COMMUNICATION – A PLATFORM FOR MUTUAL MESSAGE EXCHANGE

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ABSTRACT

Information is available and all around us as never before. At the same time we experience changes – changes that has a great impact on the whole society, companies and institutions as well as on individual human beings. But changes is nothing new. Already Herakleitos told us *panta rei* – everthing is floating. The changes today occur however more rapidly than before. The production life cycles are shorter and many companies experience that the information about their products soon becomes outdated. That makes it necessary to find communication channels that facilitates frequent contacts between providers and customers. During the last decade information technology has provided us with new possibilities for communication. Using the Internet companies can reach customers all over the world just as easily as the next door neighbour. Internet has thus changed the communication pattern and also opened a global target area for the companies. Also customer behavior has been greatly influenced by information technology. Previously customers were more dependent on initiative from the vendor where the vendor sent messages to the customer. The vendor was thus active and the customer had a more passive role. The customer was in that way exposed to vendor activities without any possibility to escape or defend himself or herself. Today the situation is different. The relationship between vendor and customer is regarded from another perspective where the customer has a more active role. It is the customer who has the power to decide when and what to buy and from what vendor. In this way the initiative is to a great extent transferred from the vendor to the buyer. The role of the vendor is to make his or her merchandise available to the customer and expose the products and their qualities to the customer. Communication between the vendor and the customer could thus be seen as taking part on a kind of arena where the vendor puts messages for the customer to take up or leave at his or her discretion. Nevertheless most communication models do not picture that aspect. They tend to be more related to the previous perspective whith an active vendor and a passive buyer. The purpose of this paper is to look further into the character of vendor-customer communication and to evaluate some contemporary communication models in relation to such communication. Using this evaluation the paper presents and argues for models that are built on a communication between vendor and customer taking place on an arena where messages are displayed and picked up.

Keywords: Communication, vendor-customer relationship, communication models

Communication – A Platform for Mutual Message Exchange

INTRODUCTION

Evolution and change have been characteristic for the world ever since the creation of man where information distribution has been a driving force. At first oral communication was the main source for information distribution, but later generations had the possibility to use pictures and later text. Handwritten material was an exclusive product for the privileged few. The invention of the printing technique meant a lot to the distribution of texts and more people were able to read books. Today we have several media apart from books where we can read texts, for example newspapers, databases and the Internet. To a great extent the Internet also contains pictures, movies and sound. Television is another important communication media today. The different media available today have a great impact on people's opinion and can therefore serve as intermediaries of information that can create change.

Information is thus available and all around us as never before. At the same time we experience changes – changes that have a great impact on the whole society, companies and institutions as well as on individual human beings. But changes is nothing new. Already Herakleitos told us *panta rei* – everthing is floating. The changes today occur however more rapidly than before. The production life cycles are shorter and many companies experience that the information about their products soon becomes outdated. That makes it necessary to find communication channels that facilitate frequent contacts between providers and customers. During the last decade information technology has provided us with new possibilities for communication. Using the Internet companies can reach customers all over the world just as easily as the next door neighbour. Internet has thus changed the communication pattern and also opened a global target area for the companies.

Internet has other capabilities as well. It offers search possibilities and it has created a new conversation forum, a place where people who are interested in the same target area can gather and exchange opinions and experiences. Internet thus helps the participants to keep a common focus. People can also learn by just listening to the conversation without taking active part in it. This creates a new situation for companies that want to do business on the Internet and to further analyze the situation I will use the process model that Checkland and Holwell (1998) discuss for an active human being. It contains the following steps

- Selectively perceive the world

- Attribute meaning to it

- Make judgements about our perceptions; to attribute meaning and make judgements implies the existence of standards to make comparisons against

- Form intentions to take particular actions

- Carry out the actions

Companies that want to do business on the Internet must consider a new kind of user behavior. That will affect several aspects of vendor behavior.

- Marketing
    - o Information presentation

- o   Choice of media
- Customer relationship management
  - o   Communication principles
  - o   Vendor/customer obligations
  - o   "Satisfied customer" activities
- Competition

The analysis according to Checkland and Hollwell's model is described in detail below.

