| | |</p>
<table>
<thead>
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<tbody>
<tr>
<td>1.</td>
<td>How does management provide support to the different internal stakeholder groups to ensure that each message reaches all the different departments in a way that best suits their needs?</td>
</tr>
<tr>
<td>2.</td>
<td>How is change communicated to the staff members? Are the staff members consulted in any way before the change is implemented?</td>
</tr>
<tr>
<td>3.</td>
<td>What non-financial rewards or efforts does management make to reward individual staff members for personal goals met in the workplace?</td>
</tr>
<tr>
<td>4.</td>
<td>How does management show support to individuals in everyday tasks?</td>
</tr>
<tr>
<td>5.</td>
<td>Does the company invest in further training and development of the staff members?</td>
</tr>
<tr>
<td>6.</td>
<td>Are there certain procedures that management employs when recruiting new staff members to ensure that they comply with the corporate values and principles of the company?</td>
</tr>
<tr>
<td>7.</td>
<td>Which of the corporate values in the company do you consider the most important?</td>
</tr>
</tbody>
</table>

The discussion of the literature will provide guidance in measuring the answers management has given for the above-mentioned questions. Thus, by answering these questions, the auditor will gain a better understanding of how communication from top management reaches other staff members, while providing management with possible solutions of how they can maximise the presence of the mentioned brand equity elements. The last question will determine which of the corporate values are the most important to management. This question will also be given to the staff members of the departments when the horizontal integration dimension is audited. The answers retrieved from the question will enable the auditor to determine the corporate values that all staff members consider the most important. The reason for determining the corporate value considered the most important for the internal stakeholders is to determine how effectively this value is communicated to the external audience. In Step 5 (section 4.4.3) of the IC audit, the actual messages that are conveyed through the
IMC communication mix will be audited to determine the corporate values that are most visible in external organisational communication messages.

4.4.2.3 Step 4 – Phase 3: Analysing the horizontal communication dimension of the company

Staff members in the same department have the responsibility to motivate their peers. In order to create this chain reaction regarding staff motivation, each staff member must first be aware of his/her value in the department or team. Therefore, by increasing the self-awareness of each individual in the department, a more cohesive structure in team building can be created. The success of internal communication is not to increase awareness of a brand that the employee encounters every day, but rather to increase the self-awareness of the individual and his/her role in the success of the brand (Daft & Marcic, 2012:338). By being aware of the strengths and capabilities of each individual in the department or team, these qualities can be used to improve the overall productivity and performance of the entire team further.

When it comes to improving the personality and reputation of the company amongst peers in the workplace, it is the responsibility of these departments to ensure that the personal values of the staff members are used to create an authentic brand experience (De Chernatony, 2010). Although the corporate culture forms the core of all staff behaviour and activities, Kusluvan and Karamustafa (2003:472) argue that the values of top management are seldom executed and realised by all the departments in the company. They are of the opinion that the sub-cultures that stem from the overall corporate cultures are the main drivers for individuals’ attitudes and behaviour in everyday tasks. In order to improve the sub-cultures of a company, Bruce (2003:13) suggests that leaders of the departments should inspire intelligent risk taking amongst the staff members by encouraging them to pursue the department’s personal goals with creative and innovative solutions. Lashley (2003:402) acknowledges the idea of sub-cultures refining the daily activities of individuals within a certain department. However, he extends the importance of on-going communication efforts amongst different departments and with top management for a company to maintain its overall brand personality. When these departments create innovative and more effective ways
to communicate brand values, their successes should be shared with other departments. This will not only motivate other departments to improve their efforts, but also leave space for dedicated departments to be acknowledged for their work.

Loyalty is another influential element in the functionality of a corporate team or department. Adamchik (2011) argues that, for a manager or leader of a department to ensure that there is loyalty amongst staff members, it is his/her responsibility to reassure the staff with loyalty in critical times. According to this author, the personal efforts of these individuals win over the undivided loyalty of all staff members in the team. The effort of managers or leaders to create unity in their teams is also supported by Cherry and Connor (2011:16) when they state that it is important to celebrate every success as a team, but even more important to put the same energy into finding the best possible solution when a negative or conflict situation occurs. It is easy for individuals to feel part of a team when a victory is celebrated, but it is in negative situations where the endurance and unity of a team or department are truly tested.

In order to define the state of the horizontal communication of the company better, a set of questions will be asked to the staff of the specific company. Table 4.6 presents questions that can be asked to these staff members during this step of the IC audit.

Table 4.6: Questions to determine the position of horizontal communication in the company

1. Do you feel that you as a department or team put in enough effort to identify the value and strength of all the team members or associates?
2. What personal value or quality do you consider as the most valuable when dealing with customers? Do you think this quality reflects the overall principles of the brand?
3. In your opinion, how do your department’s values and beliefs differ from the corporate values and beliefs of the company?
4. What efforts does your department make to communicate with other departments?
5. How does the department or team handle a conflict situation where some of the individuals were responsible for a mistake?
6. Which of the corporate values do you consider the most important in the company?

After comparing the staff members’ answers to the literature discussed, the auditor will have a better understanding of how communication between individuals of the same
departments or teams take place on a daily basis. These questions will also enable the auditor to identify certain issues in the internal communication efforts that will have a negative effect on external communication. The following set of questions will be compiled to audit Grönstedt’s (2000) external integration dimension.

4.4.2.4 Step 4 – Phase 4: Analysing the external communication dimension of the company

The IMC communication mix is the key to harmonising all messages of the company, to create a consistent and clear image in the minds of the customers or consumers (Kitchen & De Pelsmacker, 2004:105; Olsen, 2005:68). These IMC elements are the media used to convey messages in Grönstedt’s (2000) external dimension; therefore, for the purposes of this study, the focus will be on how effectively these channels are used. The conceptual IC framework will provide guidelines according to which companies can optimise the usage of the different communication channels. Based on various sources of literature, guidelines will be provided in the form of questions for each marketing communication element. These questions are based on literature, but were rewritten in a more simple and informal style. However, these questions only cover some of the basic principles of the given marketing communication medium. They should not be seen as a full evaluation of the company’s efforts with regard to communicating through these mediums.

The aim of presenting the questions in a simple form is to create questions that do not require an in-depth discussion of the answer. The idea of these questions is rather to present them to the managers of the company, and given them a short time to answer them with a simple and short answer. After these questions have been answered, the auditor should refer back to the literature review of each of the marketing communication elements. By reading the paragraphs written about each element out loudly to the manager, all the questions will be answered with appropriate literature.

Furthermore, the same questions can be asked to customers and other external stakeholders that have already been identified in Step 2 of the IC audit framework (section 4.3.2). The management’s answers can then be compared to the answers from external stakeholder groups to determine how effectively the company uses the
different marketing communication mediums. By using this simple approach to analyse the marketing communication channels of the company, these questions will aid to aligning the thoughts of the manager for the purposes of the IC audit framework. This will result in the manager cooperating more punctually when doing the in-depth analysis of the actual messages communicated through these channels in Step 4 of the IC audit. In order to provide the questions that will be asked and the paragraphs written on each marketing element the different elements will be presented separately.

- **Social media**

Social media give new shape to the way in which customers or clients interact with the brand (Boone & Kurtz, 2013:13). It is thus of the utmost importance for a company to ensure that a stable and interactive presence of the brand is presented on the social-media platform. In order to assist companies in building a strong online presence, several guidelines on how to maximise this specific marketing communication channel will be suggested (Thomson, 2013; Gamse, 2012; Halligan & Shah, 2010). After considering different literature, the following questions, presented in Table 4.7 were formulated to use in the IC framework:

Table 4.7: Questions to determine the state of the company’s social media efforts (Thomson, 2013; Gamse, 2012; Halligan & Shah, 2010)

<table>
<thead>
<tr>
<th>Question</th>
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</thead>
<tbody>
<tr>
<td>1. Are the posts made by the institution formulated in such a way that a conversation is started with the audience?</td>
</tr>
<tr>
<td>2. Is the website or social media page considered as a hub where people are free to ask advice or engage in conversation regarding the brand, or are these channels used more to communicate promotions and sales?</td>
</tr>
<tr>
<td>3. The relationship between the customer and the brand can develop to such a stage where the brand becomes part of their identity. In the light of this statement, do the messages posted on the page of the company “speak the language of the audience” or does it rather build a wall of formality?</td>
</tr>
<tr>
<td>4. Are the messages or posts planned around the preferences of its typical followers?</td>
</tr>
<tr>
<td>5. Does the company post information on the social media platform on a daily, weekly or monthly basis?</td>
</tr>
<tr>
<td>6. Does the company use a method of tracking the number of followers or feedback?</td>
</tr>
<tr>
<td>7. Is there a support system where feedback can be given as soon as possible?</td>
</tr>
<tr>
<td>8. Will visitors to the institution’s online page immediately recognise the core values in the messages that are posted?</td>
</tr>
</tbody>
</table>
For years, marketing has been a one-sided communication approach. Today, technology has made it possible for companies to break the barriers of a one-sided message to an open conversation between clients and the brand. However, some companies still use social media to sell products by advertising in a traditional manner. The aim of companies to use social media as a communication platform should rather be to maintain and create relationships and to improve the brand culture and identity (Lovett, 2011). Thus, instead of trying to use social media as traditional one-way advertising, a company should focus more on engaging in conversation with the visitors to the page or website (Gamse, 2012). This conversational approach to social media is also supported by Halligan and Shah (2010:11) when they state that a social media site should take the form of a comfortable “hub” for visitors to connect with the brand on a more personal basis. In order to create a comfortable environment where visitors to the page or website can feel free to communicate, the messages should be created to suit the preferences of the majority of followers best (Gamse, 2012). Furthermore, these messages should be written in a more informal way to give the visitors more confidence to engage in conversation with the brand (Gamse, 2012). It is also vital for a company to engage in regular conversation with the visitors to keep the interests of these individuals (Thomson, 2013:10).

When visitors do engage in conversation with the brand, a proper tracking strategy of the responses should be in place (Halligan & Shah, 2010:17). Social media enable companies to have immediate access to the number of responses given by individuals exposed to the posts. This function of social media makes it easy for a company to establish the type of messages that elicits the biggest response from the visitors to the page. Thomson (2013:12) further emphasises the importance of a company to optimise the ability to receive immediate feedback by having a sustainable supporting network where immediate responses can be given. By providing immediate feedback to the visitor’s responses or answers, the relationship between visitors and the brand can be enhanced (Gamse, 2012). Despite the importance of having the above-mentioned guidelines in place when using social media as communication platform, the most important rule in social media advertising is always to ensure that the company values are reflected in the social-media messages (Gamse, 2012). To
address this issue, an in-depth analysis of how the actual messages should be formulated will be provided in Step 4 of the IC framework.

- Advertising

The main purpose of advertising is to provide the best possible selling message to the right target audience at the price (Ogden & Rarick, 2010:2). Unfortunately, countless attempts to win the hearts of customers have exposed these customers to an overload of information in the media. To use this marketing communication channel effectively, several guidelines and rules have been reviewed on advertising (O'Guinn, Allen, Semenik & Close Scheinbaum, 2012; Gettins, 2007; Corbett & Stilli, 1999). After reviewing the different literature, the following questions provided in Table 4.8 will be included in the audit:

Table 4.8: Questions to determine the state of the company’s advertising efforts (O'Guinn, Allen, Semenik & Close Scheinbaum, 2012; Gettins, 2007; Corbett & Stilli, 1999)

<table>
<thead>
<tr>
<th>Question</th>
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<tbody>
<tr>
<td>1. Can a specific target market be identified in each advertisement?</td>
</tr>
<tr>
<td>2. Is the specific purpose of each advertisement easy to identify?</td>
</tr>
<tr>
<td>3. Has advertising material caused any misunderstandings about the brand or product in the past?</td>
</tr>
<tr>
<td>4. Does the advertising material, in general, focus more on short-term results than building a relationship with the target market in the long run?</td>
</tr>
<tr>
<td>5. Can each promise that has been made in these advertisements be delivered on?</td>
</tr>
<tr>
<td>6. Are the employees part of the planning process of the advertisements?</td>
</tr>
<tr>
<td>7. Is every staff member that works with clients on a daily basis informed about every advertisement?</td>
</tr>
<tr>
<td>8. Can the advertising material support the positioning of the brand in the market?</td>
</tr>
</tbody>
</table>

Because advertising is one of the most expensive ways to communicate a brand message, this form of communication should be used as effectively as possible. The main issue in advertising is always to have a specific target group and a specific reason to advertise when creating the actual message. Several companies see advertising as an obligation rather than a way to communicate with a certain goal (Corbett & Stilli, 1999). Consequently, companies without a purpose for advertising find it impossible to create a message for a specific target group. It is through this
aimless effort to communicate that miscommunicated messages reach the audience and shape their perceptions of the brand (O’Guinn et al., 2012:93). Another mistake often made by companies is to use only advertisements to deliver short-term results and to overpromise to get results (Corbett & Stilli, 1999). Although the aim of advertising is mainly to deliver short-term results, elements should be included in the advertising material that maintains a positive identity in the market in the long term. By overpromising on advertising material, more damage is done to the brand’s image in the end than the possible short-term revenue the brand can receive. In order to use advertisements to improve the identity of the brand in the long term, a clear, consistent message should be communicated in all advertisements.

Gettins (2007:17) gives another perspective on the guidelines of advertising by focusing on the way in which the internal stakeholders assist in planning the advertisements. The staff members are the individuals that communicate with the customers and clients on a daily basis. This leads to an internal source enriched with more knowledge about the customers’ needs and desires than imaginable. A company should therefore use the knowledge these staff members have to create an advertisement that addresses the issues of the clients best. This will not only help to position the brand in the market by highlighting the most important factors the customers are looking for in a brand, but will also help the company to identify gaps in the market for future use (Corbett & Stilli, 1999; Gettins, 2007).

- **Personal selling**

Personal selling is person-to-person communication with the aim of creating a relationship with customers or prospective customers. The sales persons will not only identify the customer’s needs, but also use a set of interactive skills and knowledge of a certain product to identify a product that best addresses the need of the customer. This will not only improve the relationship the salesperson has with the customer, but also lead to this customer to create a long-term commitment with the brand (Siguaw & Bojanic, 2004:2; Kalb, 1999:107). Thus, staff members assigned to communicate with clients on such a personal basis are very influential ambassadors of the company. These individuals are often the first impression that customers have with a brand and therefore companies should invest in providing the best training for these individuals.
By considering various literature on personal selling, the following questions will aim to guide a company to optimise the way in which can use this marketing communication method (Van Heerden & Drotsky, 2011; Andrews, 2009; Koekemoer, 2004). These questions are summarised in Table 4.9.

Table 4.9: Questions to determine the state of the company’s personal selling efforts (Van Heerden & Drotsky, 2011; Andrews, 2009; Koekemoer, 2004)

<table>
<thead>
<tr>
<th>Question</th>
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<tbody>
<tr>
<td>1. Does every salesperson have his/her own database of personal clients or do they work from a shared database where any salesperson can go to the clients?</td>
</tr>
<tr>
<td>2. Is there any formal structure to set to ensure that sales staff members follow up on sales, or is it the responsibility of the individual staff member to follow up on clients?</td>
</tr>
<tr>
<td>3. Does the company by any means provide planning support to the sales staff so that targets can be reached?</td>
</tr>
<tr>
<td>4. In general, does the feedback given by customers ever reflect some of the corporate values that are realised by the salespersons?</td>
</tr>
<tr>
<td>5. Were there any incidents in the past where the salespersons had to outsource some of the work to meet the requirements of the customers?</td>
</tr>
<tr>
<td>6. Have these salespersons received any training regarding knowledge of the products or facilitating a purchase decision?</td>
</tr>
<tr>
<td>7. Can the salespersons use their knowledge of the pricing and policies of the company in such a way that a tailored quotation can be worked out for specific customers’ needs?</td>
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In order to have a fruitful personal selling strategy, each sales-staff individual has to create his/her own database of clients. Ironically, some companies create a combined database of all the clients of the company. The personal sales staff members are then appointed to communicate with any of these clients. Although a company can have more control over after-sales and communication with clients, a personal relationship cannot be built on such inconsistency (Andrews, 2009:190). However, Van Heerden and Drotsky (2011:117) reject the idea of companies having no control over the personal sales representative’s communication efforts. They suggest that the company needs to provide a basic formal structure to ensure that sales staff members follow up on sales. Furthermore, these companies should provide planning support to these sales representatives to ensure that their personal targets are reached on a monthly basis. To address these issues, meetings should be scheduled with all personal sales representatives on a regular basis. In these meetings, each sales representative should be given the opportunity to report briefly on his sales and
customers. A company should rather ensure that the personal sales staff members make the corporate values such an integral part of their personal lives that these values are reflected in their work (Koekemoer, 2004:233). When these values are realised by the sales staff, the company can be more certain of frequent communication between the sales representative and customers. To the extent of ensuring that these values become visible in the personal-sales staff’s work, they should receive proper training on the product they sell and how to facilitate a purchase decision of a customer (Andrews, 2009:191; Koekemoer, 2004:234).

The ability and determination of a personal sales representative to offer the best possible service or package that suits the personal needs of the customer cannot be overlooked. Sometimes the facilitation of purchases and sales might require that the sales representative will have to outsource some of the tasks to fulfil the exact requirements of the customer (Andrews, 2009:191). This will not only result in a more tailored package offered to the customers, but the sales representative will also gain credibility and trust from the customer (Koekemoer, 2004:233). When a sales representative considers all the above-mentioned guidelines for personal selling, they can look forward to creating a steadfast strategy to create relationships with customers.

- **Sales promotion**

Sales promotion is a more unconventional approach to increase sales by presenting a featured offer to a defined target audience that is only valid for a predetermined time (McDonald & Wilson, 2011:286). By creating an environment that aims to align the purchase behaviour of the customers with the economic interests of the company, this marketing strategy has the potential of delivering on short-term objectives. To provide an increase in sales for the specific time in which the promotion is valid, a company can use sales promotion as a method to react to economic pressure. In order to use this marketing communication channel in the most effective way, different literature on sales promotion has been reviewed. The following questions presented in Table 4.10 are based on the reviewed literature and will be used to determine the state of the company’s sales promotion initiatives.
Table 4.10: Questions to determine the state of the company's sales promotion efforts. (Mullin, 2010; Angelopulo & Barker, 2005; Copley, 2004; Kalb, 1999)

1. Can sales promotion be considered as one of the main marketing communication strategies the company uses?
2. When the company uses a sales promotions strategy to increase sales, is the strategy planned internally or does the company consult a sales-promotion agency or other external resource?
3. Is it easy to identify the corporate values in the sales promotion campaigns?
4. Can the promotion presented to the public be considered as unique and reasonable, compared to the normal offer of the product or service?
5. After reviewing the results of a previous sales promotion activity, were there any drastic changes the company would have to make (e.g. to increase the allocated budget) to get better results in future?

Using sales promotion as a "quick fix" to financial pressure in the company may deliver on short-term results. However, by using this medium to release the financial pressure of the company on a short-term basis, companies face the fear of cheapening their brand (Copley, 2004:189).

For this reason, when a company decides on using a sales promotion, it is advisable to consult a sales-promotion agency when the company does not have a specialist in this specific field (Mullin, 2010:90). These specialists will provide the necessary support to the company to ensure that the promotion strategy delivers on short-term results, while contributing to the brand identity in the long term. Nevertheless, these agencies should be provided with the positioning of the brand in the market and a clear corporate image. The significance of providing them with this information is to ensure that the same corporate values are communicated with sales promotion as with the other marketing communication mediums (Angelopulo & Barker, 2005:166).

Another very important aspect to consider when creating messages that will be used in the sales promotion campaigns is to ensure that the intelligence of the public is not insulted (Kalb, 1999:97). Countless sales-promotion campaigns use this marketing communication medium only to attempt to trick the audience. As a result, this once-off scheme can result in loyal customers no longer trusting the brand. Thus, when a sales promotion campaign is planned, there should be a specific purpose for the company make use this medium to communicate. This purpose of the campaign should then be
reinforced with a reasonable offer to the public, making it worthwhile for them to take part in the campaign.

After all the above-mentioned guidelines have been considered when creating a sales-promotion campaign, the promotional activities that have been undertaken by the companies should be evaluated and used as a benchmark for future promotions (Angelopulo & Barker, 2005:166). While doing the evaluation of the previous campaign, the short-term and long-term effect this campaign had an effect on, should be compared to the impact of other marketing communication mediums. This will give the company a better idea of how effective this marketing communication channel is when communicating the values of the certain brand and its personality.

- Direct marketing

Direct marketing is a strategy that relies solely on written documents and marketing material. These documents and materials are then distributed to a selected number of recipients most likely to use the product or service. Smith and Taylor (2002:363) further distinguish direct marketing from other types of marketing strategies by explaining that direct marketing is a medium through which a company can bring the market directly into the home of the individual buyer. It is based on the convenience of this marketing communication strategy that direct marketing has also been called \textit{armchair} shopping. Based on the literature provided by specialists in the field of direct marketing, a set of questions were developed to understand the current state of a company’s direct marketing strategy better. The questions that will be used during the IC audit are presented in Table 4.11.
Table 4.11: Questions to determine the state of the company’s direct marketing efforts (Bird, 2007; Krafft et al., 2007; Mullin, 2002; Keilhacker, 2000)

<table>
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<th>Question</th>
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<tr>
<td>1. Did the use of direct marketing lead to some of the company’s most loyal customers?</td>
</tr>
<tr>
<td>2. Does the company invest in research such as focus groups to try to determine what the preferences of the target audience are?</td>
</tr>
<tr>
<td>3. Does the company invest in research to determine what the specific target audience expects from the company?</td>
</tr>
<tr>
<td>4. Are there certain measurement guides in place to measure the effectivity of direct-marketing messages?</td>
</tr>
<tr>
<td>5. Does the direct-marketing material address the individual in the messages?</td>
</tr>
<tr>
<td>6. Does the direct-marketing material describe how the brand, product or service will enhance the current lifestyle of the individual?</td>
</tr>
<tr>
<td>7. Are these direct-marketing messages sent out to customers no longer using the product or service?</td>
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</table>

One of the most prominent objectives of direct marketing is to acquire new customers and simultaneously attempt to build a long-term relationship with these individuals (Krafft et al., 2007:8). Unfortunately, to reach the most probable customers, an unwavering database will have to be in place. The first step in acquiring customers that could form part of this database is for companies to try to think in the same manner as the target audience. This will require a company to invest in research to try to understand what the target audience expects from the company (Mullin, 2002:4). While conducting research of the target audience’s preferences, it is also advised to measure the responses of certain messages before sending it out to the entire database (Bird, 2007:23). The results from these studies will contribute to creating a more polished message that addresses the needs of the target audience, with the assurance of these messages, creates the desired response.

The company can further grasp the attention of the target audience by addressing them as individuals (Bird, 2007:22). When a company reaches out to an individual, he/she might feel that the company sees them as important, with the result that he/she will be more open to the information in the letter.

In an attempt to link direct marketing to the rest of the IMC elements, direct marketing should also specify, identify and define the brand and its relevance to the customer’s
lifestyle (Mullin, 2002:11). Because direct marketing is a more personalised attempt to win the loyalty of the target audience, the company should exemplify how the brand can become part of the everyday lifestyle of the individual (Keilhacker, 2000:17). In an attempt to win back the loyalty of former customers, these messages containing the relevance of the brand to the lifestyles of the customers should also be sent to lost customers via direct marketing (Krafft et al., 2007:8). Not only will a personalised letter from the company make these lost customers feel of worth to the company, but it will also remind them of the benefits the company has to offer. By considering the suggested guidelines for direct marketing, companies will invest in creating a more personalised message that reaches the target audience with more impact.

- Public relations

A public relations (PR) practitioner has an indispensable role in managing the reputation of the company, whether supporting management through crisis communication or writing press releases (Rawjee, 2011:8). With a South African perspective in mind, the general accepted definition of PR as defined by the Public Relations Institute of South Africa (PRISA) reads as follows:

“Public relations are the management, through communication, of perceptions and strategic relationships between an company and its internal and external stakeholders.” (The Public Relations Institute of South Africa, 2014)

For a company to ensure the corporate identity is reflected clearly through all PR efforts, several literature on an effective PR strategy has been reviewed. After considering various perceptions of PR, the following questions were created regarding the PR strategy of a company. These questions, presented in Table 4.12, will be asked to the managers of a company during the IC audit.
Table 4.12: Questions to determine the state of the company’s public relations efforts. (Sollis & Breakenridge, 2009; Kawasaki, 2007; McClure, 2007; Harvard Business School Publishing Corporation, 2006)

1. Does the PR practitioner of the company attend any training or information sessions to understand the product or service of the company better?
2. Do the managers have meetings scheduled with the PR practitioner on a regular basis?
3. Whenever the press is invited to write an article about the company, does the company provide any written documents or material for the journalist to use?
4. Does the company place certain targets or measurements on PR to deliver immediate results?
5. Does the company generally use PR to promote a product or service or to manage the corporate reputation?

One of the most compelling reasons why PR is not executed as successfully as the other marketing communication channels is that the PR practitioner does not understand the product or service of the company (McClure, 2007). A company communicates its brand identity through the behaviour and communication of staff members.

Unfortunately, in some cases, the miscommunication is also caused by a lack of manager’s interest and presence in the publishing process (Solis & Breakenridge, 2009:10). Scheduling regular meetings with the PR practitioner will not only give both parties the assurance that the company’s publication efforts are controlled; it will also improve the relationship between these parties. This not only decreases any chances of miscommunication or unnecessary conflict, but also ensures that the corporate values and principles are communicated unambiguously through this medium.

For a company to have a successful PR communication channel, a healthy relationship should be maintained with the media and journalists (Harvard Business School Publishing Corporation, 2006). Therefore, companies should provide the journalists with a written document or information that will make it easier for them to write an article. Not only will a written summary of the important information ensure
that the correct information is published, but it will also lead to a better relationship with the journalists and even the publishing company.

When managers place too much pressure on PR practitioners to deliver immediate results, companies often reject the idea of having a proper PR structure in place (Sollis & Breakenridge, 2009:10). A contributing factor that leads to this rejection is that the company wants to use PR to advertise a product or service, rather than to maintain the reputation of the corporate identity (Kawasaki, 2007). Although the messages communicated through PR should include the corporate values and principles as in other forms of marketing communication, these values should be used to promote the brand reputation, rather than to sell products. Unfortunately, given the wide range that PR covers, the above-mentioned literature will not be able to provide the company with a proper status of their PR strategy. However, these questions will cover some of the basic principles that should be followed regarding the PR strategy of the company. Nonetheless, PR is also used to engage in community involvement; therefore, this marketing communication medium will be addressed further in Step 4 of the IC framework.

- **Sponsorships**

The result of a successful sponsorship campaign is that the audience creates a deeper emotional connotation with, or rational appreciation of the brand (Lepla & Parker, 1999:252). Meenaghan (2001:100) further explains how a successful sponsorship campaign should be structured by identifying four themes that should be covered in the campaign. This author opines that sponsorship consists of the effort a company invests in goodwill, the promotion of the brand, involving the audience and supporting the consumer's response to the sponsorship. By combining different literature to elaborate on these themes, the following questions presented in Table 4.13 will be asked during the audit to determine the strength of the company’s sponsorship efforts:
Table 4.13: Questions to determine the state of the sponsorship efforts (Cant & Van Heerden, 2010; Lakin & Scheubel, 2010; Koekmoer, 2004; Meenaghan, 2001:100)

1. Can the values of the company sponsored by your institution be linked to the description of your company’s brand identity?
2. Did the company experience any problems with staying within the boundaries of the budget when a sponsorship campaign was launched?
3. Does the company choose to sponsor once-off events or in the long term?
4. How does the company ensure that the corporate values are reflected in the sponsorship campaign?
5. Can the target audience of the current sponsorship campaign be identified?
6. Is the company devoted to promote the sponsorship campaign internally to motivate staff before it is communicated externally?
7. Are any preliminary steps taken to measure the effectiveness of a sponsorship campaign before it is launched to the target audience?

To promote the goodwill of the company, the sponsorship campaign should enable the audience to make a strong association to the company and the team, institution or event sponsored by the company (Meenaghan, 2001:100). To create this strong association, the company should only invest in sponsoring activities that fit into the brand identity of the company (Lakin & Scheubel, 2010:116). A company that wishes to serve as a sponsor should therefore accept full responsibility to remain loyal to the team or institution that is sponsored. Sponsorship is not a once-off activity to increase brand exposure, but should rather be seen as a long-term effort to build relationships and engage with the community (Cant & Van Heerden, 2010:349). Only through cooperation between the two parties can accomplishments be celebrated and can defeats or losses be survived without having a devastating effect on the reputation of both parties.

After deciding on the specific company that will best fit the description of the brand values and identity, companies should focus on how this image will be communicated in the campaign (Meenaghan, 2001:100). Koekmoer (2004:462) emphasises the importance of creating clear and concise sponsorship objectives that will be able to reach within the allocated budget. Another factor to keep in mind is that the sponsorship campaign should be a clear reflection of the sponsoring company’s brand values (Lakin & Scheubel, 2010). In order to communicate the values as effectively as
possible, the specific target audience of this sponsorship campaign should be identified and segmented (Meenaghan, 2001). This target audience also includes staff members, for these individuals should fully support the sponsorship campaign before it is communicated to external audiences (Koekemoer, 2004:462). Not only will the internal communication of the sponsorship campaign give managers an idea of the reaction of external parties when the campaign is launched, but the internal staff may contribute to the campaign by providing management with their perceptions based on their customer knowledge. However, more definite measurement instruments should be implemented to measure the reaction of the target audience regarding the campaign (Meenaghan, 2001). It is important for a company to have a proper measuring structure in place to determine the return on investment of the company in full (Cant & Van Heerden, 2010:349). These measurement guides will also assist the company to determine the success of each communication effort channelled through this medium, to ensure that future communication efforts have an impact on the audience.

