

Department of Business Administration

Title: The Importance of Storytelling in Today's Business – A case study

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The importance of Storytelling in today's business – a Case study

Summary

This thesis discusses the possibility for PERSONEC to use storytelling as a strategic communicative concept in its marketing to mediate the brand identity of its organisation. In the search for this, we have chosen to describe the concept of brand identity and storytelling as a draft for the construction of the brand.

We have then analysed how storytelling can be applied, and already is, at PERSONEC and also presented some recommendations about how storytelling could be developed by PERSONEC.

In this thesis we investigate how PERSONEC communicates and manages its brand identity through the implementation of storytelling. Our main problem is: *How can PERSONEC use storytelling as a concept to communicate its brand identity both internally and externally?* This in turn involves two sub questions, namely: *What is the brand identity of PERSONEC?* And: *What is storytelling as a concept and how can it be employed at PERSONEC?*

Data collection has been performed using a qualitative method. In order to find out about brand identity and storytelling, primary data has been gathered through interviews with key personnel at PERSONEC. Secondary data consists of results of surveys on public awareness of the PERSONEC image as well as results from customer satisfaction survey on PERSONEC. The findings have been analysed based on diverse theories on brand and storytelling. Our thesis has in the beginning an explorative approach which at the end results in a conclusive description.

Theories, mainly from Aaker (1996) and Kapferer (2003) have been used to investigate the brand identity of PERSONEC. In accordance with their theories, the identity can describe the reality of the organisation and can be a tool to create a unitary illustration of the organisation, to be

communicated internally and externally. In our results we have found that PERSONEC is symbolised by knowledge in personnel-, payroll- and financial management in the Nordic region with an experienced and diversified staff.

Based on theoretical and empirical material about storytelling we have found key issues of the notion of storytelling. These involve discussions about the concept of storytelling, its area of application and how stories should be structured and also which aspects are important for this process. We consider storytelling as a concept to structure the communication of an organisation both internally and externally. The stories can act as a bridge between the organisation and the outside world and can also simplify description and communication of complex processes and concepts. In order to differentiate itself PERSONEC should continue to use storytelling to communicate its core values in a more emotional and engaging way.

Stories reveal. Stories motivate. Stories bind individuals into teams. Stories create solutions.

Keywords: brand identity, storytelling, communicative tool, communities

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1. Introduction

The first chapter introduces our research question discussion through a brief description of our subject. Thereafter we discuss the research problem, required information and purpose. Finally we discuss the perspective, validity and reliability. To easily understand how the study will be done we show a thesis disposition at the end of this chapter.

1.1 Background and motivation of the study

This thesis is derived from the assumption that the importance of storytelling within organizations and by their employees or members is often neglected or even denied. We believe that storytelling capture the lived reality of people in organizations, and those stories told should have a central place in the internal communication as well as in the external marketing processes.

With this thesis we wish to demonstrate the importance of storytelling in a Swedish IT company, PERSONEC, and how it affects employees, stakeholders and customers, i.e. how it affects internal and external marketing.

When your customers hear your company's name, what images or words come to their minds? Is that how you want them to think of you? How about your own management team? And your employees? Do they share the same vision of the company? Are you all clear on what you're doing and where you're going? If you can't answer all of these questions clearly and positively, how are you going to communicate a core message so that everyone who knows you will have the same, compelling view of your organization?

In today's increasingly crowded marketplace, where most people suffer from information overload, the ability to cut through the clutter is what distinguishes successful companies. One way to reach customers and employees is through storytelling.

According to Wikipedia storytelling is defined as

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'the ancient art of conveying real or fictitious events in words, images, and sounds. Stories have been shared in every culture and in every land as a means of entertainment, education, and preservation of culture and to instill knowledge and values morals. Storytelling is often considered to be a crucial aspect of humanity. Human beings have a natural ability to use verbal communication to teach, explain, and entertain, which is why storytelling is so prevalent in everyday life. Traditional storytelling differs from multi-media storytelling, in that it is experienced, and forms within the mind of the audience. For example, a described dragon will be different for each audience member, while a visual representation will be more specific. Since traditional storytelling relies on the recipient's personal experience and imagination, it tends to be stronger in impact'. (storytelling: on <http://en.wikipedia.org/wiki/Storytelling>)

Storytelling and marketing share a common goal - to create communication that is interesting and encourages a specific reaction.

Organizational consultants and managers have also discovered the power of storytelling in organizations. A good story of organizational transformation in one organization might motivate similar organizations to change as well; also, the informal stories people tell to each other about organizational norms, policies and change initiatives permeate organizational culture and reflect the meaning people give to organizational interventions (Denning, 2005; Johnson and Scholes, 2005). When the vast majorities of company assets are no longer primarily of a material nature, but reside in the minds of customers as 'Brand Value' and in employees as 'Intellectual Capital', there comes a need for new methods of calculating company assets.

Storytelling captures the heart evoking an emotional connection. The best marketing stories will end happily ever after with increased profits, customer loyalty and brand awareness. We all have a story to tell. What's yours? Understanding your customers requires understanding the stories they tell themselves about your products.

As mentioned above, business stories are a step beyond testimonials. They're frequently about real people doing real work involved with real challenges. However, the goal is still to engage the audience with a compelling tale. Employ words, graphics, video and/or music to tell your stories about the uniqueness of your product/services, your corporate history or customer experiences.