PERCEIVING INFORMATION

When a company would like to present their products on the Internet, it is necessary for them to get the attention to the presentation from the prospective customers. This occurs in competition with other companies selling similar products. The customer browses through websites on the Internet to find attractive offers for his or her needs and will select vendors that has managed to present their products in an attractive way. This activity corresponds to the first step in Checkland and Hollwell's model (see above).

The key question is how the information should be presented. Let us consider the character of *information* more in detail. Information is generally regarded as some kind of message. The word information comes from the latin informare which means to give something form (Höglund, 1999). Information is intended to give the perception of a concept or an activity a form. Many researchers have also studied the concept and reached different views of what information really is. Some of them do not see information as something that automatically contains meaning but can be stored on things outside a human being. But if a specific sentence could represent meaning to one person and not to another, is that sentence then information or is it something else? Mutch (2000) writes about information as meaning and not things. Such a view means that information is created by the individual through a process creating meaning. This corresponds to the second step in the model presented by Checkland and Holwell (se above).

What is on the website is thus not information before it is interpreted. The website then contains *data* or *potential information* (Ingwersen, 1996). The potential information will be interpreted differently by different individuals depending on their previous experience and knowledge, and therefore the impression that the vendor would like to create may differ between different prospective customers. Shedroff (2001) also means that information is not objective since the interpretation of data may depend of their organization.

Perception is an unconscious, selective process (Wurman, 2001). The process depends both on its objective characteristics and on the individual's prior experience (Roy & Novotny, 2000). The way perception works, we will more easily accept impressions that correspond with our earlier opinion and experience. New ideas are more difficult to accept. (Lind, B., 1991) Too much familiarity however can cause attention to lag and lead to boredom. Uniqueness places our system on alert. Unexpected new information startles and surprises. (Kuhlthau, 1996) Therefore new information that is

unexpected or deviates very much from earlier experiences also easily passes through perception.

Ideally, to achieve attention from prospective customers the website should produce something new and unexpected at the same time as it relates to the customer's earlier opinion and experience. This would indicate that the web-designer should consider a specific target group.

ATTRIBUTE MEANING

The most important for an organization is not the own interpretation of a message but the interpretation of the receiver. The impressions that the organization would like to communicate may get lost because the receiver will attribute another meaning to the message than was intended. There are many aspects to take into consideration when determining how messages could be interpreted. There are personal, cultural, environmental and structural factors that will influence the meaning that the receiver will attribute to the message. Personal factors include earlier experiences, knowledge, purpose and even the receiver's current mood. Previous knowledge of the area the communication is concerned with will also have a great importance. Some of these factors are very difficult to control, but if the target group is rather homogenous it is easier to come close to interpretations than with a heterogeneous group. Environmental factors may include organizational restrictions but also information technology characteristics. Structural factors relate to the organisation of data. Shedroff (2001) means that the way data is organized will determine the meaning of it or at least its interpretation. Therefore the information depends on the arrangement of data. Information is thus not objective since the reorganization of the corresponding data may change its meaning.

MAKE JUDGMENTS

In for example a vendor – buyer communication, the buyer may have many vendors to choose from and sometimes even different products that could fulfill his or her needs. Because of the needs that the buyer experience and the meaning that he or she has attributed to different vendor messages, a judgment is made of the usefulness of the different products or services that are offered. The standards that the judgment is made against are the personal needs, economical factors and general impressions of the vendor. In some areas vendor competition is heavy whereas in other areas there are a limited number of vendors to choose from. With heavy competition it is important for the individual vendor that the communication is clear and attractive.

FORM INTENTIONS

Based on the judgments of different vendor messages a customer may form intentions. These intentions can have different character. The customer could for example find that the product that he or she would like to buy is too expensive, no vendor can offer the quality that the buyer would like or that it is impossible to ship the product from the vendor to the buyer. In that case the intention may be to refrain from buying or to look for alternative products. But if the judgments have turned out satisfactory, the buyer form an intention to buy and will make a choice of a specific

vendor. The choice of vendor depends on the judgments from the previous step where economical factors must be evaluated together with impressions of quality and vendor profile. When the choice is made it is time to carry out the action.