4.4.3 Step 5: Message development and delivery

Although this step in Kitchen and Schultz’s (2000) model of IC was used to determine the brand relationships of the stakeholders, it will be interchanged with the step to determine how messages are developed and delivered. The reason for changing the steps of the IC model is to have a better presentation of the results. In Step 4 (section 4.4.2), the different internal communication and the marketing communication channels were analysed by means of internal insights. Therefore, Step 5 of the IC audit process should be based on the way in which the actual messages are created with impact within these channels. This step will further emphasise how a brand or company is only as strong as the emotions that it generates in the hearts and minds of the consumers and other stakeholders (Sartain & Schumann, 2006:12; Kitchen & Schultz, 2000). For this reason, different literature should be used to ensure that each brand message promotes the overall identity of the brand. To simplify the auditing process, this step will be divided into two sub-phases. In the first phase, the success of developing and delivering messages through the IMC communication mix channels will be determined. To set the measurements for this audit, Schultz’s (2000) 5R’s of
Chapter 4: Shaping auditing criteria for the IC audit framework

IMC, Koekemoer’s (2004) brand objectives and the brand values of the actual institution will be used. In the second phase of this step in the auditing process, the visual elements will be analysed to determine whether they contribute to the promotion of the brand awareness and identity. To determine the success of each marketing communication channel to deliver a unified brand personality, each channel will be analysed through the fundamental visual marketing elements as identified by Kotler and Pfoertsch (2011). These elements will then be analysed in terms of the designing features that were used to reflect the brand identity (Patterson & Saville, 2012). Finally, the overall impact of the visual elements used in the communication channel will be relayed back to the integration of marketing communication efforts by using Niemeier’s (2006) disciplines of IMC.

4.4.3.1 Step 5 – Phase 1: Analysing the presence of corporate values in corporate and marketing communication material

Schultz (2000:25) has identified key components that need to be visible in messages conveyed through the IMC mix. By considering these components in the IC framework, the auditor will be able to determine whether the brand messages contribute to the brand communication of a company or not. This consumer-based approach acknowledges the changes in the market place. It also takes the power of the consumer and the interactive nature of the marketing communication system into consideration and is therefore ideal to use for the conceptual IC audit framework.

Firstly, the marketing communication strategy should include an immediate response to any feedback from stakeholder groups (Schultz, 2000:25). It is important for management, marketers or communicators to realise that the way in which the company responds to a customer will have an influence on the trust he has in the company. Sometimes, especially in conflict situations, the company is forced to portray the role of the listener instead of the speaker. In these cases, the best feedback a company can give to these customers is to be curious to find the main source of their frustrations, rather than to find arguments to counter their frustrations (Hansburg & Silberman, 2004:21). According to Sharp (2003:5), when customers or consumers feel their voices are heard, they immediately have a positive attitude towards the company.
and brand. When the company realises the importance of communicating to the target audience in a way that accentuates their desires, the communication programme contributes to Schultz’s (2000:25) second component necessary in IMC, which is to create communication programmes that are of relevance to the target audience. The relevance of organisational communication is thus based on how the target audience can fit the specific message into their lifestyles and how applicable it is to individuals for whom the message is intended. Furthermore, when customers can attach meaning to the corporate messages, it will lead to these customers accessing the marketing communication themselves and they will not be interrupted by it (Schultz, 2000:25). If the communication is relevant to the intended audience, they will accept it more easily and they will be even more willing to become actively involved with the message by responding to marketing communication efforts. However, the challenge in the marketplace is to be available or accessible to give information when the customer or prospective customers ask for it, not just when the marketer wants to give them information; therefore, the communication programme should be receptive. It is thus much more efficient to provide information when the buyer wants to buy and not just when the seller wants to sell (Schultz, 2000:25-26). This directly links to the statement made by Meyerson (2010:7) that the long-term relationship between the client and the company can only be sustained when the company puts effort into engaging in two-way communication with its clients, rather than to fulfil its original purpose of just selling products. It is thus important for the company not only to give the necessary information about the products, but also to aim for a long-term relationship with its clients. The trustworthiness and knowledge of a brand are based on the familiarity of the brand in the marketplace and therefore the communication programme should contain messages that support brand recognition (Schultz, 2000). Consumers who know the brand from personal experience or from a recommendation of other people will easily make a choice regarding which brand to use. It is important for the company to realise that the marketplace is very competitive and that the brand itself can be the biggest asset of the company (Schultz, 2000:26). It is necessary to communicate the brand identity in each message that is sent out to ensure that the target group links the characteristics with the brand.
The last characteristic identified by Schultz (2000) is relationships. This characteristic reflects on the shared values between the buyers and the sellers. The company has to ensure that the relationship between their sellers and their customers is positive. The power is in the hands of the customer when it comes to the length, strength and depth of the relationship they have with the company (Schultz, 2000:26). The company can send out as many messages as they like, but it is in the hands of the customers when it comes to taking the messages to heart (Hartley, 2010:14). The nature of the message does not always have to lead to certain actions. A better relationship can be formed when information sent out is useful to the target group rather than making them feel obliged to take a certain action.

After identifying the essential components that contribute to the success of marketing communication messages, the objectives of each of these messages should be identified. In the light of this evaluation, Koekemoer (2004) has identified certain brand objectives that will be used to identify the objectives of the marketing material of the company during the audit.

According to Koekemoer (2004), the first objective of any brand message is to build primary demand. Meyerson (2010) focuses on the importance of adding a glimpse of what the brand stands for in each marketing communication message. Koekemoer (2004:34) posits that the message should cause the brand to become a primary demand amongst their target audience. The message should therefore not only offer a glimpse of what the brand stands for, but should communicate the core competency of the brand that makes the brand more desirable than that of the competitors. Baines and Fill (2014:363) elaborate on the fact that marketing communication messages should generate two-way communication by stating that it ensures sustainability of long-term relationships. Koekemoer (2004:35) adds to this statement that a brand message should attempt to reach a specific target audience. It is therefore essential to make the marketing communication messages interesting for the wide target audience and to focus on a specific target audience as well.

Effective brand messages communicated through the marketing communication channels can contribute to the overall positioning of the brand by providing relevant information (Shimp & Andrews, 2013: 549). With this objective set, companies attempt
to make the brand part of the lifestyle of the target audience. By providing the audience with relevant knowledge and information regarding the brand or products, it can persuade them to prefer the brand to those of competitors. Companies can also attempt to change the attitudes of the target audience towards the brand. To reach this objective, a company must aim to win the hearts of their target market by positioning the brand in such a way that the brand will be the first choice of their target market (Koekemoer, 2004:36). These customers will create a positive association with the brand and will be familiar with what the brand can offer them. If they have a positive attitude towards the brand, it can lead to customers or clients preferring the specific brand to any other brand (Koekemoer, 2004:36).

Marketing communication should be able to *facilitate the purchase and trial process*. The brand must communicate with the specific target market to ensure them that they have made the right choice by choosing this brand. Furthermore, the brand should also identify obstacles that affect the target audience’s choices to create an effective marketing communication message that will overcome these challenges (Koekemoer, 2004:36).

In conclusion, all the above-mentioned objectives lead to marketing communication efforts that create loyal customers. It is important for the company not only to gain customers, but also to keep them loyal to the brand as well (Koekemoer, 2004:36). Companies should protect the investment they have made with the marketing communication efforts to gain customer’s interest, by using these communication channels to retain these customers as well (Whitcroft, 2009:81). When companies accept the challenge of making these brand objectives visible through all marketing communication efforts, unified messages that reflect the corporate values will serve as the reward.

After the IMC components and the brand objectives have been identified, it is necessary to identify which of the corporate values are communicated by the specific messages. In order to identify these values, the actual values from the company’s mission statement will serve as measurement guideline. Each specific message of the different marketing communication channels will be analysed to determine which of these values are communicated. After all the messages have been analysed, a
4.4.3.2 Step 5 – Phase 2: Analysing the graphic elements used in corporate and marketing communication material

The aim of including the graphic elements used in the marketing communication material is to create an extensive audit of the marketing communication initiatives. The results gathered from this analysis will assist the auditor to identify gaps in the fundamentals of the company’s current marketing communication efforts. In the light of the results, the auditor will then be able to provide guidelines to move towards a more integrated approach.

To create the framework for the graphic element analysis, several literature overviews will be combined. This literature structure will then serve as basis to analyse the existing marketing communication material. To execute this audit, the main graphic features that are vital for brand communication as identified by Kotler and Pfoertsch (2011) will be discussed. This will be followed by the graphic elements that create a certain style as suggested by Patterson and Saville (2012). Finally, to link the graphic element audit back to IMC, these elements will be measured against disciplines of an integrated communication approach as suggested by Niemeier, 2006. After reviewing each marketing communication channel’s communication efforts separately, a conclusion can be drawn from the results to indicate how effectively the graphic elements contribute to the overall identity of the brand.

The most important factor to consider when using graphic elements in marketing communication, is that the visual stimuli used in the message set the tone and scene for the entire advertisement (for example) (Serafini, 2014:145). In an era where marketing communication overflows all communication channels, companies cannot afford to lose the interest of the audience. Therefore, certain criteria should be set, with which the graphic elements of all organisational communication efforts should
comply. Kotler and Pfoertsch (2011:92) identify the logo, tagline and the brand story as the three fundamental elements that should be complementary as they are the most susceptible to marketplace and lifestyle changes. Therefore, by ensuring that these three visual stimuli are present and unified in all marketing communication material, the company can already benefit from communicating the brand identity in the clearest way possible.

When it comes to the name and logo, simplicity and uniformity are key to creating a memorable brand presence (Kotler & Pfoertsch, 2011:92; Gater, 2010:177). A logo can be defined as the most important element of visual identity in corporate branding (Kayode, 2011:64). This definition is supported by research done by Wedel and Pieters (2008;74) that indicate that the advertising material with a prominent placement of a logo or brand name draws more attention and causes the customers to spend more time reading the text of the actual advertisement. Thus, when it comes to logo or brand-name visibility in advertisements and other marketing communication material, it is essential for a company to be consistent in the placement of these visual elements in the messages. This will not only contribute to a more unified style in all marketing communication initiatives, but also draw the attention of the intended audiences.

A tagline of the company should capture the essence of what the brand stands for. A more formal definition of a tagline’s purpose states that it is the short phrase used to summarise and support the image, identity or position of the company (O’Guinn, Allen, Semenik & Close Scheinbaum, 2012:387; Kotler & Pfoertsch, 2011). However, when it comes to using taglines in marketing communication, companies often make the mistake of overpromising on their taglines. This mistake often occurs when the attitudes and actions of the staff members or even the performance of the product contradicts the statement made by the tagline (Osterman, 2007:142). Therefore, when using a tagline to support the brand identity, it is vital that internal staff members accept this tagline before aiming to communicate it to the external stakeholders. Furthermore, when using a tagline to support the brand identity, the company should ensure that the tagline is visible in all marketing communication material, as it contributes to the overall brand experience.
The final element that contributes to visual branding is the *brand story* (Kotler & Pfoertsch, 2011:92). Tai (2009:84) suggests that, to create a story of a brand that is memorable the story should be simple, yet different and should be meaningful. The worst mistake that a company can make is to copy the brand story of an existing company in the market. By using the worn-out story of another brand, consumers and other target audiences will easily assume that the brand has little new or different to offer, without even attempting to experience the product or service (O'Guinn *et al.*, 2012:380). Furthermore, when the brand story does not reflect in the corporate culture and the everyday activities of the company, it will not be communicated effectively to the external audiences. Kotler and Pfoertsch (2011:103) opine that it is the legends created by the brand story that ignite the passion of the corporate culture in such a way that it becomes visible to external audiences. Therefore, before companies spend money on making sure that the external stakeholders become aware of the brand story, the company first has to ensure that all members of the internal stakeholders appreciate the story. Nevertheless, to communicate a clear image of the brand identity, the brand story should be visible in advertising material.

After establishing the important visual elements that need to be present in all marketing communication material, the graphic elements that contribute to the style of the brand should be identified. Patterson and Saville (2012) identify colour, typography, imagery and the theme and purpose of the advertisement as some of the important elements to consider regarding the style of the marketing material. Each of these elements will now be discussed to emphasise the role that each of these elements have in creating a unified brand identity.

*Colour* is used in branding to stimulate an emotional reaction from the target audience. In a study done by Kaya and Epps (2004:34) on college students, their emotional reaction to colour was tested. The results indicated that no definite emotional reaction could be linked to colour amongst the students, but that there were several positive and negative associations based on their experience and preferences. The results showed that most of these students associated the colour green with happiness, growth and relaxation. Red was associated with passion and love, as well as with malice. In another study done by Barker, Boorady and Ashdown (2013:112), results
showed that there were specific and constant emotions that could be seen in people from specific age groups. Although the research from the two studies delivered contradicting results, King (2011) concludes that an individual’s preference in colour is affected by age and personal experience. He is of the opinion that, to use colour as effectively as possible, the norm of colour preferences in the target market should be accepted by the brand. More importantly, when the company has already decided on the colour of the brand, it is imperative that the colours used in the logo and advertising material are consistent in every marketing communication message (Dunn, 2004:9). Because colour has such a great impact on the emotional reaction that the audience has when exposed to a brand, a company should ensure that the same colours are used in all advertising material. Not only will this contribute to a unified brand that communicates a strong set of emotional appeals, but it will also avoid confusion amongst the target audience.

When it comes to using typography, Lewis (2007:83) summarises the key to effective typography in advertising with the basic rule of *functionality is beauty*. Typography has been developed for centuries and has led to an unimaginable number of different fonts and writing styles. Although font can also be used to attract the attention of the audience, it loses all impact if it is unreadable (Bosler, 2012:65). Therefore, when a company has decided on a font that will be used to communicate all marketing communication efforts, it is imperative to test the readability and the style of the font. When the font contributes to the overall identity of the brand, it should be used in all the communication messages of the company from internal emails to external marketing material.

Using *imagery* in advertising material is an effective way to attract the attention of the target audience (Patterson & Saville, 2012:316). Unfortunately, despite some companies’ attempts to overcompensate for the lack of efficiency from their products, using too many or too complicated imagery in advertising may cause the audience to lose interest (Shimp, 2010:217). Using images creatively in advertising material is not about making the advertisement unique, but rather to give meaning to the brand. According to O’Guinn et al. (2012:220) the separation of the different domains of the advertising departments in a company is the main contributor to advertising material.
that lacks a unified message. According to these authors, in order to create a more integrated message, the copywriters, graphic designers and all the other contributors such as photographers should plan each marketing communication initiative together. Not only will this contribute to a clear message that is communicated through each initiative, but will also ensure that the marketing communication material includes the corporate values and principles of the company (O’Guinn et al., 2012:220). Thus, when using a creative team to decide on the imagery that will be used in marketing communication material, it is vital to ensure that these individuals are in coalition with the rest of the designing teams. Furthermore, the success of using imagery effectively in advertising material is to use these images with the purpose of contributing to the brand identity, rather than to draw attention of the target audience. To reach this goal, it is the responsibility of the design team to ensure that all the imagery has the same style and communicate the same values in all material.

By considering all the above-mentioned graphic elements when creating marketing communication material, companies can benefit from creating unified messages of a specific theme and purpose that contribute to the promotion of the brand identity (Patterson & Saville, 2012:254). The success of creating a theme for a brand’s marketing communication material is to create the campaign in such a way that it can be transferred successfully through all the marketing communication channels (Thorson & Duffy, 2012:154). However, the most successful campaign may cause an outburst of interest and attention, it all goes to waste if the audience cannot link these elaborate marketing communication messages back to the brand and its personality. In the IC audit, the theme and purpose of the marketing communication material will be evaluated against the corporate values and principles of the institution to determine whether these marketing communication messages contribute to the overall brand identity or not. To analyse the marketing communication material further, each marketing communication channel’s material will be evaluated against Niemeier’s (2006) disciplines of IMC to determine whether these channels meet the requirements needed for a successful IMC approach.

The first discipline that will be made use of when auditing the graphic elements is to determine whether the specific advertising campaigns have been validated through
extensive research regarding the target audience's preferences (Niemeier, 2006:31). Mayhew (2002:215) supports the idea of pre-testing the theme of a campaign when he states that it is the overall experience that influences the choices of the audience; not just the message. Pre-testing a campaign not only gives the company an indication of the impact of the specific message, but will also make it possible for companies to develop future marketing strategies with more impact (Bootwala, Mali & Lawrence, 2007). The impact of a campaign’s pre-test initiative is summarised as the freedom of a company to use the most cost-effective and time-efficient method to refine a marketing communication message that has the biggest impact on the target audience (Trehan & Trehan, 2009:205). In order to determine whether companies use the data of pre-test campaigns effectively, material from all marketing communications channels will be evaluated against the data found in the pre-test campaigns. In cases where a pre-test campaign has not been implemented before publishing, the auditor should meet with management to discuss the critical issue. In this discussion, the auditor should enquire about the way in which research is done regarding the target audience. Although the suggested framework will not provide an in-depth discussion of how pre-test campaigns should be implemented, this issue should be addressed in the conclusion the auditor makes when summarising the results from the audit. The reason for evaluating the marketing material in terms of the pre-testing of the campaign is rather to determine whether companies actually use the data from the research and even to determine if they do implement a pre-testing initiative beforehand.

After establishing whether companies use pre-testing research when creating marketing communication material, the actual material can be evaluated. To evaluate the material in general, the company’s effort to differentiate the brand from competitors will first have to be determined in each advertisement. Aaker and Joachimsthaler (2000) further stretch the importance of highlighting the unique qualities of the brand by stating that it enables the company to resonate with customers and other external stakeholder groups. Unfortunately, some companies still aim to sustain the external stakeholder’s interest by presenting a brand with unique qualities, yet yield to the challenge to keep communicating these same unique qualities in a sustainable way (Gerzema & Lebar, 2008). IC is based on the company’s effort to reflect the corporate
values and principles in all internal and external communication endeavours to promote a unique brand with a distinct brand personality. Therefore, when the visual elements used in marketing communication material are chosen to further distinguish the unique qualities of the brand, the marketing communication material will not only increase awareness amongst external stakeholders, but will also contribute to the overall identity of the brand. In the IC audit, each marketing communication component will be evaluated against the corporate values, to determine whether these graphic elements contribute to the overall brand identity or not.

Although it is integral to create a brand with a distinct personality, companies should strive for innovative ideas to set the trend in the marketplace. Rather than just allowing competitors to take the position of the trendsetters in the market, companies should invest in improving existing products or services (Kumar & Meenakshi, 2008:237; Niemeier, 2006:73). With a broader perspective on innovation, Atwal and Bryson (2014:207) suggest that innovation cannot take place without adopting the change to the existing values and principles of the company as well as the existing norms in the market. Thus, for a company to ensure that the investments made for innovation in the marketplace are successful, it cannot be executed without considering the existing internal values and external market trends. This will ensure that all changes in the company contribute to the overall brand identity. In the case of analysing the graphic elements that are used in the marketing communication material, all the new or different themes or styles that are used will be evaluated against the existing corporate values and principles.

After evaluating the usage and impact of graphic elements in terms of its validation through pre-testing campaigns, the material will be evaluated concerning its ability to communicate the distinct corporate values visible in all the marketing communication messages. The final discipline that will assist the evaluation of the company’s usage of graphic elements is to determine how new styles are integrated to fit the existing corporate image and identity. Although this analysis only covers the basic principles of using graphic elements in marketing communication, the data gathered from this evaluation will contribute to the overall IC audit. IC covers every aspect of communication and therefore it is vital to include the graphic elements in the analysis.
The combination of the data gathered in terms of the actual communication messages and the graphic elements used in the marketing communication material will provide more insight on how relationships are created with external stakeholders. In Step 6 of the suggested IC framework, the different relationships that the company has with external stakeholder groups will be evaluated. In this step, the social and environmental areas in corporate governance will be covered.

4.4.4 Step 6: Examine brand relationships through CSR

It is only after having a clear understanding of the internal and the external communication mediums and strategies that the influence of the brand on stakeholders can be evaluated. Therefore, Step 5 of the IC audit framework will empower the auditor to explore how the brand can affect the different stakeholder groups.

It is vital for companies not only to communicate the corporate values with a proper communication network, but also by proving the worth of the company by action (Dienel, 2006). Thus, in this step of Kitchen and Schultz’s (2000) 8-step model of IC, issues such as corporate governance and stakeholder engagement is highlighted. These issues contribute to the overall image of the company and it is vital for a company to engage in fully in CSR activities. The positive reaction of internal and external corporate environments to CSR will not only enlighten corporate objectives of the company, but also enable the company to assess each stakeholder group’s interest in the company (Zhao, 2014:192). Within this step, Mostovicz, Kakabadse and Kakabadse’s (2009:449) views of CSR will first be used to analyse the overall position of the company in terms of CSR. By means of interviews with management and the appropriate documentation, an in-depth analysis of the CSR initiatives of the company can be executed. This analysis will be based on an adaption from the International Finance Corporation’s (IFC) (2013) summary of the Global Reporting Initiative (GRI) guidelines for improving CSR. Although this matrix does not include all the aspects covered by the GRI, it does provide an extensive view on CSR that will provide companies with criteria at international level, to engage fully in CSR. However, to provide an analysis that delivers even results that are even more refined, Hohnen’s
(2007) objectives for CSR will be used to identify the objective of each area covered by the IRC’s matrix for CSR.

4.4.4.1 Step 6 – Phase 1: Determine the CSR view of the company

The suggested model of Mostovicz et al. (2009) explains the four types of views a company can have regarding CSR. This model will be useful in the framework, for it will provide four diverse views on CSR and the effect it has on companies. This model will be used to identify the motives companies have to engage in CSR. Figure 4.3 exemplifies how Mostovicz et al. (2009:450) use the model to differentiate between the four diverse views on CSR.

![Figure 4.3: The different views of CSR (Mostovicz et al. 2009)](image)
The micro-view of this model represents the companies that are driven by the pressure of the economic stakeholders (Mostovicz et al., 2009:449). In a company with a micro-view of CSR, the regulations and protocols of the company are set in such a way that the company only does what is necessary to protect its “license to operate” (Clarke & Branson, 2012:29). However, these companies may meet the necessary environmental and legal requirements to keep its place in the market, but the competing brands and companies also meet those requirements (Banerjee, 2007:16; Matten, 2006:23). These companies have found a way to sell the traditional economic-driven corporate strategy as an intrinsic CSR strategy, making very little resources available to meet the society’s needs other than to deliver a product or service (Mostovicz et al., 2009). For companies with a micro-view, corporate social responsibility is only seen as necessary protocol. These companies have taken the liberty to have a glimpse of the society’s needs, but not without having one eye remaining on escalating profit margins.

The macro-view of CSR is seen as an extension of the micro-view, as companies with a macro-view on CSR realises the importance of corporate governance and community involvement. However, for these companies, CSR is interwoven in the corporate strategy of the company and it should therefore not deserve singular attention (Mostovicz et al., 2009). Regardless of expanding the licence to operate by legitimising the social environment, the focus of this view is to improve the social role of the company in society (Mostovicz et al., 2009:450). Because CSR is seen as part of the corporate strategy, it does not receive enough attention, as opposed to increasing profits and therefore the development on CSR for maximum impact is sacrificed. Rendtorff (2009:178) describes companies with an intrinsic approach to CSR as striving for corporate social performance instead of corporate social responsibility. These companies do identify certain norms, values and rules that need to be in place to address stakeholder issues, but the motive for having these principles in place is only to improve the wider social role of the company. To improve this role the company has in society, the company looks for inspiration in the CSR endeavours of influential companies or individuals that contribute to society (Mostovicz & Kakabadse, 2011). A macro-view on CSR might promote the social role of the company in society, but even the most striking CSR performances can lose its
influence when society receives the same promises from several other institutions. CSR cannot be seen as part of the corporate strategy to improve the image of the company in society, because CSR cannot be dealt with in the same manner as marketing communication or other communication activities. CSR should be seen as an act of portraying a company’s gratitude and pride of being part of the community. A community will never fully accept a company that uses the CSR acts of another institution to deliver the message or by using CSR as a platform to gain popularity.

The wide view of CSR can be seen as a combination of the micro- and macro-view. In the micro-view of CSR, the companies only engaged in CSR to meet legal requirements to keep its licence to operate. In order to address the issue of CSR, these companies have developed an intrinsic view of giving back to the community. Consequently, the company only makes enough resources available to the community so that the company looks good on paper. In the macro-view, the CSR activities of the companies have expanded in such a way that the social standards of the company in society have also been addressed. Therefore, in the macro-view, the licence to operate is accompanied by the companies’ urge to fit in with the expectations of the society. However, in the micro- and macro-view, CSR remains an intrinsic view on the issue. The focus remains on increasing profits. In the wide view, CSR takes a more eccentric view. Companies with a wide view on CSR primarily focus on economic growth, but use an explicit view of CSR to react to the pressure set by governmental and non-governmental partners (Mostovicz et al., 2009:451). These companies have a stockholder view on CSR. The effort of the company to engage in CSR is not to give back to the community, but to satisfy the interests of stockholders and other financial resources by giving back to the community (DuBrin, 2012:92). Thus, in the wide view, the aim of CSR is to build the reputation of the company in the eyes of the social environment, but also in the minds of the financial investors. Disclosure from these CSR activities might be seen as the new currency for a good reputation, but without proper structuring of CSR, a sustainable good reputation cannot be ensured (Isenmann & Kim, 2006:534).

In the IC audit, the auditor should consider the four views on CSR when gathering information of the company’s CSR efforts. This will enable the auditor to have literature
that supports any observations that is made about the way in which a company engages in CSR. A summary on the company’s view on CSR should be given in the report to explain to management what the implications of their view on CSR have led to in the past. After a view on CSR has been chosen by the auditor, the actual CSR initiatives will be audited to substantiate the choice of CSR view.

4.4.4.2 Step 6-Phase 2: Analysing the strength of the company’s CSR activities

The Global Reporting Initiative (GRI) is an institution that develops and disseminates sustainable reporting guidelines that is on a global standard. These guidelines facilitate companies to provide full reports on the social, environmental and economic (triple bottom line) areas that the company engages in (Meintjies, 2012). Because these guidelines cover an intensive study of a wide field, the adapted matrix from the IFC will be sufficient for the purpose of this study. In Table 4.14, important areas adapted from the IFC’s matrix will be stipulated. This will be followed by a description of how each of the criteria will be used during the audit, to provide more perspective on the application during the IC audit.
Table 4.14: Global Reporting Initiative matrix on CSR (Adapted from IFC, 2013)

<table>
<thead>
<tr>
<th>GRI Matrix</th>
<th>Description</th>
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<tbody>
<tr>
<td>The overall governance structure of the company and the role of the</td>
<td>It is important to establish the parties that are responsible for the company’s activities and tasks to engage in CSR. When the corporate structure for CSR has been identified, the auditor can get a better understanding of: who the Chairperson of the CSR initiatives and the key personnel are and in which way they are involved with the company. The auditor should also establish the frequency of scheduled meetings and how decisions are made regarding CSR initiatives.</td>
</tr>
<tr>
<td>committee member’s in the company</td>
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<tr>
<td>The composition of board members in terms of qualifications, demographic</td>
<td>The CSR board serve as ambassadors for the company and should therefore include members from different backgrounds. The auditor should make a summary of the CSR committee members in terms of their qualifications, race and demographic factors. This will ensure that decisions are based on different views and are not overruled by individuals from similar backgrounds.</td>
</tr>
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<td>factors and race</td>
<td></td>
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<tr>
<td>In cases where the company has a unitary board structure, the number of</td>
<td>The authority of internal stakeholders that form part of the company’s CSR governance committee is shaped by the corporate culture and the daily organisational communication activities. However, there are some cases where external stakeholders form part of the CSR committee and they often have a different perspective on CSR than the internal stakeholders. Although their insight may provide helpful support to the company’s CSR initiatives, it remains vital to have the voice of the internal stakeholders present in the decision-making process. Therefore, it is vital to determine which of the CSR committee members are external influences and what their relation to the company are.</td>
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<tr>
<td>independent and/or non-executive members should be stated.</td>
<td></td>
</tr>
<tr>
<td>Communication between employees and CSR committee</td>
<td>Internal communication determines the strength of how the corporate values are communicated to the external environment. It is thus important to have a structure in place where staff members have the opportunity to give recommendation to the CSR committee on how CSR can be improved in the company. These staff members communicate with external stakeholders on a daily basis and therefore they should be given the opportunity to provide the CSR committee with their insights in an environment where they can feel confident to share ideas. These staff members also deserve a proper structure where the changes or ideas on CSR are communicated to these individuals on a frequent basis. This will ensure that the implementation of CSR initiatives remains unified within all departments of the company.</td>
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### GRI Matrix

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<tr>
<th><strong>GRI Matrix</strong></th>
<th><strong>Description</strong></th>
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<tbody>
<tr>
<td><strong>Stakeholder Engagement</strong></td>
<td>In Step 2 of the conceptual IC audit, the different stakeholder groups have already been identified. However, when conducting the audit, it is the responsibility of the auditor to use the information gathered in Step 2 to write an overall conclusion with regard to the different stakeholders, but from a CSR perspective. In this discussion, the company’s relationship with the different stakeholder groups and how partnerships with these groups are formed to engage in CSR, should be mentioned.</td>
</tr>
<tr>
<td><strong>Approaches to stakeholder engagement, in terms of engagement frequency</strong></td>
<td>After the different stakeholder groups have been identified, the auditor should determine the frequency of engagement between the two parties. In this discussion, it is vital to identify whether the company has a structured approach to CSR activities and whether these activities take place on a regular basis or not. It is also important to include the results from the company’s view on CSR (Mostovicz et al., 2009).</td>
</tr>
<tr>
<td><strong>Key topics and concerns that have been raised through stakeholder engagement, and how the company has responded to those the concerns</strong></td>
<td>During the audit of the stakeholder engagement in CSR activities, it is vital to determine whether there were some concerns raised during CSR activities with regard to sustainability of the community. The auditor should also have a better understanding of how these issues were addressed and whether the intervention of the company delivered any improvement or viable results over the long term.</td>
</tr>
<tr>
<td><strong>Environment and Indirect Economic Impacts</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Policy, practices, and proportion of the company with regard to spending on locally based suppliers at significant locations of operation</strong></td>
<td>For a company to become part of the community, it must invest in the community. Thus, the auditor must identify the company’s policy when it comes to using local resources from employment through to the actual products or services they sell.</td>
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<tr>
<td><strong>Percentage of materials used that are recycled input materials.</strong></td>
<td>Recycling is a cheap and easy way to contribute to the sustainability of resources, while also improving the company’s CSR status. Therefore, it is vital for a company to have some form of recycling structure in place. The auditor should inform the company about the importance of making recycling part of the corporate strategy and should determine the current position of the company towards recycling efforts.</td>
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## Environment and Indirect Economic Impacts

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<tr>
<th><strong>Initiatives to provide energy-efficient or renewable energy based products. This includes reductions in energy requirements and natural resources</strong></th>
<th>Companies should realise that they are responsible for the motivation of their staff and the community when it comes to recycling and using energy resources sparingly. The best motivator for these stakeholder groups is the way in which the company leads the change. Therefore, companies should emphasise their pride of their efforts to save the natural and power resources. These initiatives should become part of the marketing communication messages as well, for it will not only distinct the company from its competitors, but will also serve as further motivation for the community.</th>
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## Health and Safety of Staff Members

| **Health and safety committees that help monitor and advise on occupational health and safety programmes** | Companies are responsible to provide their staff members with a safe working environment. This often means that companies have to outsource the health and safety programmes to professionals. For a company to meet the criteria of a safe working environment, it has to provide the auditor with insight on how these programmes are implemented, as well as the record of injuries that occurred in the past. |
| **Education, training, counselling, prevention, and risk-control programmes for staff members** | The boundaries of staff training and development exceed the programmes that improve their performance to deliver profitable results. The company should provide a structure where the individual staff members can improve their emotional wellbeing as well. This includes counselling and other forms of support where the individual can feel free to discuss matters that not only influence their ability to perform in the workplace, but also has negative effects on their emotional state. |
| **Health and safety topics discussed to assist workforce members, their families, or community members to be informed about serious diseases** | The company should also provide information sessions or opportunities for staff members and members of the community to receive information on serious diseases that can affect the community. By providing the different internal and external stakeholders with this information, the company can prove their involvement with the concerns of the community, while providing pro-active strategies to avoid epidemics that will influence the whole community. |
| **Average hours of training per year per employee by gender, and by employee category** | Training and development of staff members to improve their performance in the workplace delivers symbiotic results to the company and the individual. Training sessions serve as motivation for staff members to develop their skills to reach personal goals while enhancing the profitability of the company. The training and development also affects potential staff members, as they will more likely to apply for a position in a company where they can grow. |

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<table>
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<tr>
<th>Social Performance: Human Rights and Society</th>
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<td><strong>Operations and significant suppliers identified as having significant risk for incidents of child labour or other forms of discrimination</strong></td>
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<tr>
<td>Companies are associated by the suppliers it makes use of. A company can invest millions in building a sustainable CSR status in the community, but it all goes to waste if the suppliers that the company use are in contrast with the CSR efforts. Therefore, the auditor should determine who the main suppliers are and how they engage in CSR.</td>
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<tr>
<td><strong>Actions taken in response to incidents of corruption</strong></td>
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<tr>
<td>Corruption is an offense that a company’s reputation often succumbs to. The auditor should investigate the company’s history of incidents where corruption has taken place. If the company has had such an incident, the way in which the situation was handled should be mentioned. This will provide insight on how future situation will be dealt with.</td>
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<tr>
<td><strong>Practices related to customer satisfaction, including results of surveys measuring customer satisfaction</strong></td>
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<tr>
<td>It is important to determine how the company uses research to determine customer satisfaction. Companies are no longer in the position to sell products without the input of customers or the community, and therefore these companies should provide a platform for these stakeholders to give their opinion. The frequency of these research projects should also be taken in consideration when the conclusion is drawn, for the company cannot assume that the results will remain the same in an ever-changing market.</td>
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To conduct the actual audit, corporate documents and statements as well as interviews with management will be used to collect the data. The audit will be conducted in table form, summarising the findings of each criteria to provide data that are well presented and easy to read. However, the audit table on CSR will also include Hohnen’s (2007) identified objectives of CSR. This will enable companies to see how all their CSR initiatives contribute to an overall CSR presence. In the following section these objectives of CSR will be discussed separately, but will be added to Table 4.14 in the actual audit.

CSR enables companies to become part of the community and to improve relationships with different stakeholder groups by providing more than just products or services. Within the boundaries of CSR, the company should take on the responsibility to improve the social and environmental areas (Hohnen, 2007:30). The company should respect the people and the environment when it comes to the conduct of corporate activities. This includes a company’s strategy to ensure that future generations of the community may have the privilege to sustainable development and the use of resources (Esposito, 2009:18). Therefore, when a company commits to CSR, the problems of the community become the problems of the institution. The necessity of a proper CSR strategy has never been so important, as the community relies on companies to speak on behalf of them and to invest in philanthropic activities to address issues that disrupt growth in the community (Benn & Dunphy, 2007:11). This leads to Hohnen’s (2007:30) second objective of CSR which is to improve human resource management in the community. Staff members form part of the community and it is the obligation of the company to ensure that these staff members and their families receive support in life management such as retirement planning as well as creating a safe working environment for the individuals (Bakuwa & Mamman, 2013:61). Furthermore, staff members should be able to receive frequent training and development sessions where personal growth as well as performance in the workplace can be enhanced (Loikkanen & Hyytinan, 2011:157). This will not only ensure that staff members perform better in daily tasks, but will also result in a staff member feeling motivated and knowing his/her worth in the company.

A company’s ability to promote diversity in human rights can be linked to the way in which a company reimburse its staff members for their work (Hohnen, 2007:31).
Cohen (2010:142) elaborates on a company’s CSR efforts to improve human rights in the workplace by stating that recruitment of new employees should be done in an ethical, non-discriminatory way that includes a wide range of individuals from different backgrounds. A company can easily be seen as an institution that discriminates against people from certain ethnic groups or demographic factors when the staff does not include a diversity of staff members. Including individuals from different backgrounds will ensure an enriched pool of knowledge and different perspectives that will refine daily tasks. However, to prevent conflict from people from such diverse backgrounds, the company should invest in increasing employee-company identification by promoting teamwork (Zientara, 2014:114). Teamwork will also result in a group of individuals with a high morale that will more easily get involved in community-based projects (Ellis, 2004:274). This effort is supported by Hohnen’s (2007:31) final objective of CSR, which is that companies should use CSR to become involved with the community through investment. By only using local suppliers or by allowing students from tertiary institutions to gain experience from the company, the company will be able to invest in the community within which it operates (Hohnen, 2007:31). Companies that invest in their community prove that the institution believes in the potential of the community and that it is willing to invest in its success (Idowu & Filho, 2009:266). Griffin (2008:61) states that companies that are willing to invest in the community are more easily forgiven and accepted for their faults than companies without any involvement. Thus, for a company to be accepted as part of the community, the institution should prove its worth by investing in the potential of the community’s growth. Only by sacrificing time and other resources in the development of the community that a company will be accepted as in institution that fully engages in CSR.

During Steps 1 and 2 of the IC audit, the auditor should examine the overall brand personality of the company. These steps will enable the auditor to identify possible areas through which the company can improve their social area of the triple bottom line. In Steps 3 to 5 of the audit, the focus moves to the environmental area of the company. In these steps, it is vital for the auditor to investigate the communication strategy of the company to ensure that the CSR initiatives of the company are clearly communicated to all stakeholder groups. It is only after having an effective communication platform in place that the focus can move towards the actual CSR
initiatives. During these steps of the audit, it is necessary to determine whether the company’s ideals of CSR correspond with the corporate values of the institution.

However, the way in which the communication efforts contribute to the overall profitability of the company should also be included in the audit, as it contributes to the financial area of the company’s triple bottom line. However, for a company to contribute to this area of the triple bottom line, proper cross-functional communication is required. Therefore, in Steps 6 to 8 of the IC audit, the strategic communication management domain of IC will be investigated to determine if the company makes use of cross functional planning between departments when financial investment and budget allocations need to be made. The following section will provide the actual steps that will be taken during the audit of the strategic communication management domain of the company.
4.5 STRATEGIC COMMUNICATION MANAGEMENT

The aim of improving the company’s financial area through IC is to ensure that the appropriate communication channels and strategies are used to ensure funding from external parties, acceptance of changes in ROI from internal stakeholders and to increase the overall profitability of the institution (Bowden, Lane & Martin 2001:116). Therefore, by using the data collected through Steps 7-9 of the conceptual IC audit, the auditor will be able to inspect how IC can be used to facilitate the process of calculating, communicating, measuring and maintaining a positive ROI within the company. In Step 7 of the audit (section 4.5.1), the calculation of ROI will be facilitated by using the data gathered though previous steps of the audit. By using the triple bottom line measurement model of Yungwood and Jungen (2013) and the ROI Institute’s level of ROI evaluation, the auditor will be able to provide the company with information on IC that can be used to contribute to a successful and profitable calculation of ROI. By providing management and the financial department of the company with clear results on how IC has affected ROI, the audit may possibly ease the process of making decisions regarding ROI.

When changes of the company’s ROI decisions need to be communicated, IC can be used to ensure that all stakeholder groups directly affected by ROI understand the reason for change. In Step 8 (section 4.5.2) of the IC audit, the auditor will be able to provide management with guidance when these changes need to be communicated. This will be done by using two phases within the step. In Phase 1 of Step 8, the process of allocating a zero-based budget approach to ROI will be facilitated. After a zero-based budget approach to the ROI of the company has been ensured, the auditor needs to provide management with guidance as to how the changes in ROI need to be communicated to stakeholder groups. This process will be conducted by providing management with a set of questions that will guide the communication process.

Finally, in Step 9 (section 4.5.3) of the IC audit, the auditor needs to make management aware of how IC can be used to ensure that placement of proper measurement structures to enhance future ROI calculations. This step will also consist of two phases. In the first phase of Step 9, the focus will be on identifying the areas of measurement of ROI. For this purpose, Kaplan and Norton’s (1996) balanced scorecard will be used. In the second phase of the step, the auditor will use Ang’s
support panel of IC in ROI to assure management that by using IC, the calculation of future ROI can be supported with a proper measurement structure. In order to collect the data necessary to conduct these steps in the audit, the auditor will investigate the strategic and the managerial communication areas of the company’s IC strategy, as these steps have a focus on how management can ensure that the company’s financial area is promoted through IC. Each of the contributing steps to the financial area of the company’s triple bottom line status will now be discussed separately.

4.5.1 Step 7: Facilitate the calculation of ROI

Step 7 of the IC model of Kitchen and Schultz (2000) will be changed to keep the focus on IC and CSR. Although Kitchen and Schultz (2000) suggest that the overall Return on Investment (ROI) needs to be estimated, Step 7 will rather be used to measure all communication functions against the company’s returns, by using the findings from the previous stages. The aim of this different approach is to avoid possible conflict between the marketing and the financial departments of the company. Vashisht (2005:379) supports the idea of using both departments when calculating the ROI, by suggesting that it is only through the eyes of both the parties that the complete picture of the company’s communication efforts and position can be determined. Companies often have a financial department that conducts a financial analysis on a regular basis and seldom use the marketing department’s research (Daft, 2008). The suggested IC framework is compiled from an overall organisational communications perspective; therefore, the insight gathered from the audit should rather be given to the financial department to assist them in the financial planning of the institution. The results from Step 7 can be used by the financial department to determine whether the ROI corresponds with the value of each communication function. However, to cover all the areas of the triple bottom line, an indication of how the marketing communication functions contribute to the profitability of the company should be stipulated. By using a suggested model by Yungwood and Jungen (2013), the results gathered from Step 1 to 6 will be used to provide insight into how the different communication functions contribute to the profitability of the company. The results gathered from the model will be analysed further by using the five levels of evaluation as identified by the ROI Institute (2009). These levels are considered as the methodology to successful ROI
implementation. The following sub-sections will discuss the ROI model and the levels of evaluation separately. However, during the audit, the literature will be combined to provide a clear synopsis of the findings.

Yungwood and Jungen (2013:585) suggest that, for a company to be able to determine the ROI of the company, it is vital to examine the organisational communication functions from a holistic approach by combining the findings from the different functions. Therefore, the model they have suggested to determine the value of each organisational communication function will be used in the IC audit. As proposed, the findings from the IC audit with regard to the value of each organisational communication functions should be given to the financial department of the company to compare the results with the ROI to enhance the financial planning of the institution. This will also enable the auditor to identify gaps in the current organisational communication strategy of the company. The results may provide the financial department with insight on which divisions within the company could be used to increase the overall profitability of the company. However, the model suggested by Yungwood and Jungen (2013) has been adapted to suit the order of the suggested IC audit. Although the different organisational communication functions remain the same, their order has been moved to fit that of the overall systematic process. Furthermore, the focus of each of the organisational communication functions has been adapted to fit the results gathered in the audit to provide insight based on the results of the previous steps. Figure 4.4 illustrates how the strategic communication functions can be measured in terms of the contributions they make to the overall investments of the company.
In order to apply the measurement model of the strategic communication functions, the data from the previous steps will be used to determine the worth of each of these functions. The data from Step 1 (4.3.1) provide an overview of the company and will aid in identifying the core values of the company. The value of the stakeholder relations function will be determined by summarising the data found in in Step 2 (section 4.3.2) which were to determine the internal and external stakeholder value. In this summary, the stakeholder groups with negative results should be mentioned first, as the company’s relation and involvement with different stakeholder groups directly influence the ROI (Egan & Greenley, 2003:219). By providing management with qualitative data to explain the ROI results, relationships with certain stakeholder groups can be improved for a possible increase on ROI results in the future.
The Marketing Communication channels and the delivery of corporate messages should be investigated to provide insight into the value of the company’s overall *marketing communication function*. In order to provide data that will shed more light on the value of this function, the data captured in Step 3 and 4 (sections 4.4.1 and 4.4.2) of the audit will be presented first. During the audit in Step 3, a better understanding was reached regarding how external stakeholders perceive the brand personality and whether the core values of the brand identified in Step 1 (section 4.3.1) reflect in the brand personality. Furthermore, the data from Step 4 (section 4.4.2) provide data regarding the contact point preferences of the different stakeholder groups. Within this audit, the actual marketing communication channels were inspected to determine possible gaps in the different structures that might lead to a distorted corporate identity being communicated. These results might provide the financial department with a better insight regarding which marketing communication channels need to be refined and invested in for better results.

By including the data from Step 5 (section 4.4.3), management will have a better understanding of the impact of the development and the delivery of the messages and the effect it has on the overall identity of the brand. These results will also provide the financial department with possible reasons why the marketing communication function might not have delivered the expected results over the long term.

Companies use CSR initiatives to improve the relationship between the brand and its stakeholders, especially *external stakeholders*. Therefore, to determine the value of the external relationship the brand has with its community and other external parties, the results from Step 6 (section 4.4.4) of the IC audit will be used. Within this data, the position of the company in the community and the relationships that were formed by CSR initiatives will provide a perception of the value of the company in the eyes of its external stakeholders. From this data, the financial department can compare the results from ROI on corporate governance to the qualitative data captured on the implementation of these CSR initiatives. The data will provide possible recommendations of how the company can invest in CSR in a more efficient way. The combination of the qualitative data and the quantitative data from ROI might provide the company with a better approach to CSR that will reflect on the profits of the company.
The final organisational communication function that will be investigated is the company’s relation to governmental legislation. CSR focuses on improving the identity of the company in its immediate environment, by investing in the community. However, as governmental legislation has an impact on the company’s CSR activities it should receive attention in the planning of the company’s CSR initiatives (Lee & Kim, 2014:66). Therefore, by using the data from Step 6, the position of the company to adhere to legislative requirements will be indicated. This data might provide management with a clear understanding of how they can possibly improve the relation of the company to government. The data can also be used by the financial department as guidance to how CSR can be used to increase its value in the company.

In conclusion, Yungwood and Jungen’s (2013) model to measuring organisational communication functions will be used to assist management and the financial department of the company to manage the overall ROI of the company. The data from Step 7 will support the results from ROI by suggesting possible reasons why the expected results were not reached. By using the data, possible improvements can be made to benefit the company over the long term. The data collected from Steps 1 to 6 will also be audited against the ROI institution’s levels of evaluation to determine its impact. The following sub-section will explain how these levels of evaluation will be implemented in the IC audit.

According to the ROI Institute (2009), five levels of evaluation have to be visible during the process of calculating the ROI of the company. These levels form part of the institution’s ROI methodology for a measurement certification system and will thus provide more guidance in the IC audit framework. By analysing the data from Step 2 to 5 of the IC framework through a combination of these levels as well as Yungwood and Jungen’s (2013) model for evaluating organisational communication functions, the framework will provide proper guidance to the auditor when conducting the audit. Before the literature can be combined, it is important to examine each of the levels of evaluation separately to understand better how these levels will be identified during the audit.
The first level of evaluation that needs to be visible in the process of determining the ROI is the level of reaction and planned action. Within this level, it is vital to measure the stakeholder group’s satisfaction with projects or programmes and to capture the planned actions and structures that the company uses to communicate with these stakeholders (Yungwood & Jungen, 2013; ROI Institute, 2009:1). This level of evaluation will be enclosed by using the data from Step 1 and Step 2 of the IC audit (An overview of the company that identified brand values and identified internal and external stakeholder groups and their value.) Step 1 provides an overview of the company and the core values that drive all company activities are identified. In Step 2 of the IC audit, literature is combined to create evaluation frameworks for the internal and external stakeholder groups. By auditing the stakeholder groups through these frameworks, a better understanding of the relationship of the company with each stakeholder group was determined. Although the data do not include surveys where the stakeholder groups can provide the company with information, the data do provide more information on the value that each stakeholder has to the company. The data might also provide possible gaps in maintaining a healthy relationship with both internal and external stakeholders, and will provide the financial department with insight on why stakeholder relations might not deliver on the expected results. This will also support the financial department on making decisions regarding future investments on stakeholder relations to improve this function for better results.

After the level of satisfaction of the stakeholders have been established, it is necessary to determine the level of learning or existing knowledge of these stakeholders throughout any marketing communication initiative or action. This includes the attitudes or behaviour of the participants or the knowledge they have regarding the product or brand (Yungwood & Jungen, 2013; ROI Institute, 2009). For the financial department to utilise this level of evaluation to its fullest potential, the data from the IC audit’s Step 3 and 4 (to analyse the brand personality and to determine contact points/preferences) will be used. In Step 3, analysis of the brand personality will be conducted to determine if the brand values are reflected in the brand personality. In Step 4, the different dimensions of IC (Grönstedt, 2000) were explored by creating questionnaires that will provide more insight on the attitudes and knowledge of individuals in the different dimensions. This information might be useful for the financial
department to understand the position of the internal and external marketing communication relations and the impact it has on ROI better.

By determining the level of the participant’s knowledge, their actions and behaviours should also be investigated through establishing how the actual marketing communication initiatives were implemented. This level of evaluation describes the ROI Institute’s (2009) measurement of application and implementation should be determined before calculating the ROI. Thus, to measure the impact of the marketing communication function of the company further, data from Step 5 of the IC framework will be used (message development and delivery). In Step 5 of the IC audit, the marketing communication channels and the actual messages were analysed. This information might be useful for the financial department to correlate with the calculations of ROI, to provide a more accurate position of the marketing communication function and its value to the company.

The final evaluation step that has to be taken before the ROI of the company can be calculated is to determine the level of impact the business had with regard to its external stakeholders and governmental regulations (Yungwood & Jungen, 2013; ROI Institute, 2009). To facilitate this measurement process, the data from Step 6 of the IC framework (Brand relationships) will be used. In Step 6 of the IC audit, the company’s efforts to engage in CSR were audited, by combining literature from Mostovicz (2009), the IRC (2013) and Hohnen (2007). From this data, the financial department can draw a conclusion how the company has invested in CSR efforts to comply with the standards set by external stakeholders (the community) and the governmental legislation. The data might also provide certain gaps in the current strategy of the CSR position of the company. By taking these gaps in consideration, future investments can be made to lead to possible improvement in the future.

After all the different levels of evaluation (ROI Institute, 2009) have been identified in the strategic communication functions (Yungwood & Jungen, 2013), the final level of evaluation can be reached, which is the calculation of the ROI. When calculating the ROI, the financial department can use the qualitative data provided through the IC audit to support the results from the ROI for each of the strategic communication function. Only through collaboration with both the financial and the marketing communication department can management receive a clear position of the value of
each of the strategic communication functions. These results can be used to identify the gaps in the current structure and the effect it had on the ROI of the company and will be able to facilitate the future investment of funds of the company to improve future ROI results. Figure 4.5 illustrates how the organisational communication functions will be measured to support the calculation of ROI. This figure indicates how Yungwood and Jungen’s (2013) measurement model for organisational communication functions will be integrated with the measurement standards for ROI (ROI Institute, 2009). The data from the previous steps of the IC audit framework. Figure 4.5 will be used as foundation to support the financial department in calculating the ROI.
Chapter 4 Shaping auditing criteria for the IC audit framework

Figure 4.5: Measuring strategic communication functions to support ROI calculation Adapted from: (Yungwood & Jungen, 2013; ROI Institute, 2009)
4.5.2 Step 8: Facilitating the communication of changes in ROI

In this step of Kitchen and Schultz’s (2000) IC model, the tangible determination of financial investments through a zero-based budgeting approach forms the way in which the company should allocate financial support to the communication efforts of the company. In the first phase of Step 8, the vital role of a zero-based budget approach to allocating investments will be investigated to determine how corresponding the ROI results with zero-based budgeting will contribute to the overall IC strategy of the company. Phase 2 will be used to highlight the challenge of having a transparent communication strategy with internal staff members, to avoid any unnecessary resistance to the changes in investments. Therefore, Step 8 of the IC framework will be used to facilitate the allocation of investments through zero-based budgeting, but will also ensure that any changes in investments are communicated effectively to the internal stakeholders.

4.5.2.1 Step 8- Phase 1: Facilitating the process of allocating a zero-based budget approach to ROI results

The aim of an IC approach is to enable the different communication functions of the company to complement the overall identity of the company for a clear and consistent presence in all business functions. According to Niemann (2005:143), it would be impossible to expect that a single medium or delivery choice would serve as first choice in all of the business functions. She suggests that rather than using a rolling budgeting approach, which is often the result of preference of the communication professional, the budget should allow interaction for communication efforts. Zero-based budgeting is a definite alternative to traditional budgeting procedures and complements the IC approach of a company. It can be defined as the way in which a marketer works from a zero base to cost out the best mix of IMC strategies to achieve a set of objectives (Bowdin et al., 2011:220). The main benefit of using zero-based budgeting in allocating investment to communication functions is that it provides a platform for each of these functions to justify its existence and worth in the overall organisational communication strategy (Lewis, Packard & Lewis, 2012:178). Thorson and Moore (2013:148) support the idea of using of a zero-based budget, as required
by IMC or IC, a budget has to be flexible enough to allocate specific resources to communication mediums that will reach specific targets. Therefore, the importance of using zero-based budgeting when allocating resources to the different communication functions of the company cannot be neglected. Hurd and Anderson (2011:148) suggest two primary steps in zero-based budgeting. The first step is to present a proposed budget for every communication effort based on the results from ROI. It is only after having the value of all the communication efforts that the second step can be taken, which is to prioritise the need of each communication function in terms of the worth it has to the overall communication strategy of the company. By adopting these primary steps as part of the IC audit, the auditor can ensure that the necessary investments are made in each communication effort.

To propose a budget for each of the communication functions or efforts, the data from Step 7 (facilitate the calculation of ROI) will serve as the presentation of the proposed value of each of these functions. To facilitate the financial department in prioritising the need for each communication function to contribute to the overall IC strategy, a set of questions will be provided to this department to correlate their decisions from an IC perspective. The questions that will be asked to the financial department are formulated by using combined literature and is summarised in Table 4.15. The set of questions will be followed by a short discussion of how each question will provide a perspective on using zero-based budgeting efficiently.

Table 4.15: Guidelines for using zero-based budgeting to compliment the objectives of the overall IC strategy (Adapted from Dropkin, Halpin & La Touche, 2011:92; Gruen, 2005:94)

<p>| | |</p>
<table>
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<tbody>
<tr>
<td>1.</td>
<td>Based on the results from ROI, are there some communication functions that received more financial support than necessary?</td>
</tr>
<tr>
<td>2.</td>
<td>Considering that some of the communication functions have shifted to the lower priority of investment, are the other communication functions capable of compensating for the effort of the function by covering the most important objectives?</td>
</tr>
<tr>
<td>3.</td>
<td>When the communication programmes or functions have been identified that is considered as top priority for investment, are there any changes that needs to be made to increase its performance?</td>
</tr>
<tr>
<td>4.</td>
<td>If there are any changes in the priority of investment of the different communication functions, are these changes contradictory to the political view of the internal staff members?</td>
</tr>
<tr>
<td>5.</td>
<td>Have there been any incidents in the past where the changes in investment have been rejected by the internal stakeholders?</td>
</tr>
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Although the ROI provides management with a clear indication of the worth of each communication function, their focus often remains on product development and process optimisation (Daum, 2003:164). This has led to several cases where the allocation of financial support has not been reflective of the results from ROI (Dropkin et al., 2011). Thus, to make management and the financial department aware of the issue, the ROI results should be used to identify corporate functions where overinvestment has led to the underperformance of other functions. Furthermore, when communication functions are moved to a lower priority of investment, it is the responsibility of management to ensure that the value of the specific function still contributes to the overall IC strategy of the company. Gruen (2005) opines that, for a company to ensure that the prioritizing of communication functions deliver effective results, management should ensure that the core objectives of the lower priority functions are covered by the functions of higher priority. It is only through vigilant planning to ensure that the core objectives of each organisational communication function remain feasible in the high priority functions that the company can safeguard that an unwavering IC strategy regulates all communication functions. Therefore, if some of the core objectives of the lower priority functions do not reflect in the results of the higher priority functions, these functions should be adapted to ensure an even better performance on ROI in the future (Dropkin et al., 2011).

The first set of questions will assist management with the process of prioritising the different communication functions in a way that will complement the overall IC structure of the company. The last two questions serve as an introduction to the second phase of the investment and allocation step, which is to ensure that any change in investments is communicated with transparency and care to the internal stakeholders. Dropkin et al. (2011) addresses this issue by reminding management of internal politics that may have an impact on the acceptance of changes in investment. This notion is supported by James (2006:62) when he states that management cannot make decisions that will affect the internal environment of the company without considering the views of the dominant or decision-making group. By considering the views of this dominant group, management will be able to anticipate how the majority of staff will react to these changes and will be able to create a proactive approach to deal with their concerns. Gruen (2005) advises management to anticipate the reaction
of staff members to changes in investment by reflecting on incidents where these types of changes have been communicated to them in the past. This will provide management with an improved approach to internal communication that will cancel out the mistakes made in the past that led to rejection of the change. For further support in ensuring that the change in investment is communicated clearly and supportively to the internal stakeholders, Phase 2 of the investment and allocation step will provide objectives to ensure that the internal communication channel is optimised during the change.

4.5.2.2 Step 8 – Phase 2: Supporting the communication of change in budget allocation to internal stakeholders

Even though it is the responsibility of the financial department and management to decide on the future investment allocations, the IC audit will provide guidance to implement these new changes. The idea of facilitating the process of allocating changed investments in the different organisational communication functions is supported by Roulstone and Phillips (2008:20). They opine that one of the most challenging facets of implementing change based on the ROI results is to inform the employees about the change and to facilitate them to adapt to these changes. Barrett (2005:24) suggests that the only way in which change can be implemented is by ensuring that internal communication is integrated with the overall objectives and process of change. The employees deserve to be informed about any changes regarding changes in investments of the organisational communication function. When changes in investments are made without providing staff members with the support that has led to the change, it will demotivate the staff members and make them feel dispensable to the company, as their department cannot measure up to a perceived standard. In Step 8 of the IC audit, literature will be combined to provide a set of objectives that management can use to ensure that the change is accepted and implemented by the internal stakeholders. These questions will be answered by management, based on the way in which they have dealt with these changes in the past. Table 4.16 summarises the questions that will be presented to management. This will be followed by a discussion of each question that is motivated with appropriate literature.
1. Before communicating the change to internal stakeholders, do you as manager ever anticipate possible barriers to the implementation of the change?