CARRY OUT THE ACTIONS

The intentions of the receiver have already been established in the previous step. To carry out the appropriate action is therefore just to follow the intentions that has been chosen.

COMMUNICATION

Using the Internet for communication has been increasingly common. Sometimes you may hear comments like "If you are not on the Internet you don't exist". For venders it is possible to identify three different types of internet communication (Larsson, 2001):

- Organizational communication
- Public relations
- Marketing

Organizational communication

Organizational communication may be internal or external. Internal communication may be vertical or horizontal. Vertical communication occurs during everyday order giving or instructions from managers or when employees supply information about their activities to their employer. The routines for vertical communication will have a great influence on the company climate. Horizontal communication occurs for example when the employees discuss with their colleagues to find solutions to different problems.

External communication can be directed into the company or out to the environment around the company. Inward communication may consist of for example customers wanting to get product information from a vendor. Outward communication could for example be when employees answer questions from customers, but also public relations activities or marketing activities that are described below.

It is important to realize that internal and external communication are not two different areas. Information given for example to a customer during external communication has probably been created by internal communication and feedback or questions from a customer may lead to internal communication that may lead to changes within the organization.

Public relations

Public relations mean the strategic relationships of the organization with different groups. It is important for for example a vendor to create mutual useful relationships with different groups that the organization is dependent of. Public relations activities

are therefore frequent and should be seen as normal for a company. But sometimes a company may be tempted to use activities that are close to manipulation or propaganda. That may cause the confidence for the organization to decrease.

Marketing

For efficient marketing the vendor should relate to customer needs. In relation to that need the vendor wants to communicate a message that the company has the means to fulfill the customer need through the products or services that are available. The aim of marketing is thus to make the customers aware of the products or services that the vendor can supply and to make the customer believe that by buying something from the vendor, his or her needs will be fulfilled. The needs may already be present in the market and the vendor can thus identify existing needs. Or the vendor may create a need that has not previously existed. Efficient marketing also means to focus on the customer and his or her environment. Relating to an everyday situation that the customer finds familiar will cause the customer to recognize the need more clearly than without such a situation.

For all types of communication it is important that the information supplied is consistent to avoid confusion. Information given as organizational outward information should correspond with public relations activities and marketing efforts so that the impressions that are created during different communication types give the same impression of the company.

There is a relationship between organizational communication, public relations and marketing. The activities may overlap and the picture below illustrates this relationship.
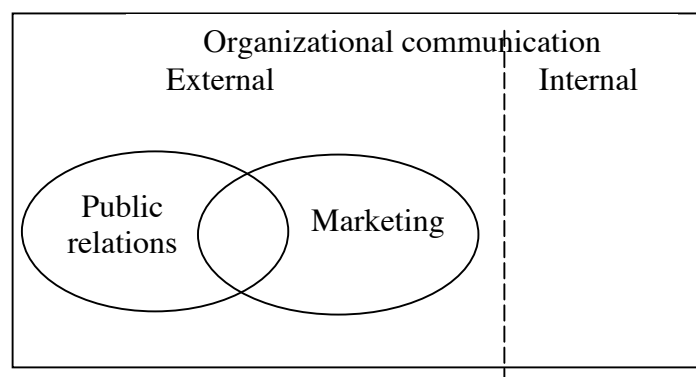

Figure 1: Relationships between organizational communicaton, public relations and marketing

VENDOR – CUSTOMER COMMUNICATION

Also customer behavior has been greatly influenced by information technology. Previously customers were more dependent on initiative from the vendor where the vendor sent messages to the customer. The vendor was thus active and the customer had a more passive role. The customer was in that way exposed to vendor activities without any possibility to escape or defend himself or herself. Today the situation is different. The relationship between vendor and customer is regarded from another perspective where the customer has a more active role. It is the customer who has the power to decide when and what to buy and from what vendor. In this way the initiative is to a great extent transferred from the vendor to the buyer. The role of the vendor is to make his or her merchandise available to the customer and expose the products and their qualities to the customer. It is therefore important that the communication is consequent. The impressions from different communication channels must be perceived in the same way by a customer.