2. Are you actively involved in communicating the changes in internal financial investment?

3. Are the expectations of staff clarified by detailing how the change will affect their daily activities?

4. During conversation with staff, are there any indication given to the staff regarding the extent to which the new changes will be applied?

5. Does management provide a structure to indicate the new set of individual and collective objectives derived from change in internal financial investment?

6. Does management communicate the outcomes and benefits that the entire company and individual staff members may prosper from by implementing the change?

7. During communication with staff members, are the changes in internal financial investment communicated to them by providing the results from ROI to substantiate the changes?

In order to become a leader of change, Phillips (2001:63) suggest that managers should begin by having an evaluation plan for each intervention session. Moran (2011:117) suggests that within a manager’s evaluation plan, the planned actions based on anticipated reactions of staff members, are vital for successful communication. It is only by having an on set approach to any of the possible reactions that staff might have to the change that a manager can take control of the situation with confidence. Furthermore, because managers are seen as the drivers of the company, these individual key players should be actively involved in the communication of the change (Burkett, Stone, Phillips & Phillips, 2007:69). This includes the efforts of management to clarify the concerns of the staff members by explaining how the change will affect the company and to which extent change is expected (Phillips & Phillips, 2008:9; Burkett et al., 2007:69). Singh (2005:144) further explains the practicality of management providing support to the concerns of the staff members by stating that it is only through management’s effort to engage in two-way communication during change that staff will feel comfortable to discuss their concerns.

When management is in discussion with staff members regarding the change, it is vital for these staff members to receive a structure of the aims and objectives that will be...
reached by implementing the change. This set of objectives should not only include the benefit that the entire company will get from implementing the change, but should also set a clear vision of what each employee can gain from accepting and implementing the change in their daily activities (Phillips & Phillips, 2008:9). By changing the personal objectives of each individual of corporate function in the workplace, management can ensure that each staff member will feel encouraged to work towards implementing the changed strategy. It will also allow the change to be embedded in the corporate culture more easily and to reflect in their work (Vallabhaneni, 2013). In the light of management communicating changes in the allocated budget for different corporate functions, having collaborative objectives set for the future will contribute to an IC approach. This transparent two-way communication channel created by management will provide a platform for all corporate functions to fully understand how the ROI results has led to changes in future internal investments. Furthermore, this approach will facilitate the different corporate functions to understand their individual roles contributing to the overall success of the company. Phillips and Phillips (2008) suggest that management should provide substantial evidence that has led to the change. Therefore, when communicating with the staff members, each change initiative should be supported by providing the staff members with the results from ROI.

The most important objective of IC is to ensure that all corporate functions mould their daily activities to fit in the overall identity of the brand. Through Step 8 in the IC audit, the results form ROI was used to prove that not all corporate functions could share the same focus of impact or deliver the same results. However, by making use of a zero-based budgeting approach, the company’s finances can be allocated according to each corporate function’s requirements, to ensure that the overall brand is promoted in the best way possible. Phase 1 of Step 8 in the IC audit focuses on facilitating the financial department on prioritising the different corporate functions to contribute to the overall IC strategy of the company. However, when analysing the ROI results and allocating a budget for the different corporate functions, the results may indicate that certain changes need to be made in the budget allocation of the company. This could lead to internal communication dispute and conflict, especially between different corporate functions. Therefore, to facilitate the process of communicating to the change to the internal stakeholders, a second phase was included in the IC audit.
framework. Within this phase, the awareness of a structured two-way communication channel between management and the different corporate functions is highlighted. Through a combination of facilitating the financial department with allocating a budget and facilitating management with communicating the change, the IC audit will provide suggestions for better application of investment and allocation in the future.

The final step in the IC framework is to set marketplace measurements and will be discussed in detail in the following section.

4.5.3 Step 9: Measurements to improve future ROI

In the final step of Kitchen and Schultz’s (2000) 8-step model of IC, their “closed-loop” model suggests that in this step the previous steps have to be reviewed in the market to determine whether they have been successful. However, because most of the results from the previous steps have been used in Step 7 to facilitate the financial department in calculating the ROI, this step will rather be used with the focus of aligning future activities to IC for better results. By providing the company with guidelines to ensure that, when future activities are audited, they contribute to the overall IC strategy of the company, the suggested IC framework will also adhere to the requirements of a closed-loop system. In order to set the guidelines that will be used in the audit, Kaplan’s balanced scorecard model will be used to identify the four areas in which measurements should be set. After the four main areas have been identified, several literature will be combined to create an IC support panel. This panel will serve as a filter to ensure that all planned activities of the different corporate functions contribute to the overall IC structure of the company. By establishing measurement guides to improve future ROI results, the IC framework will support the company in creating all new activities from an IC perspective. The ideal of this structure is to provide companies with a practical guiding reference to plan all future activities to complement the IC structure of the company in such a way that it reflects on the ROI results over the long term.

4.5.3.1 Step 9 – Phase 1: Identify the areas of measurement

The aim of combining literature to create an IC audit framework is to ensure that the auditor will have the most contemporary resources available when auditing the IC
structure of a company. However, Kaplan and Norton (1996) have identified a balanced scorecard that agrees with the argument of this study that financial measurements should be supplemented with non-financial measurements that further explains the results (Kaplan & Norton, 1996:55). Therefore, this ideal structure will be used as the basis of identifying the four main areas that needs to communicate the overall visions, values and strategy of the company, for a company to create a firm IC structure. The benefit of using Kaplan and Norton’s structure is that it supports the integration of various corporate functions. This will enable companies to create a platform in which each corporate function can understand to which extent their input can contribute to the overall success of the company (Niven, 2011). In Figure 4.6, the balanced scorecard of Kaplan and Norton (1996) is illustrated. The illustration will be followed by a discussion of how the components of the balanced scorecard will be used in the IC audit framework.

![Figure 4.6: Kaplan and Norton’s (1996) balanced scorecard](image-url)
Kaplan and Norton (1996) have succeeded in creating measurement guidelines to capture the performance of present activities, while providing insight on the position of the company regarding future performance (Niven, 2011:39). By establishing four perspectives of a company in which the corporate vision and strategy should reflect, the balanced scorecard aids in identifying the influence of the different perspectives and how they contribute to the overall IC strategy of the company. The results from the balanced scorecard can be used as qualitative results to enhance the results from ROI further. In the financial perspective of the balanced scorecard, the results indicate how actions that were taken have reflected the company’s efforts to improve the bottom line performance (Keller, 2003). However, in the IC framework, the financial perspective of the balanced scorecard will focus more on shaping future activities within the financial area of the company that will improve the bottom line performance before it is implemented. In the internal business process perspective, the impact of after-sales services, as well as products designs and development was indicated (Whittington & Delaney, 2008:281). This perspective complements the perspective of the customer, as the aims of both these perspectives are to increase the favourability of the company in the eyes of the external stakeholders. The customer perspective focuses more on customer satisfaction and the reaction of the customers to the changes in business processes (Niven, 2011:102). A positive reaction to the change might lead to an increase in profits and a better position in the market. Therefore, by making use of guidelines to shape activities within these two perspectives for an external audience, the company can ensure that its IC structure is acclaimed in each activity before implementation.

In contrast to the business process and customer perspectives of the balanced scorecard, the learning and growth perspective focuses more on improving the internal environment of the company. Within this perspective, the results indicate how training and development have increased the performance of internal stakeholders to reach the company’s overall aims and objectives (Nair, 2004). However, because the balanced scorecard will be used in the IC framework to shape future activities from an IC perspective, the audit will provide guidelines to shape activities to enhance the perspectives of the internal stakeholder groups.
Thus, Kaplan and Norton’s (1996) balanced scorecard contributes to the IC audit framework by identifying four perspectives in which measurements should be established. These four perspectives will then be further refined by providing steps to measure the strength of the presence of IC in each planned activity effectively. In Phase 2 of Step 8, literature of Ang (2014), Pangarkar and Kirkwood (2012) and Berman (2007) will be used to create support panel to create future activities from an IC perspective. Each of the contributing author’s literature will be discussed separately to ensure that the authenticity of their contributions remain clear. The last section of Step 8 will combine the literature from both phases to create the framework that will be used in the IC audit.

4.5.3.2 Step 9 – Phase 2: Using the data from the IC audit as support panel for future ROI

To provide the company with measurement guides that will facilitate the process of creating future activities from an IC perspective, the audit framework should be able to provide the company with a step-by-step approach to IC. The proposed support panel will exist of a combination of literature that will allow a company to determine the value of an activity before implementation. The planning process of IMC as suggested by Ang (2014:14) will be used as the main structure of the support panel. However, because the suggested IC audit is more focused on promoting the overall IC structure of the company instead of just the IMC activities, the IMC planning process of Ang (2014) have to be adjusted. The focus will change from creating an effective message that will strengthen the IMC structure of the company, to providing a panel in which all corporate activities can be shaped to contribute to a unified IC perspective. Even so, to indicate better how the changes in the initial outline of the IMC process were made to accommodate the requirements of IC, each step is discussed briefly. The changes that were made in the steps are also discussed to provide insight on how it will be executed during the IC audit.

In the first step of Ang’s (2014) IMC process, the core business issues are identified. The core business issues can be defined as the threats and opportunities that will be pivotal to the success of the activity (Addison, Haig & Kearny, 2009). However, because IC focuses on the visibility of values and principles of the company in all
corporate functions and not just in marketing communications, this step will rather be used to identify the business issues that had the biggest influence on ROI results in the past. Pangarkar and Kirkwood (2012) support this change in focus and when they state that to identify the key performance indicators (KPI), a company should identify the major drivers that are in line with the strategic objectives. Therefore, when conducting the audit, the auditor should be able to use the data in Step 7 of the IC framework to indicate the major threats and opportunities that had an effect on ROI. This evaluation should be done by viewing ROI from a holistic perspective and summarising the opportunities and threats that had an influence on these results as a whole.

The second step of Ang’s IMC planning process entails research that explains the insights of the customers regarding the company or brand (Ang, 2014). However, this step will rather be used to process the results from ROI further by using these results to identify key factors that had a positive or negative influence on the past activities of the different corporate functions. Berman (2007) opines that for a company to justify a project, the benefits and value of the project should be clear before implementation. In the IC audit, the results from ROI in Step 7 will be used to identify the key contributing factors of a specific activity within a corporate function that might contribute to the ROI results. The idea of this step is to review projects or activities that have been implemented and the effect it had on the overall ROI. The auditor should use the results from ROI to identify any factors that influenced the specific activity on a positive or negative basis in any way. These issues should then be highlighted to ensure that the future programmes or activities are improved to avoid any declining results on ROI in the future. Thus, in the second step of the IC support panel, the previous activities within the different corporate functions are reviewed to gather insight on the positive and negative outcomes these activities have reached in the past. It is only after reviewing the results and contributions from the past activities within the different business functions that the future activities can be improved to deliver even better results.

Ang (2014) suggests that in IMC, communication objectives should be determined before actual marketing messages are created. Therefore a third step is added to IMC, which is to decide on the communication objectives of the specific message. The same principle will be adapted in Step 3 of the IC support panel, but only from an IC
perspective. Angelopulo and Barker (2005:48) suggest that when it comes to IC, the communication of the corporate mission and values is more important than making bold statements about a product or service. Therefore, Step 3 in the IC framework will be for the auditor to identify the core values of the company and how these values should shape the planned activities (Pangarkar & Kirkwood, 2012). These values should reflect in the mission statement of the company, as it is considered the pillars on which the company is built on.

In Ang’s (2014) process of IMC, the fourth step entails the identification of the organisational communication mix elements that will best communicate the specific message to a specific audience. From an IC perspective, the aim is not only to use a specific communication channel to reach a target audience, but rather to communicate the corporate values in every communication medium that is included within the specific corporate function. One of the main differences in the focus of IMC and IC is that IMC is often used to communicate the marketing strategies of the firm, by aiming to sell a product or service to increase awareness of the brand. When it comes to IC, the focus is moved from delivering a product or service to delivering a set of values that will contribute to a long-term commitment from the different audience groups (Panda, 2008:544). Thus, for an activity within a business function to contribute to the overall IC strategy of the company, these values should be communicated through everyday tasks within the different business functions and not just through marketing communication channels. Therefore, in Step 4 of the IC support panel, the auditor should identify the importance of the specific activity to communicate the corporate values within the specific corporate function. In order to identify this value, Berman (2007) proclaims that all the benefits of the proposed activity should be clearly stated. Thus, future benefits of the activity should be compared with the benefits that a similar activity within the same business function had in the past to determine the value of the new activity. Therefore, the data summarised in Step 2 of the IC support panel will be compared against the benefits of the proposed activity to determine whether this new activity could possibly lead to even better ROI results in the future.

After compelling reasons for the implementation of the activity has been provided, the budget for the activity should be set. The fifth step of the IMC planning process of Ang (2014) is to determine the budget that will be needed to implement the activity within the specific corporate function. This step will be added to the IC support panel without
any alterations, for it is necessary to determine a fixed budget for each activity within the different corporate functions. To facilitate this step of the IC support panel, Pangarkar and Kirkwood (2012) suggest that the ranking from critical to non-critical elements to IC needs to be taken in consideration before a budget is allocated. A proposed activity of a specific corporate function can be created that overpowers the outcomes of all the previous activities within the same function. However, a budget cannot be altered to meet the demands of the specific activity if the specific activity is not seen as a very critical contributor to the ROI results. Thus, in Step 5 of the IC support panel, the activity of the specific corporate function should be measured against the results from ROI to determine the impact of the proposed activity. Although it sets unforgiving circumstances for a proposed activity to deliver to its potential, it provides the company with the security that all corporate activities remain within the budget of the company. However, it is the responsibility of management to compromise within the set boundaries of a rigid budget to ensure that the activity can be implemented with optimal impact with the resources available (Young & Travis, 2011:149). Through proficient planning and allocation of resources, the corporate function can ensure that the most important contributions of its activity to the IC structure of the company will be obtained.

Instead of deciding on the ideal time for implementation of the specific activity as suggested in the IMC planning process (Ang, 2004), Step 6 of the IC support panel will be used to identify the specific area in which the activity will be launched in terms of the triple bottom line. Sustainability reporting can be defined as the performance of a company in the social, environmental and financial areas. These three areas can be seen as the pillars of a company to create prosperity and value within its immediate environment (Isenmann & Kim, 2006:548). Milne (2013) motivates companies to invest in its sustainability reporting efforts. He explains that companies should ensure that all new activities of the different corporate functions challenge the current input of the previous CSR activities. By improving all CSR efforts on a frequent basis, companies can secure that its position on corporate governance remains sustainable to the society’s needs. Therefore, based on the importance of CSR in IC, Step 6 in the IC support panel will be used to determine whether the new activity within the corporate functions can contribute to corporate governance and sustainability in a different way than previous activities that have been launched. However, it is vital to understand
that this step should only be used to support the current CSR strategy of the company and should not be used to reject any activities that do not contribute to CSR in a different way. The aim of adding this step to the support panel of IC is for companies to have a method of measuring any development in the company’s CSR initiatives, to improve future activities.

The final step that will be included in the IC support panel is to evaluate the impact of implementation of the activity. Within this step, a short summary of the target audience’s reaction to the activity should be captured. This summary should also include a short description of the preceding steps of the IC support panel and how it shaped the activity. The aim of making this step part of the IC support panel is to provide the financial department with the initial aims and objectives of the specific activity and the way in which it was shaped to contribute to IC. This will enable the financial department to have a better insight with regard to the actual activity and will aid the process of calculating the ROI by providing sufficient non-financial data to support the financial findings. Figure 4.7 demonstrates how the data collected through the IC audit will support in the measurement of ROI to improve future ROI.

Figure 4.7: Measurements to improve future ROI results
4.6 CONSEQUENCES OF IMPLEMENTING THE IC AUDIT FRAMEWORK

The IC audit framework provides an auditor with a systematic process to analyse the IC strategy of a company. It is, however, vital to consider the consequences that might be caused by the implementation of this audit framework. Table 4.17 provides a summary of some of the consequences shaped through the use of some of the themes of IC that were identified in Chapter 3. This will be followed by a brief discussion of each consequence.

Table 4.17: Consequences of implementing the IC audit framework

<table>
<thead>
<tr>
<th>Themes of IC identified through the conceptual analysis of IC (Chapter 3)</th>
<th>Positive consequences of implementing the IC audit framework</th>
<th>Negative consequences of implementing the IC audit framework</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal stakeholder focus (Section 3.4.3)</td>
<td>The audit framework provides data gathered from an internal stakeholder perspective</td>
<td>Staff lacks the motivation to contribute</td>
</tr>
<tr>
<td>External stakeholder focus (Section 3.4.4)</td>
<td>The audit framework provides data gathered from an external stakeholder perspective</td>
<td>External stakeholders are reluctant to provide necessary information</td>
</tr>
<tr>
<td>Provides suggestions for improvement from literature</td>
<td>The IC audit framework provides suggestions for improvement from literature</td>
<td>The suggestions from literature might be difficult to implement in practice</td>
</tr>
<tr>
<td>An analysis of all domains of IC (section 3.6.1)</td>
<td>Data of the domains of the IC strategy can be analysed separately</td>
<td>Conducting a full audit is a lengthy process</td>
</tr>
<tr>
<td>Communication channels</td>
<td>The analysis includes all communication channels to ensure the communication of core value through each message</td>
<td>The audit focuses more on decentralised companies</td>
</tr>
</tbody>
</table>

The IC audit framework provides the auditor with guidelines to collect data that have a strong focus on how the internal stakeholders feel about the implementation of IC in the company. However, staff members may not feel motivated to participate in the collection of this data. Sunderland (2012) emphasises this concern by stating that staff members might perceive the suggestions for improvement as personal attacks on the way in which they do their job. In order to avoid this issue, it is vital to include management in the implementation of the IC audit framework. If the leaders of the
company participate in implementing the framework, staff members may also feel motivated to do their part. This issue is also applicable to the data gathered from external sources. As the auditor might be an external person in some cases, the customers or other external stakeholder groups might not feel comfortable to discuss issues of the company with a person that they do not have a relationship with. It is therefore important to include management so that they can assure the external stakeholder participants of the way in which the information that they provide will be used.

Another consequence of implementing the IC audit framework is that the auditor might be able to provide the company with suggestions of improvement compiled from literature. Yet, even though the suggestions might reflect theories or models of IC within literature, the suggestions might not be so easy to implement in practice. To address this issue, a third phase of the research will be implemented, where the concept of the IC audit framework will be tested by consulting professionals in practice. This will contribute to a more polished IC audit framework that reflects the literature written on IC, but can also be implemented on a practical basis.

The IC audit framework provides an investigation of the business management, marketing strategic communication management and strategic communication management domains of IC. The nature of this audit framework thus enables the auditor to collect data for each domain on a separate basis. Unfortunately, the investigation of all three domains of IC consists of nine steps and may be a lengthy process. Another possible consequence of implementing the IC audit framework is that even though the IC audit framework provides an in-depth investigation of all communication channels, it is more focused on a decentralised business structure. To address these issues, it is vital to consult professionals during the focus-group sessions to discuss these issues. Possible solutions might be that not all the steps have to be conducted in depth and management should be able to decide which of the phases in each step they want to conduct (to some extent). Furthermore, the issue is also raised that the IC audit framework is more focused on a decentralised approach. According to Swansburg and Swansburg (2002), integration of a decentralised business structure is very complex and companies often have trouble with communication. Therefore, even though the IC audit framework focuses more on
a decentralised business structure, it can be used by centralised companies to some extent. Furthermore, it seems that companies with a decentralised structure have more difficulty implementing an integrated strategy, as opposed to the effort required for implementation of an integrated strategy in a centralised company.

In the following section, the final presentation of the IC audit framework that was created through literature will be provided. This will be followed by a summary that briefly encapsulates the importance of each step of the IC audit framework.

4.7 THE CONCEPTUAL IC AUDIT FRAMEWORK

After completion of all nine steps in the IC audit, the auditor will be able to present data to the specific company that could possibly enhance the IC status of the company and its CSR initiatives. Through the auditing process, the business management, marketing strategic communication management and strategic communication management domains of the IC strategy of the company will be reviewed. Figure 4.8 summarises the different steps of the conceptual IC framework. This illustration includes the main contributions of literature that was used to compile the framework and the IC domains that were covered during each step. The illustration is followed by a short discussion of each step.
Chapter 4

Shaping auditing criteria for the IC audit framework

Step 1: Get an overview of the company
Step 2: Identify Stakeholder Groups and their value
Step 3: Analyse the Brand Personality
Step 4: Determine Contact Points/Preferences
Step 5: Message Development and Delivery
Step 6: Brand Relationships
Step 7: Estimate Return on Investment
Step 8: Facilitating Investment and Allocation
Step 9: Measurements to improve future ROI

BÜSINESS MANAGEMENT

MARKETING COMMUNICATION MANAGEMENT

STRATEGIC COMMUNICATION MANAGEMENT

Figure 4.8: The outline of the conceptual IC Audit framework
Chapter 4 Shaping auditing criteria for the IC audit framework

During the first two steps of the audit, the business management domain of the company’s IC strategy is analysed. The first step creates an overview of the company through an investigation of the mission statement. The aim of this overview is for the auditor to familiarise himself/herself with what the brand claims to stand for by identifying the core values of the company. In the second step, the value of the different internal and external stakeholders involved in the company is analysed. These steps might provide the auditor with a clearer vision of how the company presents itself and how the different stakeholders perceive the company. Through this analysis, the auditor might provide a company with helpful information on how it can improve its relationships with stakeholders to have a better control over the perceptions of the brand in the minds of the stakeholders.

In Steps 3 to 6 of the IC audit, the focus was on identifying issues within the marketing strategic communication management domain of IC that could be possible hindrances to the optimal implementation thereof. This analysis is done by determining whether the brand personality reflects the core values of the company, and the strength of the communication platforms. Furthermore, the CSR initiatives of the company are investigated to determine the role of the company in its immediate environment. During these auditing steps, the auditor will need to identify the different dimensions of communications and will need to revise actual material communicated through these dimensions. When the company has assurance that the corporate values are reflected through strong communication platforms in a consistent way, it would be easier for the company to communicate its ideals to engage in CSR. Through auditing the CSR initiatives of the company, the auditor might be able to assure the company of the success of communicating sustainability.

The final part of the audit entails the promotion the strategic communication management domain of IC within the company. During Steps 7 to 9 of the audit, the focus will primarily be on facilitating ROI by providing support through IC. In Step 6, the calculation of ROI will be reviewed by determining the presence of IC in this calculation. Through this step, the auditor might provide the company with useful information derived from its IC structure that might ease the process of calculating ROI. In Step 7, the changes in ROI are facilitated by providing management with guidance on how to use IC to communicate these changes. In the final step of the
audit, IC will be used to place proper measurement guidelines in identified areas of the company to ensure that future ROI calculations will be conducted successfully.

4.8 SUMMARY

Chapter 4 of the study reports the data that were collected through the literature review. By making use of an extensive literature review of IC to shape the scope that was set out through the conceptual analysis of IC during the first phase of the research (Chapter 3), the researcher was able to combine different viewpoints from literature to compile the suggested IC audit framework. However, since the literature review conducted in Phase 2 of the research process only included information from an academic perspective, it is necessary to add a final process to the research, where the feasibility of this conceptual framework is tested by consulting viewpoints from individuals in practice. For this purpose, focus-group sessions were used to collect the data. In the third phase of the research, a content analysis of the data collected through these focus-group sessions was conducted. The focus groups were held with professionals in the field. In Chapter 5, a discussion will be provided on the way in which the data from the focus-group sessions shaped the final presentation of the IC audit framework.
Chapter 5: Empirical Research Results

CHAPTER 5: EMPIRICAL RESEARCH RESULTS

5.1 INTRODUCTION

In Chapter 2 it was determined that, to meet all the research objectives, the research needed to consist of three phases. The first phase of the research was executed in Chapter 3, where a conceptual analysis of IC was conducted. The data collected from the conceptual analysis enabled the researcher to obtain the first secondary objective, as it was set to create a scope of IC through the analysis of the conceptual foundation of IC. This scope was then used in Chapter 4 to analyse, compare and discuss various prevailing models and theories of IC to shape auditing criteria. Through this process, the next secondary objective was obtained and the data enabled the researcher to develop the conceptual IC audit framework from a theoretical perspective (Phase 2). The final research objective set for this study was to test the feasibility of this framework by presenting the conceptual IC audit framework to the managing staff of a decentralised company. This data enabled the researcher to make final adjustments to the IC audit framework and to present a proposed set of IC audit criteria that focuses on IC from both a theoretical and a practical perspective. In Chapter 5, the data from the focus-group sessions held with these professionals will be discussed to report on the feasibility of the IC audit framework’s implementation in practice.

Although the steps of the framework were not implemented in a company, the input given by the professionals working in the field of IC enabled the researcher to detect possible hindrances that might affect the implementation of the steps. By using the input from the professionals, the researcher could provide a more polished framework that not only reflects what has been written in literature, but also acknowledges the challenges and concerns that might be associated with the implementation of the steps in an actual business environment.

5.2 RESEARCH PROCEDURE

To collect the necessary data to refine the framework, the researcher needed to conduct focus-group sessions with professionals in the field. As mentioned in 2.6.3, Central Media was chosen as the ideal company to collaborate with. This company
serves in the broadcasting, new media, publishing, eventing and outdoor advertising industry. Therefore, the staff of Central Media that took part in the focus-group sessions not only had an academic background in marketing communication, but they also assisted clients with the practical implementation of corporate and marketing communication. Furthermore, the researcher was also informed by the company that the managing staff of Central Media had attended an IC workshop in 2014 and therefore had basic knowledge of what IC entails. A person from Central Media assisted the researcher in selecting participants for the focus-group sessions. This person was in a managerial position and had knowledge of each participant’s field of expertise. He was in charge of choosing appropriate participants for the study, but also communicated with these participants to schedule the sessions. He also handed out booklets that summarised all the steps of the IC audit framework, as well as the information and informed consent form to the participants, two days before the sessions. This provided each participant to come to terms with what would be discussed in the focus-group sessions, but also informed them of what their contribution to the study would be. Furthermore, this person acted as the mediator between the participants and the researcher to avoid any unnecessary contact between the researcher and the participants before the sessions. With the help of this person, the researcher was assured that each participant that took part in the focus-group sessions fitted the criteria of the participants needed to gather sufficient data.

Two focus-group sessions were held with these professionals in the boardroom of the company on the same day. The first session consisted of six participants and the second session of eight participants. These sessions took place in the staff member’s own environment to make them more relaxed. The researcher led the focus-group sessions to avoid any discrepancies of information shared with the participants in the two different sessions.

In sections 2.4.3 and 2.6.3, the methodological approach to the focus-group sessions and the way in which the sampling would be done were discussed. As the aim of this phase of the research was to test a newly developed framework, the researcher had to present the framework to the participants. During the focus-group sessions, the researcher explained each step in the framework by means of a presentation created on Prezi. After each step had been explained, the researcher allowed the participants
to engage in discussions about the practical implementation of the mentioned step. These discussions were recorded and transcribed for analysis purposes. Each participant also brought the booklets that they had received prior to the focus group to these sessions and used these booklets to follow the discussion of each step. The booklets were collected after the focus groups. Space was also provided in these booklets for brief notes on the practical implementation of the step. This space was very useful, as it enabled the researcher to capture written comments of the staff members that could be used to supplement the transcriptions of their conversations. By combining both verbal and written data, the researcher was able to capture an adequate amount of data for each step.

5.3 RESEARCH RESULTS

The first steps that were taken to analyse the data of the focus-group sessions were to define the units of analysis and to establish the coding categories. However, as the data from the focus-group sessions only form part of the third phase of the research, the coding categories had already been determined and established during the previous research phases (see Chapter 3 and 4). During the first two phases of the research, the main constructs of IC were identified and shaped into auditing criteria. The same constructs should therefore be used to analyse the data from the focus-group sessions, as the feasibility of the framework had to be tested.

Table 5.1 demonstrates how the coding categories that were used for the focus-group data form part of the results from the previous phases of the research. This table aligns the research phases with the appropriate research objectives of the study. Furthermore, by including the source of data for each research phase and the chapters of the study where these findings are reported, true integration of the data was assured. Finally, the primary outcome for the research was added to the table to reflect on the way in which each research phase contributed to reaching the goal of the study.
### Table 5.1: Aligning the data from the research phases to identify coding categories

<table>
<thead>
<tr>
<th>Research objectives:</th>
<th>Phase 1: Conceptual analysis of IC</th>
<th>Phase 2: Literature review of IC</th>
<th>Phase 3: Content analysis of IC</th>
</tr>
</thead>
<tbody>
<tr>
<td>To identify dominant themes within IC that appears to shape the concept</td>
<td>To discuss the nature and scope of an integrated approach to organisational communication by analysing and discussing prevailing models and theories of IC</td>
<td>To test the feasibility of this framework by presenting the concept of the IC audit to the managing staff of an actual company</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter:</th>
<th>Chapter 3</th>
<th>Chapter 4</th>
<th>Chapter 5</th>
</tr>
</thead>
</table>

| Source of data: | Literature | Literature, existing models and theories of IC | Focus-group sessions held with professionals in practice |

<table>
<thead>
<tr>
<th>Units of analysis:</th>
<th>Theoretical Domain 1: Business Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Company Overview (Theme 1 = Step 1)</td>
<td>✓ Identifying stakeholder groups and their value (Theme 2 = Step 2)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theoretical Domain 2: Marketing Communication Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Brand personality (Theme 3 = Step 3)</td>
</tr>
<tr>
<td>✓ Contact point references (Theme 4 = Step 4)</td>
</tr>
<tr>
<td>✓ Message development and delivery (Theme 5 = Step 5)</td>
</tr>
<tr>
<td>✓ Brand relationships (Theme 6 = Step 6)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theoretical Domain 3: Communication Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Facilitating ROI calculation (Theme 7 = Step 7)</td>
</tr>
<tr>
<td>✓ Communication of changes in ROI (Theme 8 = Step 8)</td>
</tr>
<tr>
<td>✓ Measurements to improve ROI (Theme 9 = Step 9)</td>
</tr>
</tbody>
</table>

### Final outcome: To develop an IC audit framework that can be used to audit a company’s communication efforts to determine whether it is fully integrated or not
Chapter 5: Empirical Research Results

Each of the identified units of analysis or themes within the IC audit framework will now be reported separately. In order to avoid confusion with the reporting of the data from previous research phases, the themes that will be used to report the data during the focus-group sessions will be listed as the steps. The rationale behind this decision is also demonstrated in Table 5.1. Specific input from participants during the focus-group sessions will be included in the data to exemplify how this data shaped the steps in the framework from a theoretical perspective (Phase 1 and 2 of the research) to a more practical perspective. As some of the participants were Afrikaans speaking, their feedback will be translated with their exact response indicated in brackets.

5.3.1 Step 1: Company overview

The literature review of IC made it clear that, to analyse the IC efforts of the company, the auditor had to use the company overview as vantage point of the audit. The importance of including the company overview in an IC audit was debated in 4.3.1. This notion is supported by Deming (2010) when stating that companies often focus so much on the perceptions that customers have of the company that they neglect to consider the company’s perception of its customers. McCain (2011) opines that a mission statement is an establishment of the company’s relationships and expectations with all internal and external stakeholder groups. Burchell and Robin (2011:128) emphasise the important role of the mission statement by stating that a company (and specifically staff members) should be proud of the products and services that it offers. Through the mission statement, the company should be able to persuade the customer or potential customer that the product or service offered by the company is better than that of any competitors.

The literature emphasises that it is vital to have a clear understanding of the mission statement of the company, as it clarifies the stakeholder’s perceptions of the company (Deming, 2010). Through the combination of various viewpoints of literature, an audit framework that focuses on the company overview was created. By using this framework, the person conducting the audit would not only get a better idea of the way in which the company perceives itself, but would also be able to ensure that no misinterpretations arise between the company and the auditor.
Respondents began the discussion of this step by highlighting the importance of the context in which this step would be implemented. One respondent started the discussion by raising the following concern: “It’s very comprehensive and you should get full feedback from respondents, but you cannot do your audit when respondents are not familiar with their own company. Results will then also not be accurate.”

(Omvattend en behoort volledig terugvoer te kry van respondent, maar jy kan nie ‘n oudit doen as jou respondente nie bekend is met hul eie maatskappy nie. Resultate sal dan ook nie akkuraat wees nie.)

This statement was concurred by another participant when she stated, “Sometimes employees don’t even know their mission statement.” (Gewoonlik ken werknemers nie eers hul missiestelling nie).

Another participant provided an answer to the issue raised in the discussion by shedding light on the importance of the data collected form this step. This participant felt, “The audit should especially focus on ordinary workers and there must be ensured that management and employees are on the same page.” (Die oudit moet veral op gewone werknemers gefokus word en daar moet toegesien word dat bestuur en werknemers op dieselfde bladsy is).

Another participant suggested that, to address this issue, the auditor should provide the vision statement to the staff members with the questionnaires that he/she hands out. This would give the auditor room to prioritise stakeholders and their input (“Miskien moet jy die visiestelling vir hulle gee. Saam met jou vraelys – dit prioritiseer belanghebbers”).

With regard to the necessity of implementing the step in an IC audit, the following comments given by participants in both sessions summarises the overall sentiment that the participants added to the implementation of the first step:

- “Good start.”
- “It would definitely work.” (Dit sal verseker werk)
- “I think these steps are necessary for a business. These questions cover most of the business aspects, I think if you’ve answered the question you know what the business stands for.”
• “The questions are the best starting point for an analysis. It is necessary, in order to analyse the company.”
• “This is a comprehensive tool and is very practical. I can see how it can be applied in practice.”

One participant suggested adding more goals and strategies in the framework than just economic goals. (“Maybe add space for more goals and strategies other than economic”). This remark was followed by another participant’s opinion that the framework could work, but it shouldn’t be too time consuming (Dit sal verseker werk, dink ek. Dit moet net nie te lank vat nie).

From the discussion of participants, one could link the literature on the importance of a mission statement directly to the input given by participants. Most of the participants felt that this framework could be useful to the auditor to understand the company better, but also to ensure that staff and management share the same thoughts of the company. A lot of emphasis was placed on the important role of context in the company when implementing this step.

5.3.2 Step 2: Identifying stakeholder groups and their value

To identify the different stakeholder groups and the value they add to the company is a suggested step in Kitchen and Schultz (2000) 8-step model of IC implementation. This step was also included in the development of the IC audit framework (section 4.3.2). Criteria from literature were selected to do a separate analysis of the internal and external stakeholder groups. This notion was supported by Lindegaard (2010:22), as this author claims that through the knowledge of the potential and drivers of each stakeholder group, a company would be able to use these qualities to deliver long-term results that promotes the company and the participating stakeholders. Therefore, through the separation of these two major types of stakeholder groups, a more in-depth analysis of the internal and external stakeholder groups of the company could be conducted.

After the researcher had explained the steps of analysis for the internal and the external stakeholder groups, input from the participants focused primarily on the importance of including internal stakeholders in the analysis. One participant’s answer
could be directly linked to literature when he stated, “People in a company should also be seen as stakeholders as they are people who work to get the external stakeholders to stay with your company and that “companies forget about internal stakeholders”.

Another participant felt, “These steps will definitely help improve productivity, because if you feel valued, you’d do more (internal stakeholders)

A compelling remark given by another participant was that “it is particularly important that the internal interest group – e.g. employees, know what is important, so they can promote the business.” (Dit is veral belangrik dat die interne belangegroep – bv. werknemers, weet wat belangrik is, sodat hulle die besigheid kan bevorder).

A participant contextualised the importance of an internal stakeholder analysis by adding, “It is important to capture the feeling of internal stakeholders” (Dit is belangrik om ´n opname te maak van die gevoel van interne belangegroepe).

However, a statement provided by a different participant addressed the rewarding system chosen by companies for its staff members. This participant was of the opinion that space should be left in the framework to “make sure that the reward system is relevant to the employee and resonates with his motivational needs – instead of just a generic, archaic approach.” (Maak seker dat die beloningsisteem relevant is vir die werknemer en resoneer met sy motiveringsbehoeftes – in plaas van net ´n generiese, argaïese benadering).

Participants also provided very useful contributions on the analysis of external stakeholder analysis. Valuable input given addressed the fact that partners are not seen as part of the external stakeholders. One participant gave the following remark: “One group that I struggle to identify is partners in business/industry? Evaluation seems in order for this group as well.” Another participant engaged in the conversation and added, “Sometimes the company also has ´partner’ stakeholder groups they share common interests or goals with. They are not suppliers or internal interest groups.”

When asked about the practical implementation and the necessity of this step in the IC audit framework, participants gave the following comments:

- “This step is very practical and can be implemented easily.”
- “Relationship with stakeholders needs to be positive.”
- “The framework is problem-identifying but at the same time it provides solutions.”
When reflecting on what has been said in literature, as well as in the participants’ discussion, it is an unwavering fact that internal stakeholders have a very big responsibility in promoting the brand to the external stakeholder groups. Unfortunately, companies do not always adhere to the demands and the needs of their internal stakeholders. When staff members feel neglected, the external stakeholders will get a distorted reflection of the company values, as the actions of staff members would not communicate these values. Furthermore, when the external stakeholders’ analysis was discussed, participants raised their concerns that there was some confusion about where partners fit into the analysis. Attention has to be given to this issue to ensure that the auditor experiences no confusion when the audit is conducted in a practical business setting.

5.3.3 Step 3: Analyse the brand personality

By using Step 1 and 2 of the IC audit framework, the auditor would have a better understanding of the way in which the company perceives itself and be able to identify the main stakeholders and evaluate the relationships the company has with each of these mentioned stakeholder groups. The third step in the IC audit framework was to evaluate the brand personality. The legitimacy of including this step in the IC audit framework was discussed in section 4.4.1. Through this discussion, it was made clear that the brand personality is the driver of memories and is the social atmosphere of the brand. It is influenced internally; then spirals out to the macro-environment (Davis, 2010:195; Franzen & Moriarty, 2009:244; Aaker, 2004:53). Ironically, companies often fail to create a steadfast brand personality and therefore fail to link the intended messages to the brand (Baisya, 2013:51; Batra, Myers & Aaker, 2006:366). Thus, literature suggests that by analysing the brand personality prior to the investigation of the various communication channels and messages, the auditor can be assured that IC was first analysed from a holistic perspective before it was broken down into smaller units of analysis (Angelopulo & Barker, 2005:284).

During the discussion of the analysis of the brand personality, there was some confusion as to what a brand personality is. One of the opening statements made by participants after this step was discussed was, “There may be great confusion with what branding is, people think branding is the visual part of the brand and it’s only one
Another participant commented, “The brand personality is not always the same for different stakeholders.” (Die handelsmerkpersoonlikheid is nie altyd dieselfde vir verskillende belanghebbers nie). This statement was contextualised by another participant that stated that “It can be a very lengthy process in the audit, especially if your brand has several sub-brands and each sub brand should be evaluated one by one”. (Dit kan ‘n baie tydsame proses wees in die oudit, veral as jou handelsmerk verskeie sub-handelsmerke het en elke sub-handelsmerk een-vir-een geëvalueer moet word).

One of the participants suggested that in the audit, reference should rather be made to the brand avatar than the brand personality. This participant felt, “It is a term that everyone knows about today.” (Dit kan dalk ook die “handelsmerk-avatar” genoem word omdat dit ‘n term is wat almal vandag ken).

After this suggestion was made and used as an example to contextualise the brand personality, participants changed the discussion towards the necessity of this step in an IC audit. One of the participants started this conversation by noting, “One can use these steps to make the discovery of your brand and if you develop it you can be sure you make the right decisions.” (‘n Mens kan hierdie stappe gebruik om die discovery van jou brand te maak en as jy hom dan ontwikkel kan jy seker wees dat jy die regte besluite maak.)

Several of the participants agreed to the importance of evaluating the brand personality and keeping the personality of the brand consistent, regardless of the change in the market. Other responses that also focused on the practical implementation of the framework include:

- “I like that the brand shouldn’t change because of the market.”
- “In an audit the pitfalls must be shown so that a company can know what to keep clear of. Companies should not change the values of itself as the world around it changes.”
- “I think the message shouldn’t change but the execution of the message must change with time and generational changes.”
- “Brand values: People need to resonate with the brand. Don’t change the company’s personality.”
Other participants focused more on the knowledge of staff members when it comes to the brand personality. A participant believed that “90% of the time staff is totally ignorant of the content meaning and/or value of a brand. Staff must be regularly informed and reminded of the need and rationale for the brand.” (Werknemers is 90% van die tyd totaal oningelig oor die inhoudelike betekenis en/of waarde van 'n handelsmerk. Personeel moet gereeld ingelig en herinner word aan die noodsaaklikheid en rasionaal van die handelsmerk).

Another participant joined in the conversation and added, “There is not always training in branding and the people on the lower level do not know of branding. They must just accept what has been said by top management.” (Daar is nie altyd opleiding in branding nie en die mense op die onderste vlak weet nie van handelsmerke nie. Hul moet net aanvaar wat deur top bestuur gesê word.)

The discussion of the participants led to the discovery of three main ideas that can shape the framework. Firstly, it appeared that there might be some confusion as to what a brand personality entailed. Secondly, after participants had defined a brand personality they provided input regarding the necessity of a company to remain consistent with its brand personality. Finally, some attention was given to the fact that staff members were not always certain what a brand personality was. The literature addressed this issue by identifying the pitfalls that companies succumbed to in terms of creating and developing a brand personality.

5.3.4 Step 4: Determine contact point preferences

As part of Kitchen and Shultz’s (2009) 8-step model of IC implementation, the contact points of communication is seen as separate from the contact preferences of the stakeholders. The necessity of including an analysis of both the contact points and the preference of communication channel for the stakeholder groups was argued in section 4.4.2. In this discussion, a contact point was clearly defined as an experience of stakeholder groups that influence the involved stakeholder’s perceptions about the company (Dienel, 2006:36). According to Kitchen and De Pelsmacker (2004:105), and Olsen (2005:68), the IMC communication mix is the key to harmonising all messages of the company, to create a consistent and clear image in the minds of the customers.
or consumers and to win their trust. Another contributing remark made by Friedman (2008:92) suggests that not all stakeholders can be communicated to in the same way and that emphasis should be placed on identifying the communication channel that best meets the demands of the stakeholder group involved. In the light of this discussion, Gronstedt’s (2000) communication dimensions were used and shaped into auditing criteria through which to measure the efficiency of each of these dimensions.

The discussion of the analysis of the contact point preference started with a true reflection of the literature. One of the participants welcomed the implementation of this step by stating, “It’s a good idea to personalise messages. It can be used to create relationships. This is a proper analysis and it would be of importance to include this step.”

Furthermore, participants added, “Creating brand awareness, would definitely help to communicate core values” and “It is relevant and practical to find the uniqueness of the brand and to use it wisely.”

When the analysis of the vertical communication dimension was explained, the participants felt strongly that “Messages from management should be made so that every department in the company knows it (change) would affect each department.” Another participant explained that when companies only made use of the same message communicated to all the different departments, the departments would not receive the message in the same way. Each department had its own expectations of a company and was affected differently by change. This participant explained that attention needed to be given to the expectations of each department. The participant said: “Copy and paste messages without realising that different messages should be sent to different departments because it is not normally received the same way. This is a necessary step because it helps the company ‘advertise’ itself to potential clients by engaging their current clients and spread the word though them.”

Another participant contributed by stating that he “likes the training component. It is very important. As it has been said many times- the people at the bottom of the hierarchy do not care because they do not feel part of the process”. (Ek hou van die opleiding komponent. Dit is baie belangrik. Soos al baie gesê is, mense onder op die hiërargie gee nie om nie omdat hulle nie deel voel van die proses nie.)
In connection with the literature suggested for a framework, to evaluate the horizontal communication in a company, participants strongly agreed, “Both the vertical and horizontal communication of most organisations is not up to standard”. They also felt that “communication between co-workers should be personal” and that “the e-mails between co-workers would definitely show you the ‘vibe’ in the department.” This input reflects on the personality of the company or brand and the importance of ensuring that the personality remains authentic and develops through everyday conversation amongst staff members. While focusing on organisational culture amongst staff, one participant added, “Staff members should help each other,” a direct reflection of what literature suggests with regard to creating a culture where staff assist one another.

Finally, when the auditing criteria of the external dimension were discussed, participants agreed, “Companies have the responsibility to start a conversation with external stakeholders and have to make sure that they are talking to the right audience.”

This statement led to a discussion of the importance of social media. One of the participants pointed out, “Most companies are afraid of social media because of the negative feedback they might receive”. The participants then agreed that in that case, “any feedback is better than no feedback” and that “the negative feedback can be used to strengthen relationships”. Another interesting remark made by a participant was that she “immediately questions the integrity of a company when the company has no presence on social media”. Although this comment was given in the light of the use of social media, it can be linked to the literature written on the importance of using consistent messages to increase all stakeholders’ trust in the brand.

The final comment that was given concerning data that would be collected through the framework was, “Perhaps emphasis can be placed on the role the marketing team or public relations officer are playing in promoting the brand and communicating with external stakeholders.”

From the discussion with participants about the importance of including this step in the framework, the contributions given by the participants was without doubt a direct association the literature. Both literature and the participants agreed that personalisation of messages was key to building relationships with different stakeholder groups. As all the stakeholder groups had different needs and
expectations of the company, the company should engage in conversation with each of these different internal and external stakeholder groups in a way that best suited their needs. One of the participants also emphasised the importance of contextualising the role of the marketing team or public relations officer to promote the brand. This comment was not supported by the literature, as the management of communication dimensions of the company is not the sole responsibility of these individuals.

5.3.5 Step 5: Message development and delivery

In the framework, the development and the delivery of a message could only be analysed after the efficiency of the communication channels had been determined. By including a step in the IC audit framework that focuses on the actual messages communicated through the various channels, companies could be able to ensure integration in all messages. The importance of including an analysis of the message development and delivery was queried in section 4.4.3. During this discussion, insight from Satrain and Schumann (2006:12), Kitchen and Schultz (2000), and Shultz (2000) provided adequate support to the idea of including the step. From the literature, it was clear that both the visual and the written elements of a message could communicate the core values of the brand. According to Serafinin (2014:145), the graphic elements set the tone and scene for the entire message. This then enables a company to use relevant information to communicate through the marketing communication channels to contribute to the overall positioning of the brand (Shimp & Andrews, 2013:549). The most important contribution of examining the development of the messages is to ensure that the values and emotions of the company are communicated in such a way that it builds long-term relationships with each of the different stakeholder groups it reaches with different messages (Koekemoer, 2004:36).

The following summary represents the feedback given by the participants regarding the practical implementation of this step:

- “This is practical and can be easily used in practice. It is an important step in this process.”
- “Creates a centralised point from which messages can be developed or evaluated” (Skep ‘n gesentraliseerde punt van waar boodskappe ontwikkel of geëvalueer kan word).
• “There should be a clear link between the messages of a company and its core values.”

• “Explains how the two (both the visual and written components of the message) can be used together so that the company is able to use the IMC characteristics to the max.”

• “The step is necessary, repetition is very important. People trust a good brand.”

• This step would ensure that the person creating the message realises what the brand is about. This will help them to realise how they should work with the brand to increase awareness of core values. (Hierdie stap sal verseker dat die persoon wat die boodskap skep sal besef waaroor die brand gaan. Dit sal hulle help om te besef hoe hulle moet werk met die handelsmerk om bewustheid van Kernwaardes values te verhoog.)

From these comments, one can conclude that the participants welcomed an evaluation that includes both the written and visual elements of a message. However, some concerns were raised about the feasibility of communicating every core value on every brand touch point (“I do not always know how feasible it is to communicate every value in every touch point” – Ek weet nie altyd hoe uitvoerbaar dit is om elke waarde op elke raakpunt te kommunikeer nie).

This issue was addressed by another participant that pointed out that the framework can be used as a “central point where messages can be developed or evaluated”. The participant also suggested, “messages should be more narrative”. (Dit is ‘n gesentraliseerde punt van waar boodskappe ontwikkel of geëvalueer kan word. Boodskappe moet ook meer narratief wees.)

Another participant joined the conversation by stating, “There is a new trend regarding the narrative – even the tangible elements sometimes becomes too complex for people to remember for example the difference between a logo and slogan of a company.” (Daar is deesdae ’n nuwe neiging wat betref narratiewe – selfs die tasbare elemente raak ook soms kompleks vir mense om te onthou byvoorbeeld die verskil tussen ’n logo en slagspreuk van ’n maatskappy.)

The data collected through the focus groups regarding Step 5 showed that the participants were open to the idea of evaluating both the written and the visual elements in a message. They acknowledged the fact that the messages should...
complement one another and that they should communicate the core values of the company. Participants also realised that it was not practically feasible to communicate every core value in every message that the company sent to various stakeholders. They acknowledged that the messages should form a unity and contribute to the story of the brand. There was a clear link between literature and the comments provided by the participants.

5.3.6 Step 6: Examine stakeholder relationships through CSR

With the emphasis on CSR, another step was added to the IC audit framework that would enable an auditor to determine the proficiency of the actions of the company and how these actions contribute to CSR while still reflecting the core values. The necessity of including this step in the IC audit framework was contextualised in section 4.4.4. Through the literature review, it was made clear that companies should not only communicate the core values with impact, but should also reflect on these values through its actions (Dienel, 2006). An auditing step was therefore created that examined issues such as corporate governance and stakeholder engagement. The importance of this analysis was supported by Zhao (2014:192) when the author states that through determining the perceptions of stakeholders in terms of CSR initiatives of the company, a company would be able to understand the interest of that stakeholder group in the company better. This suggested step in the IC audit framework consisted of two phases. In the first phase, the company's view on CSR would be determined and in the second phase, the actions would be evaluated. The participants provided input on the practical implementation of both phases.

The participants all agreed to the importance of determining the companies' view of CSR efforts. One of the participants gave the following response that directly links to what has been written in literature: “I had been in the NGO environment for a long time and when you go to the CSR organisation to identify a match – when you then speak to the people of the organisation it seems like there is no heart in it. CSR feels as separate from the organisation- just something that needs to be done.” (Ek het lank in die NGO omgewing gewerk en wanneer jy na die CSR organisasie gaan om een te identifiseer wat pas – wanneer jy dan met die mense praat van die organisasie voel
dit soms asof daar nie ’n hart in dit is nie. CSR voel as apart van die organisasie – sommer net iets wat gedoen moet word).

Another participant believes that when it comes to CSR efforts, “Companies forget to focus on the long-term view they tend to look at the wide view.” In the other focus-group session, participants also addressed the issue of companies view on CSR. In this session, participants felt that “Knowing what the view of a company is can help with CSR seeing that you can show your core values through this. If you have a clear view of what you view is, you can adjust your view to better suit the company.” They also agreed, “Most CSR efforts are not well thought through.” (Die meeste CSR word nie goed deurdink nie).

Participants also provided a practical perspective on the actual CSR activities of the company. One of the participants pointed out, “It is important to know who sees or hears the message that the company want to send through CSR.” (Dit is belangrik om te wie sien of hoor die boodskap wat die maatskappy deur CSR wil stuur.)

Focus was also placed on how the CSR efforts of the company should form part of the brand narrative. A remark by a participant was that “CSR is part of the brand storytelling because the organisation must connect all actions to their story” (CSR vorm deel van die handelsmerk-verhaal omdat die organisasie alle aksies aan hul storie moet bind). Another participant joined in this conversation by stating, “The corporate story is something that constantly develops; it never stagnates.” (Die korporatiewe verhaal is iets wat die heeltyd ontwikkel, dit stagneer nooit.)

On the overall implementation of the framework to measure CSR efforts, the sentiment towards this step was mutual for all the participants and can be summarised with the following responses:

- “This step is vital in this process and would help an organisation streamline its CSI budget to add value instead of just sponsoring for the sake of doing it.”
- “Yes, it is important; it offers a very broad spectrum to analyse.”
- “Yes, it is important, but I generally feel that this area is often viewed as less important to companies.”
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The participants agreed with literature that it was important to determine the view of CSR of a company. They also shared the opinion that companies often perceived CSR as something that needed to be done and added no other value to these efforts. They felt that it was vital to make companies aware of the importance of CSR and how these activities would contribute to the promotion of the brand. Companies also needed to understand that CSR efforts were one of the fundamental aspects of a growing corporate story.

5.3.7 Step 7: Facilitate the calculation of Return on Investment

Based on the research outcome to create an audit framework that focuses on IC, Kitchen and Schultz’s (2000) 8-step model of IC implementation was changed from estimating the ROI to facilitating the calculation of ROI through providing the data of the previous steps of the IC audit. This decision was made based on literature that supported the notion. The discussion that served as the outline for contemplating the inclusion of this step in the IC audit framework was done in section 4.5.1. In this discussion, Vashisht’s (2005:379) viewpoint on ROI was used, as he is of the opinion that only input provided from both a communication and financial perspective would reflect the true efficiency of the communication efforts of a company. Furthermore, Daft (2008) highlights that companies often neglect the use of the marketing department’s data when calculating the ROI. When ROI calculation is conducted from an untainted financial perspective, a company might have an ROI calculation that does not reflect the true potential of each communication function.

When this step of the IC audit framework was explained to the participants, they provided the following statements:

- “Qualitative versus quantitative. This model supports quantitative information to submit to management for an exact ROI report.”
- “Yes I think this step bring everything together. Nice way of looking back and identifying problems/things that went wrong.”
- “This step is very important – gives great insight on how to go about certain problems.”
- “Very useful as a management tool.”
- “It seems this step can really help.”
The initial response of the participants was very positive; however, some participants addressed the issue of applying the step in an environment where the financial department ascribed value to qualitative data. One of the participants agreed, “The financial department should not only focus on the figures of a budget, but also on the elements of an issue or problem so that the company has a wider scope of knowledge of the company, this step creates a framework for the company to grow for the better.”

This statement was challenged by another participant that stated, “The marketing communications department is never included in an audit – they ask superficial questions and then calculate ROI on those answers.” (Die bemarkingskommunikasie departement word nooit ingesluit by ’n oudit nie – hulle vra oppervlakkige vrae en werk dan ROI volgens die antwoorde uit.)

Another participant said, “The question really is how you are going to communicate the qualitative data with the same authority as quantitative data”. He also suggested that “if you link qualitative with quantitative and you are able to link the rands and cents as well as the risks, then one truly makes a breakthrough. At a later stage, this participant also added, “If a link between qualitative and quantitative data can be made it gives you the golden key for integrated communications to communicate with the same authority as chartered accountants through integrated reporting.” (As ’n skakel tussen kwalitatiewe en kwantitatiewe data gemaak kan word, gee dit jou die goue sleutel vir geïntegreerde kommunikasie om met dieselfde gesag te kommunikeer as ’n geoktrooieerde rekenmeester deur geïntegreerde rapportering.)

Another participant suggested, “Each step of the framework should include a monetary value to provide both qualitative and quantitative data.” (Elke stap van die raamwerk moet ’n monetêre waarde bevat om die kwalitatiewe en kwantitatiewe data te voorsien).

The discussion of this step of the IC audit framework truly reflected the literature that was discussed in section 4.5. They acknowledged the importance of using the data from the previous steps to support the calculation of ROI. Participants agreed that by providing the financial department with qualitative data, it would contribute to the context in which the ROI calculation was calculated. They also agreed that this would
provide management with a more precise ROI calculation that provided reasons as to why certain changes needed to be made in investments.

**5.3.8 Step 8: Facilitating the communication of changes in Return on Investment**

In section 4.5.2, a literature review was conducted to examine the necessity of including a step to audit the communication process of changes in ROI in a company. The focus of this step was to determine whether any changes in budget allocation were communicated effectively to the different departments that might be influenced greatly when changes are made. Niemann (2005:143) acknowledges the challenge in practice when changes in the budget need to be communicated. He states that it is impossible to expect that all the different business functions would prefer a similar method of communication when reporting the changes made in the budget of a company. Literature that aimed to contextualise this issue proved that zero-based budgeting is the ideal choice in budgeting for IC and IMC efforts. Bowdin, O'Toole, Allen, Harris and McDonnell (2011:220) define zero-based budgeting as the way in which a marketer works from a zero base to cost out the best mix of IMC strategies to achieve a set of objectives. The same applies to IC. The use of zero-based budgeting is also supported by Thorson and Moore (2013:148) when they state that it provides companies with a flexible structure to ensure that communication mediums reach their target. However, management often makes decisions that affect the internal environment of the company without considering the views of the individuals and departments that would be affected by the decisions (James, 2006:62). This issue can be cleared when management is aware of internal politics that may have an impact on the acceptance of changes in investment (Dropkin *et al.*, 2011). Therefore, in this step, the focus was on the communication of changes made in the budget, as well as how management should be able to tailor the message for each specific division within the company affected by the changes.

From the moment the implementation of this step was discussed, participants showed their frustration of management not communicating changes that affected the entire company. The following comments given by the participants illustrate their frustration:
“In some organisations the decision-making is in top management and will stay there.”

“Financial people and management are only interested in ROI.” (Finansiële mense en bestuur stel NET belang in ROI.)

“It is important for everyone to be on the same page, and allow staff members to give input at the same time.”

“In budget meetings we are usually just motivated as a department to try and use our money more wisely. I like this step, because it will be a more positive way to handle finances.”

They also touched on the fact that when information is not shared with all departments, it becomes a competition between departments. A participant started this conversation by mentioning, “Departments shouldn’t compete with each other, rather with other companies. All the departments should work together as a team to be a better company.”

Another participant opined that he thought, “A little bit of competition within a company could help the company, but the competition should be based on the bigger picture as a company we should work as a team.” The competition this participant referred to is a healthy competition where departments motivate one another to work hard. He explained this by stating that the competition should be based on reaching overall goals of the company.

A final comment given by the participants regarding this step was that “this step relies on an inclusive system, which would not always be the case”. Another participant’s remark can be used to provide assurance to the issue that was raised. This participant stated, “This step incorporates with each of the previous steps, but leaves space for top management to provide input.” What the participant meant by this statement was that this step aimed to use the data from the previous steps to influence management to make decisions. Therefore, the step did not rely on an inclusive system, but rather suggested it should be followed and he supported this suggestion with theory.

Participants agreed with literature that management often excludes individuals and groups from decisions made that would affect them significantly. They also stretched the importance of ensuring that all the internal stakeholders “are on the same page” before change is implemented. Literature suggests that, not only would this reduce the
chance of internal politics interfering with the change, but it would also lead to internal stakeholders to accept the change more easily (Yungwood & Jungen, 2013). The participants added to this that it would lead to more healthy competition amongst departments, where they all work towards reaching the same goals.