What could be the aim of the external organizational communication? There are some different possibilities (Larsson, 2001):

- Expressive function
- Social function
- Information function
- Control function

Expressive function

The aim of this kind of communication is to tell the environment that the organization exists and assure that a customer will recognize the company the next time he or she is exposed for information from the company. Logotypes are very important to create a lasting impression of the organization. When creating this kind of impression it is important that different messages point in the same direction to achieve a consistent perspective.

Social function

The social function is related to the need of an individual to belong to a group. Vendors often try to form groups for their customers. The members of the group are sometimes offered extra benefits. Example of such groups are Hertz #1 club and the frequent flyer programs that most air companies offer. The reason for the company to form groups is to tie the customers closer to the company.

Information function

This function may be seen as the core function in organizational communication. Products are presented, marketing activities give information about special offers, customers put questions and get answers, orders are laid and a confirmation sent. Company policy is created and customer attitudes are formed.

Control function

The control function in organizational communication is related to company key activities. A control function could for example be to optimize market activities for best customer response. It could also be directed towards suppliers to minimize the stock of products.

TRADITIONAL COMMUNICATION MODELS

Communication between the vendor and the customer could be seen as taking part on a kind of arena where the vendor puts messages for the customer to take up or leave at his or her discretion. Nevertheless most communication models do not picture that aspect. They tend to be more related to the previous perspective with an active vendor and a passive buyer.

One of the most well-known communication models is the Shannon-Weaver model. Communication is regarded by Shannon and Weaver as the process that an adaptive system influences another adaptive system. An adaptive system could be a human being, an animal, technical systems or robots. A communication situation consists of at least two adaptive systems and some kind of connection between them that enables the adaptive systems to exchange messages.
The Shannon and Weaver model is a technological model since it was developed to describe how information technology such as for example the telephone or the radio transmit messages. It has also later been used to illustrate interpersonal communication.
The model shows an information source that produces a message. The sender transforms the message to a signal that is transmitted to the receiver through a communication chanel. When the message reaches the receiver it is decoded to the message that finally reaches its destination.

The signal is usually exposed to noise that in differnt ways distorts the signal and thereby influences the message that reaches the receiver.
This model has in reacent years been critizised for being too superficial and schematic since it only describes communication in one direction without any feedback from the receiver. (McCloskey, 2006)
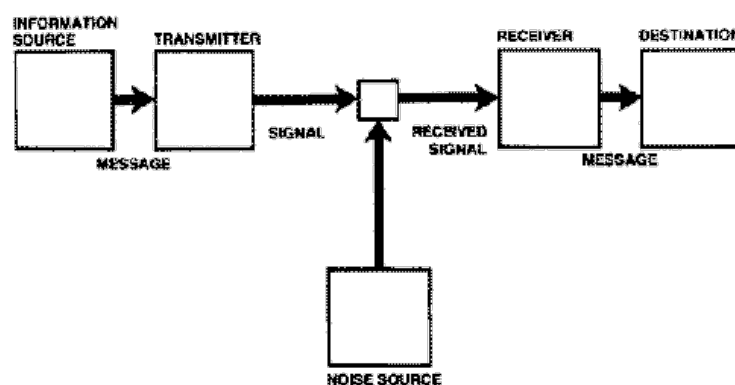

Figure 2: The Shannon and Weaver communication model

Another communication model is the Herb Klem communication model. This model has pictured feedback from the receiver. (McCloskey, 2006)
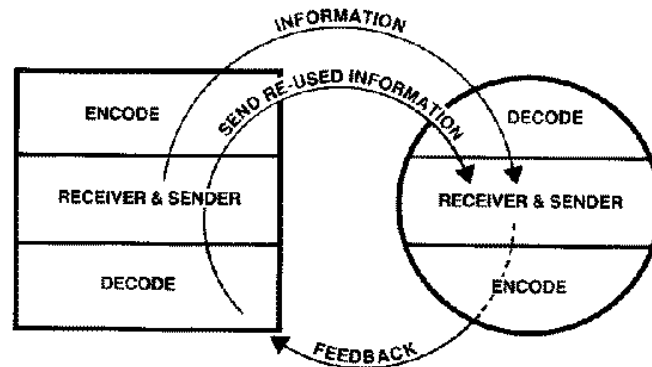

Figure 3: The Herb Klem communication model

The Herb Klem communication model describes communication as a two-way process where the commucation participants change roles between being sender and receiver. It is therefore to be regarded as a conversation model. The sender encodes information that is transmitted to the receiver that decodes the message to gain information. The receiver than reacts on the message and sends feedback that is decoded by the initial sender.