5.3.9 Step 9: Measurements to improve ROI

The last step of the IC audit framework focuses on the importance of having measurements in place through which to measure future IC initiatives of the company. This argument is supported with literature in section 4.5.3. Kitchen and Schultz (2000) include this step in their IC implementation framework by claiming that it enables the company to create a “closed loop” of the data to determine the success of the IC efforts of a company. To create this measurement structure, Kaplan and Norton’s (1996) balanced scorecard was used. Although their balanced scorecard had already been developed in 1996, it contributed to the idea that financial measurements should be supplemented with non-financial measurements that further explained the results (Kaplan & Norton, 1996:55). This balanced scorecard was then combined with a support panel of IC created by Ang (2014). The more contemporary input of this author enabled the researcher to create a balanced scorecard that generated a more integrated set of data. By using this framework, literature suggests that the auditor focus will change from creating an effective message that will strengthen the IC structure of the company to providing a panel in which all corporate activities can be shaped to contribute to a unified IC perspective.

When the participants were given the opportunity to comment on the significance of including this step in the IC audit framework, there were no counterarguments to challenge the validity of the steps. Feedback given by the participant included the following:

- “It is a good way to bring everything together.”
- “This is an important step when looking at the future of a company.”
- “This step is also important in this audit framework.”
- “Makes it easier to plan ahead and improve on past results, while it gives great indication on where you are heading as a company.”
There was just one suggestion that a participant made to the implementation of the framework. This participant suggested, “It might be a lengthy process to do at once, maybe create something to implement on a monthly basis.” No other participant provided response on this comment and changed the conversation.

Although not many participants provided feedback on this step, the feedback that was given showed that the participants felt that the step was necessary in the framework. They acknowledged the fact that literature suggests measurements should be in place to measure future activities of the company that would assist a company to plan ahead.

5.3.10. Feasibility of the steps of the framework

To understand the participant’s general perceptions of the framework better, the researcher allowed participants to provide feedback on the overall implementation of the framework. This data provided valuable information to the researcher in terms of possible recommendations that could be made for future studies.

Some of the participants focused on the impact of implementation of the framework in practice. One of the participants provided the following suggestion: “These are good steps to help a company to improve. What would make this framework even more usable to companies is to focus on companies that are at different stages of existence for example start-up, established or expansion.”

The mentioned participant’s comment was reprimanded by another participant who was in favour of a general framework that is suitable for different companies. This participant provided the following input: “I like that you made it general, because you can actually make it more personal and I think every business is personal. If you put down rules, you will put everyone in boxes and they have to go through steps. This framework makes space for companies to remain individual.”

The conversation led to other participants to agree that the framework has “good steps to help a company to improve or to start a good company” and also that “the framework can be very beneficial for current and future companies to handle internal and external matters.”
One participant even focused on the use of these steps for departments within a company and gave the following statement: “In our company I think we have a lot of different divisions like let’s say our content hub – their results would look different than digital platforms. I think it’s good, because I’d say that we as a department could actually use some of these steps just to get our department working better.”

Another group of participants focused more on the challenges that the implementation of this framework would have when implemented in practice. This discussion was started by a remark given by a participant that “Top management remains the decision-makers and it is not always the case in organisations that “ground staff” also forms part of the decision-making.” (Topbestuur bly die besluitnemers en dit is nie altyd die geval in organisasies dat die “ground staff”(front-line employees) ook deel van die besluitneming vorm nie). With this statement, the participant tried to explain that even though the frameworks of each step might enable the auditor to identify issues by highlighting actual incidences in the company and to provide support through literature to solve the issue, management remained the final decision-makers. They might decide that even after the data from all the steps had been given to them, no changes should be made.

Another participant added to the issue by suggesting that “by adding figures at every step give them the link of rands and cents and you speak the language of management.” (Deur syfers by elke stap te koppel gee jy hulle rand en sent en praat jy die taal van bestuur.)

Another participant agreed that, “to include every step in monetary calculation will link the data with rands and cents” (Ja, om elke stap in monetêre berekening te kan insluit sal die data met rand en sent kan koppel.) The input provided by these participants suggests that, in some cases, management makes decisions that have an effect on the entire company without having knowledge of IC. These decisions are often based on quantitative data and, in some cases, the qualitative data are not even considered.

From this input, the researcher could conclude that general feelings towards the framework were positive. The feedback given regarding adding monetary value to each step was very valuable, and could be researched in another study to solve an industry challenge.
5.4 SUMMARY

In this chapter, the data from the focus-group sessions were reported. Section 5.1 included a discussion on the way in which the data from these sessions contributed to the research. From this discussion, it was highlighted that the data provided by the participants enabled the researcher to reach the final secondary research objective. This objective was to test the feasibility of this framework by presenting the concept of the IC audit to the managing staff of a decentralised company. The researcher used the feedback of the focus-group discussion of each step to determine whether the proposed framework created through literature resonates with the typical professionals in practice that would be in charge of implementing the audit.

In the final chapter of the study, the data from all three the research phases will be integrated and recommendations for each step of the framework reported. This is followed by a final presentation of the changes that were made to the steps of the proposed IC audit framework. The final section includes the final remarks of the researcher, including a discussion of the value of the research, and recommendations about the way in which the research can be used to pursue future studies.
CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

6.1 INTRODUCTION

In this final chapter of this research, the data from all three the research phases are integrated. Through this process, the researcher is able to determine whether the different research phases complement one another to reach the primary objective of the study as well as to indicate where changes need to be made in the IC audit framework. It is thus vital to ensure that the three research phases that were adhered to the specific secondary objectives contribute to reaching the primary objective of the study. After integration of these research phases are ensured, the final recommendation and conclusions can be made to present an IC audit framework that is a true reflection of literature, but is feasible to implement in practice. As the IC audit framework consists of detailed steps, it is necessary to have a clear report of the final presentation of each step of the framework, to clear out any confusion regarding the purpose of each step. Therefore, the final presentation of each step includes the discussions of the closing recommendations and conclusions that shaped the final presentation of each specific step. Through presenting each step in this manner, the researcher aims to create a holistic view of each step that will be useful to the auditor to understand the purpose and necessity of the steps of the IC audit framework better. In this final presentation, a memo to the auditor has been provided for the practical implementation of each step. This memo will provide the auditor with further recommendations regarding the practical implementation of each step. As the purpose of these memos is to facilitate the auditor when conducting the audit, the content is not strictly bound by literature from research methodology. It should rather be seen as an attempt form the researcher to provide the auditor with possible methods that could be followed to collect the necessary data for the audit. However, it is vital to emphasise that the research methods suggested in these memos are not compulsory to use. When specific research methods are assigned to each step, the auditor might become too restricted to capture data, as the setting of each company differs.

The following section will report how the three research phases were integrated to create the final presentation of each step of the IC audit framework.
In Chapter 4 (see section 4.6), some anticipated consequences of implementing the IC audit framework were stipulated. These consequences were reported prior to the focus-group session to prepare the researcher for the possible reactions that participants might have towards the framework. It is necessary to reflect on these anticipated consequences for the researcher to determine whether actual responses from participants could be linked to these consequences. It would also give the researcher the assurance that if some of the mentioned negative anticipated consequences were not discussed in the focus groups, it was not seen as a threat by professionals working in the field.

Table 6.1 provides a summary of the way in which the data from the three research phases are integrated. Some of the main constructs of IC that were identified through the conceptual analysis of IC (Phase 1 of the research) were used in Chapter 4 (see section 4.6) to anticipate certain responses that participants would have regarding the practical implementation of the framework. These anticipations were created after the literature review had been conducted and the auditing criteria were shaped (Phase 2 of the research). In Table 6.1, these consequences are linked to actual responses given by participants during the focus-group sessions (Phase 3 of the research). This will be followed by a discussion of the way in which the anticipated consequences compare to the feedback from participants and the recommendations the integration of the data from the research phases delivered.
Table 6.1: Integrating the data from the three research phases

<table>
<thead>
<tr>
<th>DATA FROM RESEARCH PHASE 1</th>
<th>Anticipated positive consequences of implementing the IC audit framework (Data based on research Phase 2)</th>
<th>Responses of participants positive consequences: (Data based on research Phase 3)</th>
<th>Anticipated negative consequences of implementing the IC audit framework (Data based on research Phase 2)</th>
<th>Responses of participants: negative consequences (Data based on research Phase 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internal stakeholder focus</strong> (Section 3.4.4)</td>
<td>The audit framework provides data gathered from an internal stakeholder perspective</td>
<td>“The financial department should not only focus on the figures of a budget, but also on the elements of an issue or problem so that the company has a wider scope of knowledge of the company, this step creates a framework for the company to grow for the better.” (See section 5.3.7)</td>
<td>Staff lack the motivation to contribute</td>
<td>“Top management remains the decision-makers and it is not always the case in organisations that &quot;ground staff&quot; also form part of the decision-making” (See section 5.3.10.)</td>
</tr>
<tr>
<td><strong>External stakeholder focus</strong> (Section 3.4.4)</td>
<td>The audit framework provides data gathered from an external stakeholder perspective</td>
<td>“Companies have the responsibility to start a conversation with external stakeholders and have to make sure that they are talking to the right audience.” (See section 5.3.4)</td>
<td>External stakeholders are reluctant to provide necessary information</td>
<td>Not applicable</td>
</tr>
<tr>
<td><strong>Provides suggestions for improvement from literature</strong></td>
<td>The IC audit framework provides suggestions for improvement from literature</td>
<td>“The framework is problem-identifying but at the same time it provides solutions.” (See section 5.3.2)</td>
<td>The suggestions from literature might be difficult to implement in practice</td>
<td>“The question really is how you are going to communicate the qualitative data with the same authority as quantitative data”. (See section 5.3.7)</td>
</tr>
</tbody>
</table>

…continuing
<table>
<thead>
<tr>
<th>DATA FROM RESEARCH PHASE 1</th>
<th>Anticipated positive consequences of implementing the IC audit framework (Data based on research Phase 2)</th>
<th>Responses of participants positive consequences: (Data based on research Phase 3)</th>
<th>Anticipated negative consequences of implementing the IC audit framework (Data based on research Phase 2)</th>
<th>Responses of participants: negative consequences (Data based on research Phase 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>An analysis of all domains of IC</strong> <em>(Section 3.6.1)</em></td>
<td>Data of the domains of the IC strategy can be analysed separately</td>
<td>“I like that you made it general, because you can actually make it more personal and I think every business is personal. If you put down rules, you will put everyone in boxes and they have to go through steps. This framework makes space for companies to remain individual.” <em>(See section 5.3.10)</em></td>
<td>Conducting a full audit is a lengthy process</td>
<td>“It can be a very lengthy process in the audit, especially if your brand has several sub-brands and each sub brand should be evaluated one by one section.” <em>(See section 5.3.3)</em></td>
</tr>
<tr>
<td><strong>Communication channels</strong> <em>(Section 3.4.2)</em></td>
<td>The analysis includes all communication channels to ensure that the core values are highlighted in each message</td>
<td>“Creates a centralised point from which messages can be developed or evaluated” <em>(Skep ’n gesentraliseerde punt van waar boodskappe ontwikkel of geëvalueer kan word).</em> <em>(See section 5.3.5)</em></td>
<td>The audit focuses more on decentralised companies</td>
<td>“These are good steps to help a company to improve. What would make this framework even more usable to companies is to focus on companies that are at different stages of existence for example start-up, established or expansion.” <em>(See section 5.3.10.)</em></td>
</tr>
</tbody>
</table>
The first anticipated consequence focused on the internal perspective of the IC audit framework. The researcher anticipated that participant would think that a positive consequence that could be obtained from the IC audit framework implementation is that it would provide an internal stakeholder perspective on IC. This was supported by the participants as they felt that the data would provide the financial department with more insight on internal affairs and that it would help them to calculate a more precise ROI. The researcher also anticipated that staff might lack the motivation to contribute, should the audit be implemented. This anticipated consequence was not addressed by the participants. They were, however, more concerned about management’s knowledge regarding IC and how this knowledge would affect their involvement and reaction to the data provided through the framework. They were of the opinion that in some cases, management neglected involving any other party in the decision-making process. This could lead to management having a negative attitude towards the idea of conducting an IC audit and could lead to possible difficulty in using the data to improve the IC structure of the company.

With the emphasis on an external stakeholder focus, the researcher anticipated that participants would feel that during the IC audit framework implementation, the data might also provide the company with insight from an external stakeholder perspective. This consequence was acknowledged by participants, as they noted that it was the responsibility of the company to engage in conversation with external stakeholders, but also to make sure they were talking to the right audience when the message was communicated. The negative consequence that the researcher anticipated from an external stakeholder’s point of view was that external stakeholders might be reluctant to provide the necessary information to conduct the audit. This issue was not mentioned by the participants, as the focus was on testing the feasibility of the implementation of the IC audit framework and not on how the data should be collected. However, even though this issue was not raised during the discussions, it might still be a challenge to involve external stakeholders.

The researcher anticipated that participants might focus on the fact that the framework would not only address issues in the company, but also provide literature to address the issue. This anticipated implication was shared by the participants as one participant characterised the framework as a problem identifier and a solutions
provider. A negative anticipated difficulty that the researcher foresaw was that the literature would be difficult to implement in specific organisations. This concern was not shared by the participants. They rather focused on ensuring that the qualitative data retrieved through the steps were communicated to management with the same authority as the data the financial department provides. In order to solve this issue, one of the participants suggested that monetary value should be added to each step in the framework.

When the researcher anticipated the implications of implementing the IC audit framework that evaluates all the domains IC, it was thought that participants would feel that it is positive that the audit can be divided into the three domains. This separation of domains would provide the auditor with the flexibility of selecting which steps to audit. One of the participants also mentioned this implication and even stated that this enabled companies to address issues regarding their IC implementation, but remain authentic in the process. However, they also acknowledged the fact that it is a very lengthy process to conduct all the steps.

Finally, the researcher anticipated that participants would agree that the audit includes all the communication channels. The reaction from participants established the researcher’s thoughts when a participant commented that the framework provides a centralised point from which messages could be evaluated or created. Another compelling remark given by a participant focused on how a combination of the visual and written elements of a message can support a company to develop the potential of the company’s IC characteristics. A concern of the researcher was that participants might think that the audit focuses more on decentralised companies. This concern was not highlighted by participants. Instead, a participant suggested that the framework could cater for companies in different stages of existence.

### 6.2.1 Suggestions to address the anticipated difficulties of the framework

During the discussion of the anticipated difficulties of implementing the IC audit framework, it came to light that one of the participant’s biggest concerns was that management might still decide to exclude any other party from the decision-making process. This might lead to management passing the data collected though the steps
aside or deciding not to invest in activities that might promote the IC structure of the company. Although little can be done to resolve this issue, the auditor might use the support form literature to persuade the manager of the impact of a strong IC structure of a company. The literature might also be used to warn management of the negative implications that might ascend over the long term if certain issues are not addressed. It is thus vital to improve management’s knowledge of IC to ensure that they realise the potential of IC and its influence on the company.

Another challenge anticipated by the researcher was that external stakeholders might not cooperate to gather the necessary data to conduct the audit. This issue was not mentioned in the focus-group discussions, but might still have a negative impact on the audit. Suggestions that can be made to solve this situation are to approach the external stakeholders who can truly contribute to the data and only intends to contribute to enhancing the potential of the brand. The auditor might also consider reimbursing these contributors with what the company is able to contribute.

An additional concerning factor was that the data from the steps might not be communicated to management with the same authority as the results from the ROI, participants felt that the main reason for this issue was that the financial department speaks the language of management when they deliver figures. A suggestion was made by a participant that monetary value should be added to each step in the framework. Although this would lead to a breakthrough in effective communication and lead to bridging the gap between qualitative and quantitative data, it does not form part of the primary objective of the study. Furthermore, the researcher proposed that with support from literature provided in every step, the auditor could report the issues to management and use the supporting literature to back the findings and to suggest the steps that need to be taken to address the issues.

The IC audit framework consists of three domains of IC. All the steps fall into the separate domains and can be analysed separately to some extent. However, the strategic communication management domain would be difficult to analyse independently, as the results from the previous steps are needed to conduct the analysis of this domain. Both the researcher and the participants anticipate that implementing the IC audit framework would be a very lengthy process. A suggestion that can be made to address the issue is for the auditor to stress the importance of
how the data can be used to improve future ROI. However, since it has been acknowledged by participants and researcher that the domains can be analysed separately, the auditor might suggest that management only choose some of the steps for analysis. Unfortunately, when the steps are analysed separately, Steps 7-9 could not be analysed, as they are dependent on the data from the previous steps.

The final anticipated concern addressed through the reflection of the researcher’s and the participant’s anticipations of implementation was that a participant suggested that the framework could be improved by including a focus point on different stages of existence of the company. This comment was not valid, as it did not contribute to the primary objective of the study. The primary objective of the study was to create and IC audit framework through which a company could measure the presence and strength of the IC structure of the company. Even though the primary research question did not state the framework should be created for a decentralised company, it was chosen as the environment to focus on, seeing that it is difficult to implement IC in a company that is decentralised. However, by including different frameworks for companies in different life stages, the focus would deviate from auditing IC to evaluating progress of the company. This focus was thus not valid, as it would not contribute to reaching the primary research objective. Furthermore, a comment made by another participant (see section 5.3.10) suggests that the framework leaves enough space for a company to use the framework in a flexible way without losing the authenticity of the company. The suggestions for the framework provided through the reflection of both the researcher and the participants’ anticipations of implementing the study provided and overview of possible solutions that can enhance the implementation of the study. In the following section, the conclusions, recommendations and final presentation of each step will be reported.

6.3 CONCLUSIONS, RECOMMENDATIONS AND FINAL PRESENTATION OF EACH STEP OF THE IC AUDIT FRAMEWORK

In this section, the conclusions of each step are presented with the recommendation and final presentation of each step. The reason for combing the conclusions, recommendations and final presentation, was to ensure that the final reporting of the data is communicated in a concise way. This layout will support the reader to make a
direct link to the conclusions that led to recommendations added for each step and how these recommendations have influenced the final presentation of each step.

### 6.3.1 Step 1: Company overview

The importance of reviewing the mission statement as a first step in the conceptual IC audit framework was debated (see section 4.3.1). As the mission statement can be seen as an establishment of the company’s relationships and expectations with stakeholders, it would be the ideal step to begin the audit with, as it would align the thoughts of the auditor to the company missions, vision and values (McCain, 2011). The information provided through the mission statement would especially benefit an external auditor to understand how the company operates better.

#### 6.3.1.1 Conclusions of Step 1: Company overview

It can be concluded that the mission statement remains the driving force of the company. However, participants felt that although using the mission statement of the company as the driving force for all activities would be the ideal situation, in most cases the staff members of a company are not even completely sure of the company’s mission statement.

#### 6.3.1.2 Recommendations for Step 1: Company overview

The company cannot be driven by a mission statement if the staff members responsible for implementing the mission statement are not aware of what is stated in the mission statement. It is suggested that the auditor should rather provide the mission statement to the individuals before they are asked to provide feedback. By doing so, the auditor can ensure that the data collected from the individuals that represent different stakeholder groups of the company deliver feasible data. Furthermore, by providing these individuals with the mission statement and perhaps working through this mission statement with the participants, the auditor would not only prioritise between the input given by different stakeholder groups, but would also have the opportunity to question the knowledge of each specific internal stakeholder group with regards to the mission statement.
To assist the auditor in the implementation of this step, a memo was added to the framework. This memo provides the auditor with suggestions concerning the implementation of this step. The idea of the memo is that it provides suggested data capturing methods that the auditor might consider before implementing the audit of this step.

6.3.1.3 Final presentation of Step 1: Company overview

To the Auditor:

Step 1: Company overview

The aim of this framework is to get a basic overview of what the company stands for, as it would align the thoughts of the auditor to how the company operates. It is suggested that the auditor collects the necessary data through viewing the mission statement of the company, but also by conducting short interviews with identified individuals that represent various stakeholder groups of the company. Also, ensure that these individuals read the mission statement before the interviews are conducted. This will facilitate the participants in providing adequate feedback on how their perception corresponds or contradicts to what has been stated in the mission statement. Supporting literature that can be used in the report of the findings from this framework is provided in section 4.3.1. The following framework can be used to collect the data for the company overview:

Table 6.2: Overview of the company

<table>
<thead>
<tr>
<th>Focus point in the mission statement</th>
<th>Question to answer regarding the mission statement.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Who are the company’s present and future customers?</td>
</tr>
<tr>
<td>Products</td>
<td>What are the company’s major products or services?</td>
</tr>
<tr>
<td>Markets</td>
<td>Where does the company compete?</td>
</tr>
<tr>
<td>Technology</td>
<td>What is the company’s basic technology?</td>
</tr>
<tr>
<td>Concern for survival, growth and profitability</td>
<td>What is the company’s attitude towards economic goals?</td>
</tr>
<tr>
<td>Philosophy</td>
<td>What are the basic beliefs, values, aspirations, and philosophical priorities of the company?</td>
</tr>
<tr>
<td>Self-concepts</td>
<td>What are the company’s major strengths and competitive advantages?</td>
</tr>
<tr>
<td>Concern for public image</td>
<td>What is the company’s public image?</td>
</tr>
<tr>
<td>CSR</td>
<td>What actions does the company take to address issues in its immediate environment?</td>
</tr>
<tr>
<td>Strengths</td>
<td>Could any possible strengths be identified in the mission statement?</td>
</tr>
</tbody>
</table>

...continuing
It is vital to determine the strength of the company’s stakeholder relationships. This step provides the necessary literature to conduct an investigation of the company’s possible internal and external stakeholders’ relations by determining the sentiment that the company adds to these specific stakeholder relationships (see section 4.3.2). The inclusion of this step in the framework might enable a company to become aware of all the possible stakeholder groups that might be affected by the company. It also emphasises the significance of creating and maintaining a positive the relationships with each of these stakeholder groups. Furthermore, the data provided through these steps might be useful to prioritise the stakeholder relationships with the company to ensure that the predetermined investments made to communication with the specific stakeholder groups can be aligned with the delivered output performance of communicating with these groups (Niemann, 2005:138).

### 6.3.2.1 Conclusions of Step 2: Identifying stakeholder groups and their value

The importance of investigating the condition of both internal and external stakeholder relationships remains vital to the success of the company. However, in the discussion of the second step of the IC audit framework (see section 5.3.2) some of the participants were confused as to how the framework accommodates companies with external partners, since they were not mentioned in the framework. However, their emphasis was greatly on the important role of staff members to influence external stakeholder groups. Some of the participants felt that companies neglect the importance of staff members and only focus on external stakeholder groups. They acknowledged that the framework would enable an auditor to identify the problem regarding management’s efforts to engage in internal stakeholder relationships.
agreed that the data from the framework might provide the necessary support from literature to make management aware of their negligence towards strengthening internal relationships. However, participants also mentioned that management often fails to realise that the reward system for staff should resonate with his/her motivational needs and suggested that that the framework should include specific reward systems for staff members.

6.3.2.2 Recommendations for Step 2: Identifying stakeholder groups and their value

From the literature provided in the literature review, no indication was given from literature that a distinction should be made between partners and interest groups. However, since the aim of the framework is to create an IC auditing tool to measure the IC initiatives of a company, the framework should clear out any possible confusion of the position of partners in the external analysis. Therefore, it is recommended that partners should be added as a separate stakeholder group in the external analysis framework to clear out any confusion. In the light of the discussion regarding internal stakeholder relationships, it is evident that when management neglects the relationship with internal stakeholders, it might have a negative influence on the company's external stakeholder relationships. One of the most influential factors concerning the growth of internal stakeholder relationships is management's negligence of ensuring that the reward systems created for the individual staff members resonate with his/her motivational needs. Although this issue needs to be addressed, it is not recommended that specific reward systems should be included in this specific step of the IC audit framework. The rationale behind the exclusion of a staff reward system in this step of the framework is that it would shift the focus from IC to human resources. However, during the data collection through the framework provided in this step, an auditor would easily pick up if the staff members of the company were not satisfied with the reward system of the company. Therefore, in this case, the issue would be addressed as a whole and not aimed at the complaints of each individual staff member. Nevertheless, when the auditor writes the report that management would receive of the findings, the concern regarding rewarding systems of staff could be mentioned. Furthermore, as there are no specifications of the way in which data should be collected, nor any specific actions that the framework force upon
companies to improve IC, the framework cannot include specific rewarding systems that need to be followed.

To assist the auditor in conducting this step in the IC audit framework, a memo of the implementation of Step 2 was added to the framework. This memo might support the auditor to gain perspective of the purpose of the specific data that would be collected through the two frameworks of this step. The memo also includes a recommendation of the appropriate data-collection methods to obtain adequate data.

6.3.2.3 Final presentation of Step 2: Identifying stakeholder groups and their value

<table>
<thead>
<tr>
<th>To the Auditor:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Step 2: Identifying stakeholder groups and their value</strong></td>
</tr>
</tbody>
</table>

The aim of this framework is to identify the internal and external stakeholder groups of the company and to determine the value of the specific group to the company. The internal and external stakeholder groups are analysed separately, as building relationships with these two distinct groups both require a specific approach.

For the internal stakeholder analysis, data could be collected through short interviews with staff members from different departments. It is important to ensure that the data reflect the true perceptions of all the staff members and not just a selected number of staff with strong views. After this data have been collected, the auditor can include the intrinsic rewards and the possible solutions in the report to management. This will enable the auditor to contextualise the effect of the identified shortcomings that was provided through the data from the framework. This process is explained in section 4.3.2.3.

For the external stakeholder analysis, short interviews or even questionnaires can be conducted to collect the data from the identified external stakeholders. Again, it is vital to ensure that the data collected through the framework are a true representation of the specific external stakeholder relationship under review. Literature that would assist the auditor to report the findings with the support from literature is explained in section 4.3.2.2.

The following frameworks can be used to analyse the external and internal stakeholder group relationships.
Table 6.3: Analysing internal stakeholder relationships

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
<th>Principle vital to the survival and development of the specific relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>- Acknowledge the concerns of the legitimate stakeholders and take their opinions into account.</td>
</tr>
<tr>
<td>Media</td>
<td>- Recognise the interdependence of efforts and rewards between the groups.</td>
</tr>
<tr>
<td>Government</td>
<td>- Cooperatively work with stakeholder groups to minimize the risks of corporate activities.</td>
</tr>
<tr>
<td>Community</td>
<td>- Cooperatively work with stakeholder groups to minimize the risks of corporate activities.</td>
</tr>
<tr>
<td>Customers or consumers</td>
<td>- Adopt processes and modes of behaviour that are sensitive to the concerns of the stakeholders.</td>
</tr>
<tr>
<td>Suppliers or distributors</td>
<td>- Recognise the interdependence of efforts and rewards between the groups.</td>
</tr>
<tr>
<td></td>
<td>- Acknowledge potential conflicts and address it with open communication.</td>
</tr>
<tr>
<td>Interest Groups</td>
<td>- Listen and openly communicate the assumed risks and concerns of these stakeholder groups to be part of the company.</td>
</tr>
<tr>
<td>External Partners</td>
<td>- Listen and openly communicate the assumed risks and concerns of the partners to be associated with the company.</td>
</tr>
<tr>
<td>Competition</td>
<td>- Acknowledge potential conflicts and address it with open communication.</td>
</tr>
</tbody>
</table>
Motivating full internal stakeholder engagement

**Ignite the flame for personal performance and passion**

*Intrinsic rewards*

**Responsibility**

Passion of staff members often begins where the boundaries of strict rules and regulations end. By *leaving a sense of choice* in the hands of the employees, the staff members will not only feel more responsible for the outcome of the task, but will make them more involved in each task. Furthermore, by *leaving room for the staff member to experiment* in the specific line of work, the environment can be set for the individual to improve his/her passion for the line of work. The company can also benefit from this sense of freedom offered to the staff member by being rewarded with a more refined strategy to the individual’s line of work.

**Make people feel important at what they do**

*Recognition*

By *emphasising teamwork and the importance of each team player*, a leader in a company can ensure that each individual’s worth is communicated. Furthermore, a leader should *play the role of coaching and guiding* each individual to realise his/her potential rather than to throw this individual in the deep end. By allowing the individual to develop his/her own sense of worth in the company, the staff member will soon enough have the confidence to share ideas with the group.

**Drive out fear of feeling alienated**

*Work satisfaction*

The attempt of leaders aiming to please every individual in the company often leaves staff members with a sense of alienation, as the leader shows no sense of consistency. Therefore, by rather focusing on motivating and *engaging with the “motivational middle”*, a leader can ensure that the majority of the staff members contribute to the overall culture of the brand. This will encourage individuals that feel alienated to join the celebrations and motivational spirit of the bigger group. Furthermore, by using the majority of the staff members as motivators, an *exciting vision should be created* and communicated and will be more likely executed with more passion by these members. Soon enough every staff member will join the enthusiasm seeded by this group.

…continuing
<table>
<thead>
<tr>
<th>Motivating full internal stakeholder engagement</th>
<th>Intrinsic Rewards</th>
<th>Possible solutions to improve internal stakeholder engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Create a winning feeling amongst all staff members</strong></td>
<td>Work satisfaction</td>
<td>One of the most important responsibilities of a leader is to ensure that a non-cynical climate is set in the entire company. When all staff members have the confidence to share their dreams and passion with each other, teamwork will ensure that what seems impossible is made possible. However, it takes one or two cynical “dream killers” to demotivate an entire group. Even though the power of these cynics often lies in facts, it is the responsibility of the leader to ensure that every little progress made in achieving the dreams of the staff members are celebrated. With support and motivation from the higher ranks in the company, the dreams of the staff members will remain safe from the doubts and negativity of the cynics. This will result in staff members feeling a sense of achievement and satisfaction of all the effort they have put into the work.</td>
</tr>
<tr>
<td><strong>Personal advancement</strong></td>
<td>Personal Growth</td>
<td>There is nothing more satisfying to a staff member than to have a sense of importance in their line of work. Leaders should invest time in their staff members to identify the passions of these individuals. It is therefore the responsibility of these leaders to align the passion of the staff with the specific positions in the company that will reflect their passion the best. Furthermore, leaders should allow these individuals to be part of the whole task and not just one part. When an individual gets to be part of a task from beginning to end, a deeper level of satisfaction will be reached than just to be part of one similar activity in each task.</td>
</tr>
</tbody>
</table>


6.3.3 Step 3: Analyse the brand personality or corporate culture

From the literature, it became clear that the brand personality can be seen as the driver of the memories and associations that different stakeholders have of the brand (Franzen & Moriarty, 2009:244) (See section 4.4.2). It does not only include the messages sent out through the marketing communication channels, but rather focuses on the core values of the company that inspires the messages sent though these channels. The benefit of having a healthy brand personality that is unwavering in an ever changing market is that stakeholders would be able to identify the values that are important to the company and would also be able to share these values with the brand and in effect, become more emotionally involved with the company (De Chernatony, 2001:120).

6.3.3.1 Conclusions of Step 3: Analyse brand personality

With the data provided through the research, it can be concluded that the brand personality gives meaning to the core values that the brand claims to stand for (see section 5.3.3). However, during the focus-group discussions, there was some confusion amongst the participants of what the brand personality is. Some felt that companies only associate the brand personality with the visual elements used in advertising and others questioned the knowledge of internal stakeholders with regard to the personality of the brand. Without a clear definition of what the brand personality entails, the auditor will not be able to conduct an investigation that represents the personality of the brand. Furthermore, some concern was raised regarding the time it would take for companies with various sub brands to conduct the audit of the brand personality. Even though it is of great importance to the company to investigate the brand personality, it might become a challenge for decentralised companies to investigate each sub-personality that make up the master brand.

6.3.3.2 Recommendations for Step 3: Analyse the brand personality

As the brand personality is the vehicle through which both internal and external stakeholders experience the brand values, the auditor should ensure that the data
collected through this step are a true reflection of the brand personality. However, before the auditor conduct this investigation, it is recommended that the auditor establish the scope of a brand personality. The establishment of the scope of a brand personality will not only remove confusion for the auditor, but also assist the auditor and management to explain the concept to staff and other stakeholder groups when data are collected. With the aim of setting the scope of a brand personality, a memo to the auditor regarding the implementation of Step 3 of the IC audit framework was developed. It is recommended that the auditor work through the memo prior to the investigation as it would provide a more clear definition of what a brand personality is, but will also provide suggested data-collection methods that might ease the data-collection process. Furthermore, in this memo, it is also explained to the auditor that if the company has various sub-brands and there is a pressure to conduct the audit within a certain period, the auditor should request the assistance of the brand manager of each of the sub-brands to conduct this step of the framework. Although this data would focus on each sub-brand’s interpretation of the brand personality, the data might be of great significance to the auditor when writing the final report of how the brand personality is reflected through the entire company.

6.3.2.3 Final presentation of Step 3: Analyse the brand personality

To the Auditor:
Step 3: Brand personality

The data collected through this step focus on the personality of the brand. The brand personality is similar to a brand avatar. It focuses on the core values that make the brand unique and how these values enable the company to distinguish itself from the competition. It does not include an analysis of the visual elements (such as the logo) or the words used in the communication material, as these are only vehicles through which the values are communicated. Therefore, the focus is on how these values should remain consistent regardless of the change that occurs internally or externally. This data would enable the auditor to report on the fundamentals of the company and would also provide literature to explain to management what the effect of changing these values would have on the brand and the development of relationships with various stakeholders. The literature that supports this step is reported in section 4.4.1.

When analysing the brand personality of a decentralised company with sub-brands, the evaluation might become lengthy and complicated. It is suggested that in this case, the auditor might consider including the brand managers of the various sub-brands to implement the evaluation framework on these various sub-brands. The data can then
be combined to provide management with a detailed report on how the sub-brands either reflect or contrast the personality of the main brand.

In this step, the auditor will try to identify common pitfalls with regard to a brand personality that some companies succumb to. These pitfalls can then be addressed through the basic principles of a brand personality. This can be reported to management to explain to them what the potential of having a healthy brand personality could lead to. This discussion from literature is provided in section 4.4.1.

In order to collect the data necessary for this report, the auditor can review marketing material. However, it is vital to keep the focus on the brand personality and not the use of visual or written elements within the material. The pitfalls will guide the auditor to collect the appropriate data within these materials.

The following summary of the pitfalls and principles of a brand personality illustrates the way in which the data would be collected through this step.

Table 6.5: Identification of common pitfalls regarding a brand personality

<table>
<thead>
<tr>
<th>Pitfalls of a brand personality</th>
</tr>
</thead>
<tbody>
<tr>
<td>o To delegate the creation and management of the brand personality to an external party</td>
</tr>
<tr>
<td>o To change the personality when there is a change in the audiences or messages</td>
</tr>
<tr>
<td>o To misjudge the balance between what is said and how it is said</td>
</tr>
<tr>
<td>o To create an idealised, unrealistic brand personality</td>
</tr>
<tr>
<td>o To create traits that are hard to apply to marketing materials</td>
</tr>
</tbody>
</table>

Table 6.6: Incorporating the principles of a brand personality

<table>
<thead>
<tr>
<th>Principles of a brand personality</th>
</tr>
</thead>
<tbody>
<tr>
<td>o The power of a brand message lies in the influential power of its corporate credibility when making a statement</td>
</tr>
<tr>
<td>o Create a brand of distinctiveness</td>
</tr>
<tr>
<td>o The brand personality should be relevant to the different stakeholders</td>
</tr>
<tr>
<td>o A brand personality should be consistent</td>
</tr>
</tbody>
</table>
6.3.4 Step 4: Determine contact point preference

The importance of well-managed communication channels and contact preferences cannot be ignored, as it serves as the foundation to creating growing relationships with stakeholders (Gronstedt, 2000). One of the most important steps for a company to take in terms of managing stakeholder communication is to realise that not all stakeholders can be communicated to in the same manner. In section 4.4.2, the importance of investigating stakeholder’s contact point preferences was debated. It was made clear that even though all stakeholders have a certain preference regarding communication, all communication should still remain integrated to ensure that the discovery of brand values are shaped in a consistent manner amongst all stakeholders (Eden & Ackerman, 2004:475).

6.3.4.1 Conclusions of Step 4: Determine contact point preferences

From the data collected through literature and the focus-group sessions, it was made clear that through determining the contact point preference of the stakeholders groups, the message would reach the involved stakeholder group with more impact. During the focus-group sessions, the conversation of the importance of evaluating the communication channels led to the participants acknowledging the fact that not all stakeholders want to receive information in the same way (see section 5.3.4). When it comes to the vertical communication dimension of the company, participants felt that companies do not realise that each internal stakeholder groups (for example departments) have their own set of expectations and well as desires from the company.
6.3.4.2 Recommendations for Step 4: Determine contact point preferences

When implementing this step in the IC audit framework, it is advised that the auditor views the data collected of each communication dimension as vital to the success of future communication through these dimensions. To assist the auditor in the process of implementing this step of the IC audit framework, a memo was created. This memo explains that not all stakeholders can be communicated to in the same way as they have different expectations of the company. This memo will especially place emphasis on the importance of making management aware of investigating the needs and expectations of internal staff members. After the auditor has gathered the data, the supporting literature can be used to suggest possible improvements of each communication dimension. Furthermore, this memo also provides the auditor with insight regarding certain difficulties that the auditor can anticipate when conducting this investigations. Therefore, it is advised that the auditor work through the memo before implementing this step. The memo will enhance the auditor's perspective about the importance of this specific investigation, but will also provide suggested methods for data collection.

6.3.4.3 Final presentation of Step 4: Determine contact point preferences

To the Auditor:

Step 4: Contact point preference

The aim of the data collected though this step is to provide management with insight of the condition of the three communication dimensions of the company. As not all stakeholder groups can be communicated to in the same manner, these communication channels should be used to meet the demands and expectations of the various stakeholder groups, while adhering to the core values that drive the company.

It can be explained to management that if the communication channels within these dimensions do not function properly, some of the stakeholder groups might get a distorted perception of the company and its core values that are supposed to drive the brand. When this issue is discussed, some concerns can be raised about the expectations of internal staff members and how management accommodates them. Therefore, the necessity of this step is to determine whether the use of communication channels contribute to the IC status of the company. To assist the auditor with the implementation of this step, the following suggestions are made to the data-collection methods that can be used for each communication dimension:
1. **Vertical communication** = Communication between top management and staff members

2. **Horizontal communication** = Communication between staff members of the same departments

3. **External communication** = Relationship between the company and external stakeholders

Each set of questions that were designed for the evaluation of the three communication dimensions were created through literature. In section 4.4.2, a detailed discussion is provided of the literature used for the evaluation of each of these dimensions. The auditor might use the literature when reporting the findings to management, to provide management with a theoretical perspective on the issue raised through the data. The set of questions created for each communication dimension is summarised as follows:

Table 6.7: Identification of the different communication dimensions

<table>
<thead>
<tr>
<th>Communication dimension</th>
<th>Definition:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vertical communication</td>
<td>Communication between top management and staff members</td>
</tr>
<tr>
<td>Horizontal communication</td>
<td>Communication between staff members of the same departments</td>
</tr>
<tr>
<td>External communication</td>
<td>Relationship between the company and external stakeholders</td>
</tr>
</tbody>
</table>
Table 6.8: Analysing the vertical communication in the company

1. How does management provide support to the different internal stakeholder groups to ensure that each message reaches all the different departments in a way that best suits their needs?
2. How is change communicated to the staff members? Are the staff members consulted in any way before the change is implemented?
3. What non-financial rewards or efforts does management make to reward the individual staff members for personal goals that is met in the workplace?
4. How does management show support to individuals in everyday tasks?
5. Does the company invest in further training and development of the staff members?
6. Are there certain procedures that management takes when recruiting new staff members to ensure that they comply with the corporate values and principles of the company?
7. Which of the corporate values in the company do you consider the most important?

Table 6.9: Analysing the horizontal communication in the company

1. Do you feel that you as a department or team put enough effort in to identify the value and strength of all the team members or associates?
2. What personal value or quality do you consider as the most valuable when dealing with customers? Do you think this quality reflects on the overall principles of the brand?
3. In your opinion, how do your department’s values and beliefs differ from the corporate values and beliefs of the company?
4. What efforts does your department make to communicate with other departments?
5. How does the department or team handle a conflict situation where some of the individuals where responsible for a mistake?
6. Which of the corporate values do you consider the most important in the company?
• Social media

Table 6.10: Analysing the company’s use of social media to communicate with stakeholders

1. Are the posts made by the institution formulated in such a way that a conversation is started with the audience?
2. Is the website or social media page considered as a hub where people are free to ask advice or engage in conversation regarding the brand, or are these channels rather used to communicate promotions and sales?
3. The relationship between the customer and the brand can develop to such a stage where the brand becomes part of their identity. In light of this statement, do the messages posted on the page of the company “speak the language of the audience” or does it rather build a wall of formality?
4. Are the messages or posts planned around the preferences of its typical followers?
5. Does the company post information on the social media platform on a daily, weekly or monthly basis?
6. Does the company use a method of tracking the number of followers or feedback?
7. Is there a support system where feedback can be given as soon as possible?
8. Will the visitors to the institution’s online page immediately recognise the core values in the messages that are posted?

• Advertising

Table 6.11: Analysing the company’s use of advertising to communicate with stakeholders

1. Can a specific target market be identified in each advertisement?
2. Is the specific purpose of each advertisement easy to identify?
3. Has advertising material caused any misunderstandings about the brand or product in the past?
4. Does the advertising material, in general, focus more on short term results than building a relationship with the target market over the long term?
5. Can each promise that has been made in these advertisements be delivered on?
6. Are the employees part of the planning process of the advertisements?
7. Is every staff member that works with clients on a daily basis informed about every advertisement?
8. Can the advertising material support the positioning of the brand in the market?
• **Personal selling**

Table 6.12: Analysing the company’s use of personal selling to communicate with stakeholders

1. Does every salesperson have his/her own database of personal clients or do they work from a shared database where any salesperson can go to the clients?
2. Is there any formal structure to set to ensure that sales staff follows up sales, or is it the responsibility of the individual staff member to follow up on clients?
3. Does the company, by any means, provide planning support to the sales staff so that targets can be reached?
4. In general, does the feedback given by customers ever reflect some of the corporate values that is realised by the salespersons?
5. Where any incidents in the past where the salespersons had to outsource some of the work to meet the requirements of the customers?
6. Have these salespersons received any training regarding the knowledge of the products or how to facilitate a purchase decision?
7. Can the salespersons use their knowledge of the pricing and policies of the company in such a way that a tailored quotation can be worked out for the specific customer’s needs?

• **Sales promotion**

Table 6.13: Analysing the company’s use of sales promotion to communicate with stakeholders

1. Can sales promotion be considered as one of the main marketing communication strategies that the company makes use of?
2. When the company makes use of a sales promotions strategy to increase sales, is the strategy planned internally or does the company consult a sales promotion agency or other external resource?
3. Is it easy to identify the corporate values in the sales promotion campaigns?
4. Can the promotion presented to the public be considered as unique and reasonable compared to the normal offer of the product or service?
5. After reviewing the results of a previous sales promotion activity, were there any drastic changes the company would have to make (e.g. to increase the allocated budget) to get better results in the future?
• Direct marketing

Table 6.14: Analysing the company’s use of direct marketing to communicate with stakeholders

1. Did the use of direct marketing lead to some of the company’s most loyal?
2. Does the company invest in research such as focus groups to try and determine what the preferences of the target audience are?
3. Is the company investing in research to determine what the specific target audience expects from the company?
4. Are there certain measurement guides in place to measure the effectivity of direct-marketing messages?
5. Do the direct marketing material address the individual in the messages?
6. Does the direct marketing material describe how the brand, product or service will enhance the current lifestyle of the individual?
7. Are these direct marketing messages sent out to customers no longer using the product or service?

• Public relations

Table 6.15: Analysing the company’s use of public relations to communicate with stakeholders

1. Does the PR practitioner of the company attend any training or information sessions to understand the product or service of the company better?
2. Do the managers have meetings scheduled with the PR practitioner on a regular basis?
3. Whenever the press is invited to write an article about the company, does the company provide any written documents or material for the journalist to use?
4. Does the company place certain targets or measurements on PR to deliver immediate results?
5. Does the company generally use PR to promote a product or service or to manage the corporate reputation?
**Sponsorships**

Table 6.16: Analysing the company’s use of sponsorships to communicate with stakeholders

1. Can the values of the company that is being sponsored by your institution be linked to the description of your company’s brand identity?
2. Did the company experience any problems with staying within the boundaries of the budget when a sponsorship campaign was launched?
3. Does the company choose to sponsor once-off events or over the long term?
4. How does the company ensure that the corporate values are reflected in the sponsorship campaign?
5. Can the target audience of the current sponsorship campaign be identified?
6. Is the company devoted to promote the sponsorship campaign internally to motivate staff, before it is communicated externally?
7. Are there any preliminary steps taken to measure the effectiveness of a sponsorship campaign before it is launched to the target audience?

**6.3.5 Step 5: Message development and delivery**

Literature supports the importance of including a step in the IC audit framework that focuses on message development and delivery (see section 4.4.3). Through this step, the auditor will aim to discover how the messages that are sent out through the different marketing communication channels reflect the core values of the brand. Furthermore, as Sartain and Schumann (2006:12) states, that it is only though ensuring that the stakeholders can have an emotional connection to the messages that core values are truly reflected. The results gathered from this analysis will assist the auditor to identify gaps in the fundamentals of the company’s current marketing communication efforts.
6.3.5.1 Conclusions of Step 5: Message development and delivery

In section 5.3.5, the data from the focus-group discussion prove that it is vital to analyse the way in which a company develops and delivers messages to different stakeholder groups. However, one of the participants raised a concern of trying to communicate every core value of the brand in every message. Participants also focused on the challenge of the company to use the written and visual elements to contribute to the brand narrative. One of the participants pointed out that the use of the graphic elements such as the tagline or slogan can become so complex that even staff members become confused with what the different elements are and how they form part of the narrative of the brand. Nevertheless, through these comments it was clear that the implementation of this framework would be helpful to a company to determine the impact of the different elements used in their messages.

6.3.5.2 Recommendations of Step 5: Message development and delivery

As the participants raised the concern of including all the core values in every message, it is suggested that the auditor makes it clear the focus should be on ensuring that each message conveys a glimpse of what the brand stands for and that messages do not have to include all the values in every message. It is also important to clarify any confusion regarding the use of visual elements in the messages. By making use of this framework, the auditor or the company can determine on which core values are focused when communicating with different stakeholders.

A memo explaining the use of core values in messages as well as the role of both visual and written elements in a message was therefore added to the framework. By reading this memo prior to the implementation of the implementation of this step, the auditor might be more focused on evaluating the elements in the message in terms of the contribution it makes to the story of the brand than just to evaluate the elements to collect enough data. This insight might therefore give the auditor a broader perspective on how the data collected from these step fits into the bigger structure of the brand and the development of the brand story. The memo also includes
6.3.5.3 Final presentation of Step 5: Message development and delivery

To the Auditor
Step 5: Message development and delivery

The formation of a message is just as important as the delivery of that message. In Step 4, the communication channels were evaluated to determine whether these channels are used to its full potential. Therefore, in this step, the focus is on how messages are constructed to reach the intended stakeholder group with maximum impact. When developing messages, it is important to understand that the core values can be used to strengthen the brand personality. However, it is not necessary to include all the values in each message. When each message reflects some of the core values of a brand, the repetition of these values begin to resonate with the intended stakeholder group that receives the message. Through this process, a company can use the everyday messages sent to stakeholders to build a relationship, while reinforcing the story of the brand.

In this step, the visual and the written elements of a message are analysed separately. The reason for this is that they are distinct elements in a message that needs to be approached differently. However, these elements should work together to reinforce the core value that is communicated in each message.

It is suggested that the data collection of this section should be done by reviewing the maximum amount of marketing material. The auditor should also try to evaluate different messages and can use material from the IMC marketing mix elements (for example, social media, advertising etc.) that was gathered for the evaluation in the previous step. This might save the auditor some time while the having the assurance that the data are a representation of a broad spectrum of types of messages used by the company. After the data have been collected by using the two frameworks in this step, the auditor can reflect on the literature that was used to shape each framework (section 4.4.3.).

The following tables summarises the analysis of the written as well as the graphic elements of a message. These tables can be used to ensure that a full analysis of these elements is conducted. However, for more detail on how the analysis should be done, please refer to section 4.4.3.
### Table 6.17: Analysing the presence of corporate values in corporate and marketing communication material

<table>
<thead>
<tr>
<th>IMC Characteristics:</th>
<th>Brand Objective:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receptivity</td>
<td>- To create brand preferences and awareness</td>
</tr>
<tr>
<td>Relevance</td>
<td>- To influence attitudes and feelings</td>
</tr>
<tr>
<td>Relationship</td>
<td>- To build primary demand</td>
</tr>
<tr>
<td>Recognition</td>
<td></td>
</tr>
<tr>
<td>Responsiveness</td>
<td></td>
</tr>
</tbody>
</table>

**Core value of the Institution**

### Table 6.18: Analysing the presence of corporate values in the graphic elements used in the corporate and marketing communication material

<table>
<thead>
<tr>
<th>Suggested principles for each of the following graphic elements:</th>
<th>Disciplines of using graphic elements in advertising</th>
</tr>
</thead>
<tbody>
<tr>
<td>o Name and logo</td>
<td>The elements should meet the expectations of stakeholders (pre-test)</td>
</tr>
<tr>
<td>o Brand story</td>
<td>The brand should be clearly differentiated from competition</td>
</tr>
<tr>
<td>o Tagline</td>
<td>Campaigns must strive for innovation in the market</td>
</tr>
<tr>
<td>o Colours</td>
<td>Graphic elements should also communicate the core values of the company</td>
</tr>
<tr>
<td>o Typography</td>
<td></td>
</tr>
<tr>
<td>o Images</td>
<td></td>
</tr>
<tr>
<td>o Theme and purpose</td>
<td></td>
</tr>
</tbody>
</table>
6.3.6 Step 6: Examine stakeholder relationships through CSR

CSR provides companies with the opportunity to assess the internal and external stakeholder’s involvement with the company (Zhao, 2014:192). Furthermore, when approached strategically, CSR can also enable the company to create experience that is more tangible when core values drive the brand. In the discussion of literature in section 4.4.4 stated that the company needs to determine its view with regard to CSR before the actual CSR events can be evaluated. Literature was combined to suggest a step in the IC audit framework that focuses primarily on the evaluations of how relationships are built through the company’s CSR efforts.

6.3.6.1 Conclusions of Step 6: Examine stakeholder relationships through CSR

From the discussion of the implementation of a step that would evaluate the CSR efforts of the company, participants strongly agreed that it is a vital step in the IC audit framework (section 5.3.6). They felt that management do not always support CSR as they should, because they feel that it is an obligation rather than an opportunity to promote the corporate story. They felt that if management realised how the company’s view of CSR influences the entire promotion of the brand, they would consider investing in the evaluation of CSR effort and even in the efforts itself.

6.3.6.2 Recommendations of Step 6: Examine stakeholder relationships through CSR

Based on the conversation of the participants, a memo for this step in the IC audit framework was developed. In this memo, a suggestion to the implementation of this step was made that the auditor should first determine the view of the company on CSR (Phase 1 of the step) before evaluating the CSR efforts of the company. Furthermore, the auditor also needs to report to management how the company’s view on CSR influences the promotion of the brand prior to the evaluation of the actual events. This addition to the framework was decided based on the participant’s discussion of management’s sometimes unemotional response to CSR activities. It is suggested that by making management aware of the way in which the company’s view of CSR is
affecting the activities, that management might take the evaluation of the actual events more seriously.

6.3.6.3 Final presentation of Step 6: Examine stakeholder relationships through CSR

To the Auditor:
Step 6: Brand relationships

CSR is one of the most effective ways to strengthen stakeholder relationships. Unfortunately, in some cases, management might react to CSR in an unresponsive way. The reason for this is that they perceive CSR as something that needs to be done rather than an opportunity to display the brand values and to reach various stakeholders through actions and not just bold statements. Therefore, management needs to realise the importance of CSR and how it can be used to the company’s advantage.

Therefore, when implementing this step, it is suggested that the auditor should first determine the view of the company on CSR (Phase 1 of the step) and then report to management how the company’s view on CSR influences the promotion of the brand. The support from literature will provide the auditor with backing to engage in conversation with management to explain how the company’s view of CSR are contributing to the growth of the corporate story, or whether it restricts growth through negligence of adhering to the basic principles of CSR activities. By reporting to management on the company’s view of CSR from a theoretical point of view before the actual CSR activities are evaluated, management might realise the importance of evaluating the CSR efforts. This might provide the auditor with the necessary support to overcome the challenge mentioned by participants that management do not place emphasis in the important role of CSR. In order to collect the necessary data for this step, the auditor might conduct interviews with previous entities that partnered with the company in CSR activity. This includes entities that were sponsored by the company, but also other companies that collaborated with the company in a sponsorship. Furthermore, the GRI matrix provided for the second phase of this step will provide the auditor with proper guidance to evaluate the CSR activities pursued by the company in the past.

After the data from both phases have been collected, the auditor can use the literature provided in section 4.4.4. to validate the data.

The following frameworks can be used to evaluate the brand relationships through CSR.
• **Micro view on CSR:** The company only does what is necessary in order to protect its "license to operate"

• **Macro view on CSR:** To these companies, CSR is interwoven into the corporate strategy of the company and should therefore not deserve singular attention

• **Wide view on CSR:** The company primarily focuses on economic growth, but uses an explicit view of CSR to react on the pressure set by governmental and non-governmental partners

• **Long term view on CSR:** The company realises its responsibility to its immediate environment and focuses all activities on sustainability of both

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Figure 6.1: Different views of CSR
Table 6.19: Analysing the strength of the company’s CSR activities

<table>
<thead>
<tr>
<th>GRI Matrix</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>The overall governance structure of the company and the role of the</td>
<td>It is important to establish the parties that are responsible to the company’s activities and tasks to engage in CSR. When the corporate structure for CSR has been identified, the auditor can get a better understanding of who the Chairperson of the CSR initiatives, as well as the key personnel are and in which way they are involved with the company. The auditor should also establish the frequency of scheduled meetings and how decisions are made regarding CSR initiatives.</td>
</tr>
<tr>
<td>committee member’s in the company</td>
<td></td>
</tr>
<tr>
<td>The composition of board members in terms of qualifications, demographic</td>
<td>The CSR board serve as ambassadors for the company and should therefore include members from different backgrounds. The auditor should make a summary of the CSR committee members in terms of their qualifications, race and demographic factors. This will ensure that decisions are based on different views and are not overruled by individuals from similar backgrounds.</td>
</tr>
<tr>
<td>factors and race</td>
<td></td>
</tr>
<tr>
<td>In cases where the company has a unitary board structure, the number of</td>
<td>The authority of internal stakeholders that form part of the company’s CSR governance committee is shaped by the corporate culture and the daily organisational communication activities. However, there are some cases where external stakeholders form part of the CSR committee and they often have a different perspective on CSR that the internal stakeholders. Although their insight may provide helpful support to the company’s CSR initiatives, it remains vital to have the voice of the internal stakeholders present in the decision-making process. Therefore, it is vital to determine which of the CSR committee members are external influences and what their relation to the company are.</td>
</tr>
<tr>
<td>independent and/or non-executive members should be stated.</td>
<td></td>
</tr>
<tr>
<td>Communication between employees and CSR committee</td>
<td>Internal communication determines the strength of how the corporate values are communicated to the external environment. It is thus important to have a structure in place where the staff members have the opportunity to give recommendation to the CSR committee on how CSR can be improved</td>
</tr>
</tbody>
</table>

...continuing
These staff members communicate with external stakeholders on a daily basis and therefore they should be given the opportunity to provide the CSR committee with their insights in an environment where they can feel confident to share ideas. These staff members also deserve a proper structure where the changes or ideas on CSR are communicated to these individuals on a frequent basis. This will ensure that the implementation of CSR initiatives remain unified within all departments of the company.

### Stakeholder Engagement

<table>
<thead>
<tr>
<th><strong>A list of all external stakeholder groups that is engaged by the company</strong></th>
<th>In Step 2 of the IC audit, the different stakeholder groups have already been identified. However, when conducting the audit, it is the responsibility of the auditor to use the information gathered in Step 2 to write an overall conclusion with regard to the different stakeholders, but from a CSR perspective. In this discussion, the company’s relationship with the different stakeholder groups and how partnerships are formed with these groups to engage in CSR should be mentioned.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Approaches to stakeholder engagement, in terms of engagement frequency</strong></td>
<td>After the different stakeholder groups have been identified, the auditor should determine the frequency of engagement between the two parties. In this discussion, it is vital to identify whether the company has a structured approach to CSR activities and whether these activities take place on a regular basis or not. It is also important to include the results from the company’s view on CSR.</td>
</tr>
<tr>
<td><strong>Key topics and concerns that have been raised through stakeholder engagement, and how the company has responded to those the concerns</strong></td>
<td>During the audit of the stakeholder engagement in CSR activities, it is vital to determine whether there were some concerns raised during CSR activities with regard to sustainability of the community. The auditor should also have a better understanding of how these issues were addressed and whether the intervention of the company delivered any improvement or viable results over the long term.</td>
</tr>
</tbody>
</table>

…continuing
<table>
<thead>
<tr>
<th>Environment and Indirect Economic Impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Policy, practices, and proportion of the company with regard to spending on locally-based suppliers at significant locations of operation</strong></td>
</tr>
<tr>
<td><strong>Percentage of materials used that are recycled input materials</strong></td>
</tr>
<tr>
<td><strong>Initiatives to provide energy-efficient or renewable energy based products. This includes reductions in energy requirements and natural resources</strong></td>
</tr>
</tbody>
</table>

…continuing
<table>
<thead>
<tr>
<th>Health and Safety of Staff Members</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health and safety committees</strong>&lt;br&gt;that help monitor and advise on occupational health and safety programmes</td>
</tr>
<tr>
<td><strong>Education, training, counselling, prevention, and risk-control programmes for staff members</strong></td>
</tr>
<tr>
<td><strong>Health and safety topics discussed to assist workforce members, their families, or community members to be informed about serious diseases</strong></td>
</tr>
<tr>
<td><strong>Average hours of training per year per employee by gender, and by employee category</strong></td>
</tr>
</tbody>
</table>

…continuing
<table>
<thead>
<tr>
<th>Social Performance: Human Rights and Society</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operations and significant suppliers identified as having significant risk for incidents of child labour or other forms of discrimination</strong></td>
</tr>
<tr>
<td><strong>Actions taken in response to incidents of corruption</strong></td>
</tr>
<tr>
<td><strong>Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.</strong></td>
</tr>
</tbody>
</table>
6.3.7 Step 7: Facilitate the calculation of Return on Investment

The aim of including a step in the IC audit framework that will provide the financial department of a company with qualitative results from the previous steps of the framework was discussed in section 4.5.1. A statement by Vashisht (2005:379) supported the importance of this step, as the author claims that it is only through collaboration of both the financial and communication department of the company that a clear ROI calculation can be established.