A NEW COMMUNICATION MODEL

Traditional communication models do not consider the complex circumstances that arise during the interaction between a vendor and a customer in the current IT based marketing. The functions described above are not illuminated in the models and the fact that vendors and customers interact on some kind of communication platform is disregarded.
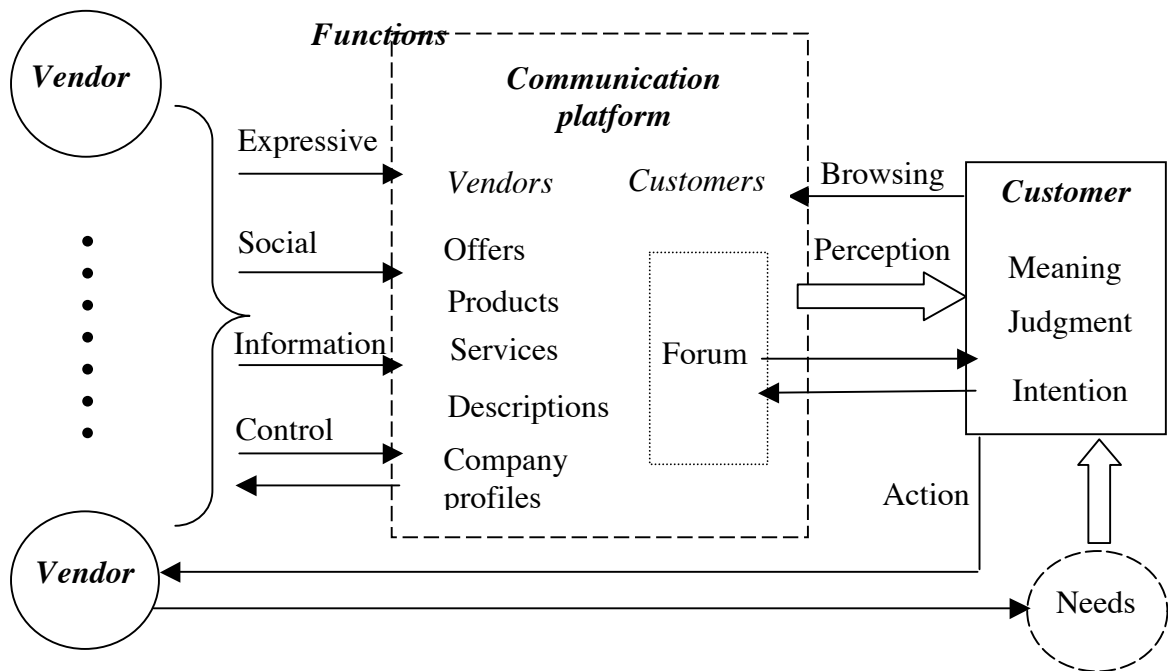
Figure 4: A new vendor-customer communication model

The model focuses on a communication platform where different vendors can display messages. These messages can have different characteristics, such as expressive, social, information or control characteristics. An individual customer browses the platform and perceives the messages from diffent vendors. He and she can also take part in customer discussion forums. Based on individual needs the customer creates meaning from his or her perception, makes judgments and forms an intention for an action. The action is directed towards a specific vendor and could for example consist of requiring more information or placing an order. The needs are based on individual wishes and demands but can also be created by the vendor.

CONCLUSIONS

Based on Checkland and Holwell's process model for an active human being, important characteristics and functions for a vendor-customer communication process have been identified. The flaws in earlier communication models consisting of insufficient illumination of an active receiver have been discussed. To reduce these flaws a communication model focused on a communication platform has been developed. The model regards the receiver as an active participant with decision power of perceiving or neglecting vendor messages.

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