6.3.7.1 Conclusions of Step 7: Facilitating ROI calculation

Through the discussion of Step 7 of the IC audit framework, participants clearly showed their concern of the financial department not considering any qualitative data when the ROI is calculated (section 5.3.7). They also added that the data of this step would truly bring together the findings of the previous steps in the framework and would provide both management and the financial department with substantial evidence to support the ROI calculation. Furthermore, they suggested that the qualitative data should be linked to quantitative data to make a real breakthrough and to provide management with the necessary context to understand the ROI results. One of the participants suggested that a monetary value should be added to every step in the framework. Even though the framework does provide support to a company to formulate future actions to ensure that every activity of the company contribute to the IC structure of the company, the main objective is to create an auditing framework to measure existing efforts.

6.3.7.2 Recommendations for Step 7: Facilitating ROI calculation

Recommendations that can be made to improve the implementation of Step 7 are to include a memo for the auditor to explain how this step should be implemented. This discussion should also address the concern of the participants that managers tend to focus more on the monetary value than qualitative data when ROI is calculated. The reason for making the auditor aware of the issue is for the auditor to prepare for a possible reaction that management might have to the data from this step. The memo
might also give the auditor the assurance that with the support from literature provided in the framework, the auditor might be able to persuade management to rethink about the importance of the qualitative data during ROI calculation.

6.3.7.3 Final presentation of Step 7: Facilitating ROI calculation

To the Auditor:
Step 7: Facilitating ROI calculation

The aim of this step is to use the qualitative data from Steps 1-6 to support the financial department with the calculation of ROI. This data might contextualise the results of ROI to the financial department and management as it would provide reasons for these results.

Unfortunately, it is necessary for the auditor to anticipate a negative response from the financial department and management. The reason for this is that management tend to focus on results that they can add a monetary value to over the qualitative results that would provide the reasons behind the ROI results. However, the auditor should not see this as a threat, as the supporting literature provided through the framework of this step would give the auditor the necessary backing of speak with more authority. When management realises that the qualitative results of this audit enables the company to address certain issues to improve future ROI results, they might add more value to the possible benefits of utilising the qualitative data. The discussion of the literature that the auditor might possibly need to approach management with more authority is reported in section 4.5.1.
Figure 6.2: Providing data from the previous steps to facilitate the ROI calculation
6.3.8 Step 8: Facilitating the communication of change in Return on Investment

In section 4.5.2, the addition of Step 8 to the IC audit framework was validated through literature. In this discussion, it was suggested that a zero-based approach should be followed in terms of allocating funds to the various departments. This will enable a company to prioritise the importance of the various communication functions and to have better control over how funds are allocated. However, as the audit framework was developed from an IC perspective, the evaluation also needed to include an investigation of how changes in investments are communicated to the internal stakeholders that are affected by the change.

6.3.8.1 Conclusions of Step 8: Facilitating the communication of change in return on investment

In section 5.3.8, the discussion of the participants regarding Step 8 of the IC audit framework is presented. In this conversation, it was made clear that they are aware of management’s negligence of communicating major changes to the parties within the organisation that would be affected by it. They agreed with literature that this results in internal competition amongst departments. A comment of one of the participants referred to healthy competition where all departments motivate one another to work towards the same goal. This would be the ideal, as literature also suggests that all the departments of the company should accept changes and work together to reach the goals of the company.

One of the participants also raised the concern that the framework relies on an inclusive system, which would not always be the case. This comment is not valid, because the framework suggests that an inclusive system should be followed, it does not rely on it. The aim of the study is to measure the IC initiatives of the company and through the data collected through this framework the auditor would be able to provide management with supporting literature and practical examples within the company of the effect of not having an inclusive system with regard to decision-making. However, the overall input provided by the participant was mostly in favour of including this step in the framework.
6.3.8.2 Recommendations for Step 8: Facilitating the communication of change in budget allocation

Before implementing this step in the IC audit framework, the auditor should understand that the aim of this step is to address the issue of communicating changes in the company and use of the literature provided in the framework to make management aware of the effect of not including all the significant departments and staff affected by the change. To get this message across to the auditor, a memo should be added to the framework that would align the thoughts of the auditor prior to implementation of the step. This memo was added to the framework and is reported together with the final presentation of Step 8 in the following section.

6.3.8.3 Final presentation of Step 8: Communication of changes in ROI

To the Auditor:
Step 8: Communication of changes in ROI

In Step 7, the data from Steps 1-6 were integrated to create a qualitative report that might assist the financial department with the calculation of ROI. If this step is implemented, the auditor might be able to provide management with the reasons behind the ROI results. Literature that can support the auditor’s conclusions from the data collected through this step is provided in section 4.5.2. To stretch the importance of collaboration of the data provided by the auditor and the data provided by the financial department, a set of questions was developed through literature that would enable the auditor to engage in conversation with the financial department regarding the allocation of a zero-based budget. The aim of this discussion with the financial department is to ensure that the allocation of a zero-based budget complements the objectives of the overall IC strategy.

Even though the framework might assist companies with a more precise ROI calculation and a more secure zero-based budget allocation, it has been reported that when it comes to the communication of changes based on ROI results, management often excludes the parties that are affected by the change. Therefore, a second set of questions were created through literature to determine how management communicates change in investment to internal stakeholders. In this step, the auditor will engage in conversation with management and the financial department of the company to determine how they communicate change to the parties that will be affected by the change. As management might consider this step as a personal attack on the way in which they operate the company, it is vital that the auditor explains the aim of this step. The step is added to the framework to improve communication within the company. When there is open communication between management and staff, staff might be less reluctant to the implementation of the change.
When explaining this step to management, it is important to highlight that all data from the previous steps go to waste if the communication between management and staff does not flow on a continuous basis. The two sets of questions that can be used to by the auditor to engage in conversation with management and the financial department are summarised as follow:

Table 6.20: Guiding questions to facilitate the process of allocating a zero-based budget

<table>
<thead>
<tr>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Based on the results from ROI, are there some communication functions that received more financial support than necessary?</td>
</tr>
<tr>
<td>2. Considering that some of the communication functions have shifted to the priority of investment, are the other communication functions capable of compensating for the effort of the function by covering the most important objectives?</td>
</tr>
<tr>
<td>3. When the communication programmes or functions have been identified that is considered as top priority for investment, are there any changes that needs to be made to increase its performance?</td>
</tr>
<tr>
<td>4. If there are any changes in the priority of investment of the different communication functions, are these changes contradictory to the political view of the internal staff members?</td>
</tr>
<tr>
<td>5. Have there been any incidents in the past where the changes in investment have been rejected by the internal stakeholders?</td>
</tr>
</tbody>
</table>

Table 6.21: Guiding questions to support the communication of changes in investments

<table>
<thead>
<tr>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Before communicating the change to internal stakeholders, do you as manager ever anticipate possible barriers to the implementation of the change?</td>
</tr>
<tr>
<td>2. Are you actively involved in communicating the changes in internal financial investment?</td>
</tr>
<tr>
<td>3. Are the expectations of staff clarified by detailing how the change will affect their daily activities?</td>
</tr>
<tr>
<td>4. During conversation with staff, are there any indication given to the staff regarding the extent to which the new changes will be applied?</td>
</tr>
<tr>
<td>5. Does management provide a structure to indicate the new set of individual and collective objectives derived from change in internal financial investment?</td>
</tr>
<tr>
<td>6. Does management communicate the outcomes and benefits that the entire company and individual staff members may prosper from by implementing the change?</td>
</tr>
<tr>
<td>7. During communication with staff members, are the changes in internal financial investment communicated to them by providing the results from ROI to substantiate the changes?</td>
</tr>
</tbody>
</table>
6.3.9 Step 9: Measurements to improve future return on investment

The final step in the IC audit framework focuses on creating a support panel for IC so that future ROI results can be improved. Literature supported the inclusion of this step (see section 4.5.3). The main benefit this step will bring to the audit is that the data from the previous steps can be used to improve future IC initiatives pursued by the company (Kitchen & Schultz, 2000). Through the employment of this step, the auditor will gain insight regarding the condition of the basic measurement perspectives that should be set for ROI calculation as well as to inspect each measurement perspective in more detail by making use of an IC support panel. This investigation data might provide the company with possible suggestions to improve the measurement perspectives to improve ROI calculation.

6.3.9.1 Conclusions of Step 9: Measurements to improve ROI

During the discussion of the importance of including Step 9 in the framework (section 5.3.9), a suggestion was made that a monthly measurement structure should be created to ensure that data collection is not a lengthy process. The validity of this statement is questioned by literature. Pangarkar and Kirkwood (2012) suggest that measurements should be in place to identify the key performance indicators (KPI), to ensure that the major drivers of the company are in line with the strategic objectives. This statement made by the authors also links to a statement made by another participant: “This framework would help companies seeing that they won’t have to do all the long steps again.”

An answer to the suggestion of creating a monthly measurement structure is that it would not deliver consistent data. It would also not be feasible for an external auditor and even an internal auditor to do a monthly evaluation for an entire year. Furthermore, the purpose of a balanced scorecard is to have a structure through which to measure future activities for a better ROI calculation. If this evaluation is done on a monthly basis, it would take too long to implement and there would be too much data to process. The aim of the previous steps of the IC audit framework was designed to identify critical errors of the company that affects the IC implementation of the company. These individual frameworks developed for each step also provide literature to support improvement for the future. Therefore, through this data, management
would already be able to better align all activities to the overall objectives of the company and to enhance the IC structure of the company. To add a monthly evaluation after this data had already been captured would be unnecessary.

Although no valid suggestions were made by the participants that would improve the feasibility of the implementation of Step 9, some additions were made to the step and is indicated in the following section.

6.3.9.2 Recommendations for Step 9: Measurements to improve ROI

The final step is of great importance in this study. Even though no valid suggestions were made during the focus-group sessions to improve feasibility of the framework, the researcher decided to add a memo for the auditor to this step. The conclusions to Steps 1-8 all indicated that a memo added to the steps of the IC would assist the auditor to implement the steps. Since the aim of the research is to create a tool of analysis through which a company can measure its IC efforts, the IC audit framework should equip the auditor with the necessary support to conduct each step with ease. In the memo of Step 9, the auditor will be made aware of the aims of the step and suggestions to gather data will be given. The memo created for the final step in the framework will be reported with the final presentation of the step in section 6.3.9.3.

6.3.9.3 Final presentation of Step 9: Measurements to improve ROI

<table>
<thead>
<tr>
<th>To the Auditor:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Step 9: Measurements to improve ROI</strong></td>
</tr>
<tr>
<td>Steps 1-8 of the IC audit framework had a strong focus on evaluating the existing and past efforts of the company to promote the IC structure of the company. The focus of the final step in the IC audit framework is rather to conduct an evaluation to ensure that the data from the previous steps are put to use set measurements for future ROI calculations.</td>
</tr>
<tr>
<td>In this step, a basic balanced scorecard was combined with an IC support panel to provide the company with a reinforcing structure to ensure that future activities pursued by the company can be measured and will contribute to the promotion of the IC structure of the company. To collect the data necessary for this step, the auditor can use the reports of Steps 1-8 to create the IC support panel. This panel might ensure that future activities of the company are developed from an IC perspective.</td>
</tr>
</tbody>
</table>
The following illustration aims to designate meaning to how the step should be conducted. A detailed description of the framework developed through literature is provided in section 4.5.3

Figure 6.3: Using a balanced scorecard to identify areas of measurement
Chapter 6: Conclusions and recommendations

Figure 6.4: Using an IC support panel to set measurements that improves future ROI calculation

Corporate functions of the balanced scorecard:

- Financial
- Internal Business Process
- Learning and Growth
- Customer

The IC support Panel:

1. ID business issues that were most influential to ROI results
2. ID benefits and pitfalls of previous activities
3. Decide on communicated values
4. Determine how values will be acted out
5. Budget
6. ID the specific area of impact
7. Evaluate the impact of implementation

A refined activity or project that will aim to deliver better results on ROI
6.3.10 Final conclusions and recommendations of the feasibility of all the steps in the framework

The general impression of the feedback given by participants regarding the overall implementation of the steps of the audit framework was that participants felt that the data might enable a company to address both internal and external matters that affect the relationship with stakeholders. The primary objective of the study was to create an IC audit framework through which to measure the IC initiatives of the company. One of the participants praised the framework for enabling the company to evaluate the IC effort of the company without placing the company under pressure to lose its authenticity. Therefore, although the initial intent of the IC audit framework was to evaluate existing communication activities of the company, during the empirical research, the participants indicated that the instrument could be a valuable aid in planning and implementing an IC strategy.

Recommendations to improve the overall implementation of the framework have already been provided in section 6.2.1, when the anticipated difficulties of the researcher and the participants were merged. In section 6.3, recommendations to improve each step were made to ensure that the auditor received the necessary support to implement the suggested framework with ease. Even though some minor changes were made to some of the frameworks to avoid confusion, the main improvement made to each step was that a memo was created for each step. These memos provide insight to the auditor regarding the aims of the specific frameworks developed through each step, as well as some suggestions of how the necessary data for each step could be collected. In some of these memos, the researcher included some perspective on how the implementation could lead to certain reactions from involved stakeholder groups. However, the researcher also addressed these reactions by providing suggestions to handle the situations.

Therefore, adding the memos to each step in the framework would possibly enhance the practical implementation of each step. In the last section of the research, the final conclusion is provided.

Recommendations for future studies can include an investigation to bring a monetary perspective to the suggested steps of the IC audit framework. If the IC audit framework
can provide a company with both qualitative and quantitative data, the company might be able to better understand how IC can impact the financial area of the company.

### 6.4 FINAL CONCLUSION

In Chapter 1, background was given that companies aim to engrave its core values in the hearts and minds of stakeholders, but often mistake IMC for IC. Not only has this confusion led to a negative association to IC, but companies and marketers also focus on keeping up with the newest changes in the market and tend to lose focus on creating sustainable relationships with stakeholders. This led to the formulation of the problem statement that no existing criteria would provide both marketers and the company the assurance that the IC efforts of the company are integrated to reinforce both the IC structure of the company and relationships with stakeholders.

To address the problem statement, a research question for the study was developed. This research question acknowledges the fact that companies struggle to determine whether IC is implemented effectively in the company by asking how a company could determine whether all its communication efforts are truly integrated or not. The researcher then developed a primary research objective to develop an IC audit framework that can be used to audit the company’s communication efforts to determine whether it is fully integrated.

To reach this objective, three secondary objectives were created. These objectives also divided the research into three phases. In Phase 1, the objective was to set a scope of IC through the analysis of the conceptual foundation of IC. To reach this objective, a conceptual analysis of IC was conducted (Chapter 3) to capture the essence of the concept. These main constructs of IC were shaped to a scope of the framework (Table 3.4). The researcher then made use of this scope to conduct the second phase of the research. In this phase, a literature review of IC was executed and existing theories and models of IC were filtered through the scope of the IC framework (Chapter 4). This enabled the researcher to use only the most appropriate literature and to shape this literature into auditing criteria to measure the IC initiatives of a company. Through this process, another secondary research objective was obtained. The objective for the second phase of the research was to analyse, compare
and discuss various prevailing models and theories of IC to shape auditing criteria. From the data of Phase 1 and 2, the researcher managed to create an IC audit framework that is a sound reflection of what has been written in literature regarding various constructs of IC. However, a final objective needed to be included in the research. This objective would shape the framework from a more practical perspective. The final research objective was to test the feasibility the developed framework by presenting it to the managing staff of a decentralised company. This objective was reached though conducting focus-group sessions with professionals working in the field of integrated communication. Central Media was the company that was approached to connect with these professionals and the sessions were conducted to gather data on how these individuals perceive the practical implementation of the framework. The findings from these sessions were evaluated through a content analysis and reported in Chapter 5.

After the data from the final research phase had been considered, the researcher made final changes to the IC audit framework to ensure that the framework reflected what had been written in literature, but also to adhere to the challenges of implementing this framework in the practical business environment. The changes that have been made are reported with the final presentation of each step in section 6.3.

The value of this research is that the IC audit framework provides companies with the necessary information to identity issues in the current IC implementation strategy of the company, but also provides literature that would support a company to address these issues and to strengthen the implementation strategy of IC. Therefore, through the combination of both the identification of real issues in the company and literature to address these issues, companies would more comfortably pursue the development and improvement its IC strategy. Although an issue has been raised that management do not react to qualitative data with the same severity as with quantitative data, the support from literature might provide the auditor with the necessary backing to convince management to take action. Furthermore, as mentioned in this discussion, the framework for each step provides practical solutions from literature to address the raised issues. This might contribute to companies no longer fearing the implementation of IC, but embracing the implementation with more assurance that the results will be more promising.
Data from the focus-group sessions made it clear that there is a severe lack of communication between the integrated communication specialists and the financial department or management of a company. The necessity to address this issue in the suggested IC audit framework was contemplated in section 6.3.7.1. The decision was made that the addition of monetary values to each step would not contribute to the primary objective of the study, but would rather deviate the focus to a critical issue in the industry. The main reason for this is that marketers or integrated communication specialists tend to focus on the quality of relationships with stakeholders, as it would increase brand equity. However, the financial department of a company and most often management only want to focus on the qualitative data and add little sentiment to qualitative data. Future studies might include a pursuit of bridging the gap between these “opposing” parties. Each step of the IC audit framework can be used to create a calculation and to add monetary value to support the qualitative data of each step. This would ensure that management receives a detailed set of qualitative and quantitative data that would truly influence the future decisions of the company. Not only will the combination of data provide management with compelling reasons to support the ROI results, but would also provide suggestions to improve specific areas within the company to enhance future ROI calculations and investments.

In a cut-throat market environment, the significance of having an appropriate Integrated Communication (IC) strategy in place has never been so important. With the proposed IC audit framework, companies will be able to identify issues of the companies IC implementation and address these issues with supporting literature. This will give companies the confidence needed to rise above the circumstances set by a cut-throat market. Integration of all communication efforts leaves management with the assurance that the company is striving above the challenges of the hostile market circumstances, not merely surviving in its ever-changing ways.
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Integrated Communication (IC) seems the ideal solution to engage in meaningful conversation with various stakeholder groups. Through the implementation of this strategy, companies can use two-way communication to ensure that the demands and expectations that both internal and external stakeholders have towards the company are met. This approach to stakeholder communication also increases stakeholder loyalty, as all the actions of the company are integrated to create a holistic view of the core values that differentiate the company from competitors. Unfortunately, the implementation of IC poses a great challenge to companies. Amongst these challenges are issues such as the complex structure of communication channels available to communicate with stakeholders and the lack of the necessary soft skills to engage in meaningful conversation with the identified stakeholders. This has left companies to perceive IC as an unreachable ideal. Over and above the mentioned challenges, one of the biggest is that no instrument is available that enables a company to determine whether the efforts made to pursue IC have reached full potential. Without a proper evaluation tool that encapsulates the essence of IC, companies will continue to get a distorted perception of what IC offers and might never discover its true potential.

To provide a possible solution to the identified problem, five research questions were developed. The first research question was set from a conceptual perspective and was based on determining the basic constructs of IC to further an understanding of the essence of this approach. This was followed by the meta-analytical research question that emphasises the operational dimensions companies need to include in an instrument to evaluate IC efforts. Furthermore, a theoretical research question explored the possibility of existing models and theories that might support the development of an IC audit framework. Finally, a question developed from a normative research perception enabled the researcher to explore the ideal manner through which the feasibility of an evaluation instrument for IC could be implemented. These questions all culminated in the main research question to address the possibility of a company being able to determine whether all communication efforts are integrated.
Based on the research questions, a primary objective and three secondary objectives were identified. The primary objective for this study was to develop an IC audit framework that companies can use to determine whether its communication efforts are truly integrated. This aim gave rise to three secondary objectives, which were addressed through three separate research phases.

The first secondary research objective focused on determining the scope of IC through the analysis of the conceptual foundation that shapes the concept. This was done by means of a conceptual analysis of IC and it formed the first phase of the research. By using the data provided through the conceptual analysis, the scope of IC was developed, which not only included the domains in which IC should be implemented, but also highlighted constructs such as characteristics, drivers and rules that needed to be addressed during implementation. With this scope, the researcher was able to gain a clear understanding of the main concerns of implementing IC.

During the second phase of the research, the data from the conceptual analysis of IC enabled the researcher to have an in-depth focus on the main constructs of the concept that companies need to be aware of. However, as the theoretical research question addressed the possibility of how existing models and theories could contribute to an IC evaluation instrument, another objective was set that focused on this issue. This objective set the challenge of discussing, analysing and comparing various prevailing models and theories of IC that could be shaped into auditing criteria. This research objective was achieved using a literature review. While analysing and comparing the different models, the researcher identified Kitchen and Schultz’s (2000) 8-step model of IC implementation as an appropriate foundational structure for the IC audit. After slight alterations to the steps suggested by Kitchen and Schultz (2000) had been made, an IC audit framework was developed that focused on the mentioned constructs identified through the conceptual analysis.

The third secondary objective set for the study addressed the normative research question namely, what the ideal manner would be to test the IC audit framework. This objective was dedicated to ensuring that the implementation of the conceptual IC audit framework was tested with regard to its feasibility in practice. To test the feasibility of the framework, it was presented to the managing staff of a decentralised company, Central Media. The data necessary to reach this objective were collected by means of
focus-group interviews and analysed. During the focus-group interviews with the respondents from the decentralised company, the steps of the conceptual IC audit framework were presented. Respondents were then granted the opportunity to provide feedback to shape the final IC audit framework. Respondent validation was then employed to ascertain whether the input provided by the respondents had been interpreted correctly. This process formed part of the third and final research phase.

After the final secondary objective had been addressed, the data from the three different phases were combined to develop a final presentation of each step of the IC audit framework. The three research phases culminated in a 9-step IC auditing instrument.

The execution of this study led to a binary set of contributions. First, the proposed IC audit framework can assist companies to determine whether they are indeed following an integrated approach to all their communication activities. Furthermore, this instrument can also be used to plan, prepare and develop an integrated communication strategy for a company. Ultimately, this study also strives to enhance the status of communication in the industry by showing the advantages of an effective IC approach that organisational communication can bring.

**Key concepts:**
- Business management
- Corporate communication
- Corporate Social Responsibility
- Marketing communication management
- Return on Investment
- Strategic communication management
OPSOMMING VAN DIE STUDIE

Geïntegreerde Kommunikasie (GK) blyk die ideale oplossing te wees vir ‘n sinvolle gesprek met verskeie belangegroepe. Deur die implementering van hierdie strategie, kan maatskappye gebruik maak van tweerigting-kommunikasie om te verseker dat die eise en verwagtinge van beide interne en eksterne belanghebbendes teenoor die maatskappy nagekom word. Hierdie benadering tot belanggroep-kommunikasie verhoog ook die lojaliteit van belanghebbendes omdat al die aksies van die maatskappy geïntegreer word tot ‘n holistiese siening van die kernwaardes van die maatskappy, wat die organisasie van mededingers onderskei. Ongelukkig bied die implementering van GK ‘n groot uitdaging vir maatskappye. Hierdie uitdagings sluit ondermeer kwessies in soos die komplekse struktuur van kommunikasiekanale beskikbaar om met belanghebbendes te kommunikeer, sowel as die gebrek aan die nodige vaardighede om ‘n sinvolle gesprek met die geïdentifiseerde belanghebbendes te kan hê. Dit het veroorsaak dat maatskappye GK as ‘n onbereikbare ideaal sien. Bo en behalwe die genoemde uitdagings, is een van die grootste uitdagings dat daar geen instrument beskikbaar is wat ‘n maatskappy in staat sal stel om te bepaal of die pogings om GK na te streef volle potensiaal bereik het nie. Sonder ‘n behoorlike evalueringshulpmiddel wat die kern van GK saamvat, sal maatskappye voortgaan om ‘n skewe persepsie te kry van wat GK bied en dalk nooit die ware potensiaal van GK ontdek nie.

Om ‘n moontlike oplossing vir die geïdentifiseerde probleem te verskaf, is vyf navorsingsvrae ontwikkel. Die eerste navorsingsvraag is gestel vanuit ‘n konseptuele perspektief en is gebaseer op die bepaling van die basiese boustene van GK om sodoende ‘n begrip van die kern van hierdie benadering te verkry. Dit is gevolg deur die meta-analitiese navorsingsvraag, wat klem plaas op die operasionele dimensies wat maatskappye behoort in te sluit in ‘n instrument om GK-pogings te evalueer. Verder is ‘n teoretiese navorsingsvraag ondersoek waar die moontlikheid om bestaande modelle en teorieë wat die ontwikkeling van ‘n GK oudditramaamwerk kan ondersteun, ondersoek is. Ten slotte is ‘n vraag vanuit ‘n normatiewe navorsingspersepsie ontwikkel, wat die navorser in staat gestel het om die ideale wyse waardeur ‘n evaluering instrument vir GK met haalbaarheid geïmplementeer kan word te verken. Hierdie vrae het uitgeloop op die hoof navorsingsvraag, wat die
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moontlikheid aanspreek van 'n maatskappy wat in staat is te bepaal of alle kommunikasiepogings geïntegreer is.

Volgens die navorsingvrae is 'n primêre doelwit en drie sekondêre doelwitte geïdentifiseer. Die primêre doelwit van hierdie studie was om 'n GK-ouditraamwerk te ontwikkel wat maatskappye kan gebruik om te bepaal of die kommunikasie-pogings werkelik geïntegreer word. Hierdie doelstelling het aanleiding gegee tot drie sekondêre doelwitte, wat deur drie afsonderlike navorsingsfases aangespreek word.

Die eerste sekondêre navorsingsdoelwit het gefokus op die bepaling van die omvang van die GK deur die ontleding van die konseptuele grondslag wat die konsep vorm. Dit is gedoen deur middel van 'n konseptuele analyse van GK en het die eerste fase van die navorsing gevorm. Deur die gebruik van die data wat deur die konseptuele analyse GK verkry is, is die omvang van GK ontwikkeld, wat nie net die domeine waarin GK geïmplementeer moet word, insluit nie, maar ook die konstrukte soos eienskappe, dryfkragte en reëls wat tydens die implementering van GK aangespreek moet word, uitlig. Met hierdie omvang was die navorser in staat om 'n duidelike begrip van die belangrikste probleme van die implementering van GK te verkry.

Tydens die tweede fase van die navorsing het die data van die konseptuele ontleding van GK die navorser in staat gestel om in meer diepte te fokus op die belangrikste konstrukte van die konsep waarvan maatskappye bewus moet wees. Volgens die teoretiese navorsingsvraag moet die moontlikheid egter ook onderzoek word hoe bestaande modelle en teorieë tot 'n GK-évalueringsinstrument kan bydra. Gevolglik moes 'n ander doelstelling wat op hierdie kwessie fokus, geskep word. Hierdie doelwit het die uitdaging gestel om verskillende bestaande modelle en teorieë van GK in ouditkriteria gevorm kan word, te bespreek, te ontleed en te vergelyk. Hierdie navorsingsdoelwit is behaal deur die gebruik van 'n literatuuroorsig. Gedurende die ontleding en vergelyking van die verskillende modelle is Kitchen en Schultz se (2000) 8-stap model van GK-implementering geïdentifiseer as 'n gesikte grondslagstruktuur vir die GK-oudit. Na klein veranderings aan die stappe soos voorgestel deur Kitchen en Schultz (2000) gemaak is, is 'n GK-ouditraamwerk ontwikkeld wat fokus op die genoemde konstrukte wat deur die konseptuele analise geïdentifiseer is.

Die derde sekondêre doelwit van die studie het die normatiewe navorsingsvraag aangespreek, naamlik wat die ideale manier sou wees om die GK-ouditraamwerk te
toets. Hierdie doelwit is gewy aan die versekering van die implementering van die konseptuele GK-ouditraamwerk met betrekking tot die haalbaarheid van implementering in die praktyk. Om die haalbaarheid van die raamwerk te toets, is dit aan die bestuurspersoneel van ’n gedesentraliseerde maatskappy, Central Media, voorgelê. Om die nodige data in te samel om die doelwit te bereik, is data deur middel van fokusgroep-onderhoude ingesamel. Gedurende die fokusgroep-onderhoude met die respondent uit die gedesentraliseerde maatskappy, is die stappe van die konseptuele GK-ouditraamwerk voorgelê. Respondente is dan die geleentheid gegun om terugvoering te verskaf rakende die vorming van die finale GK-ouditraamwerk. Respondentvalidering is verkry om te verseker dat die insette wat deur die respondente gelewer is korrek geïnterpreteer is. Hierdie proses het deel gevorm van die derde en finale navorsingsfase.

Na afloop van die finale sekondêre doelwit is die data van die drie verskillende fases gekombineer om ’n finale aanbieding van elke stap van die GK-ouditraamwerk te ontwikkel. Die drie navorsingsfases het gelei tot ’n 9-stap GK-ouditinstrument.

Die uitvoering van hierdie studie het gelei tot ’n tweeledige stel bydraes. Eerstens kan die voorgestelde GK-ouditraamwerk maatskappye help om te bepaal of hulle wel ’n geïntegreerde benadering tot al hul kommunikasieaktiwiteite het. Verder kan hierdie instrument ook gebruik word vir die beplanning, voorbereiding en ontwikkeling van ’n geïntegreerde kommunikasiestrategie vir ’n maatskappy. Laastens streef hierdie studie ook daarna om die status van kommunikasie in die bedryf te verbeter deur te verwys na die voordele van ’n effektiewe GK-benadering wat organisatoriese kommunikasie kan voortbring.

**Sleutelkonsepte:**
Besigheidsbestuur
Korporatiewe kommunikasie
Korporatiewe sosiale verantwoordelikheid
Bemarkingskommunikasiebestuur
Opbrengs op belegging
Strategiese kommunikasiebestuur