Examples of the importance of storytelling to help business to succeed were the foundation of the Danish company *Dream Company* in 2001 by Rolf Jensen, the CIO (Chief Imagination Officer). He is also the director of the Copenhagen Institute for Future Studies. In his book *The Dream Society*, he

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describes how customers will engage in services/products that satisfy their need to feel and display emotion. He predicts that stories will provide a unique competitive advantage since they capture the heart, not just the mind. In marketing, there is already talking of 'branding communities'. They entail consumer involvement in the story; they are ambassadors contributing and participating in unfolding the narrative. Procter & Gamble have already established such communities. NGOs and political parties are other current examples of such storytelling communities held together by the story and by the values. Companies will gradually move in the same direction; not quickly, but surely. In time, core values and mission statements will chart the paths for employee behavior. (Jensen, 2005). Rolf Jensen's Dream Company continues to say about the future 'The future is where corporate storytelling becomes part of successful management. On the future marketplace, the winners are the best storytellers - the best story wins. We shed light on the stories right here and now. We are fascinated by the future because that is where we intend to spend the rest of our lives' (Jensen referred by Eriksson and Gianneschi, 2004, p. 9).

Another example of the importance of storytelling is Mary Kay, the founder of Mary Kay Cosmetics. The company does not just sell lipsticks and blush. Her story is about a woman who successfully infiltrated the "good ole boys' club" and, in turn, opened the door for thousands of women. Mary Kay Inc. was created from one woman's desire to enrich women's lives. She began by offering quality products to enhance a woman's image and a perfect business opportunity to help women earn extra money, enjoy more flexibility and grow as independent business owners. The three core words are *Achievement. Success. The realization of dreams.* (www.marykay.com).

Barbara Kaufman (2003) argues that a story makes it much easier and real for an audience to take it in; much better than any statistics or graphs. She continues saying that when it comes to influencing an audience a story is much more powerful and effective than most common means as long as it answers the audience's questions.

Stories and marketing communications are structured differently. Unlike most collateral material or ads, stories have a beginning, middle and an ending.

Beginning

Stories - Introduce the heroine

Marketing Stories - Introduce your company, brand, staff, customer, or product/service

Middle

Stories - Describe the plot/adventure

Marketing Stories - Describe the problem/challenge/situation

Ending

Stories - Show how the heroine has changed

Marketing Stories - Show solutions and their impact

1.2 Defining the research problem and research methodology

Storytelling has so far been quite hidden in today's organizations, why we consider it interesting and important to study this concept further. We see a possibility to investigate how storytelling can be used as a tool for communication and strategic concept in marketing management. We believe that storytelling can be implemented in most organizations to market themselves both internally and externally. To perform this we choose company PERSONEC, a Nordic IT company, working in general field of IT Services including software development aiming for providing enterprise resource planning solutions (ERP solutions), consulting and outsourcing services of various sorts (from call center services to specific business tasks such as payroll provider). It is important that PERSONEC is aware of its identity to be able to market 'its selves'. We mean that the concept of storytelling can

be used to create a 'global' thinking of the identity to be transformed from the inside to the outside of the organization, i.e. go from internal to external marketing by a common strategy – a red thread. Thus, Storytelling will be a method for strategic communication from a marketing point of view.

1.3 Research problem

The research problem is divided into one main problem question and two sub problem questions. The questions are qualified against overall questions such as: Why do we ask these questions (and not others)? Are they connected to some practical situation, specific model or what?

Effective communication is a powerful management tool. A checklist will help the company measure how well they are currently supporting management goals and objectives through communication and public relations.

When your customers hear your company's name, what images or words come to their minds? Is that how you want them to think of you? How about your own management team? And your employees? Do they share the same vision of the company? Are you all clear on what you're doing and where you're going? If you can't answer all of these questions clearly and positively, how are you going to communicate a core message so that everyone who knows you will have the same, compelling view of your organization?

Main problem question

How can PERSONEC use storytelling as a concept to communicate its brand identity both internally and externally?

Sub problem question 1

What is the brand identity of PERSONEC?

To describe PERSONEC's brand identity we will illustrate different theories and interview key persons in the organization. We will also analyze official material from the company. We will try to see how storytelling affects employees and customers as well as how storytelling can help to capture the company's core message.

Sub problem question 2

What is storytelling as a concept and how can it be employed at PERSONEC?

To understand storytelling as a concept for internal and external marketing, we must examine what storytelling is and how it can be used practically. In case studies derived from the Internet and interviews from employees at PERSONEC we will try to discern how storytelling can be used as a concept in PERSONEC's organization. We will have to take into account organizational aspects to be able to understand the internal storytelling aspect.

1.4 Research methodology and data collection

Required information to be able to do this study is information about PERSONEC and its brand identity. Facts about storytelling and its importance in marketing management must also be collected. Related theories about brand identity and storytelling are a must to assemble required information.

The research methods include therefore literature studies, interviews (open) and case studies of stories told. Interviews at PERSONEC, will give an empirical base for the above-mentioned research problem questions. Using both literature studies and Internet we hope to get additional qualitative information.

1.5 Purpose

- To describe the terms brand identity and storytelling as a concept for branding.
- To analyze how this can be applied at PERSONEC.
- To give recommendations how storytelling can be used to strengthen the brand identity both internally and externally for PERSONEC.

1.6 Perspective, validity and reliability

This is a thesis within the MBA program Marketing Management at Högskolan in Gävle. The study will focus on how PERSONEC can use storytelling as a strategic communicative concept. We hope the study will be of help for the board of PERSONEC.

To tell if a study is reliable or not, two central concepts are used: validity and reliability. Validity includes two parts, the study's credibility (how well does the study conform to reality, i.e. internal validity) and the study's generalization (external validity). The reliability concept takes into consideration the method's measurement's ability to stand towards influence of different inputs during the interview. This means that high reliability correspond to same answers/value if the interview was to be repeated on several occasions. If the results on the other hand change over time and in-between occasions the study is considered to have low reliability. To mitigate or avoid low reliability it is important to have clear and well defined questions as well as a standardized method during the interviews (Lekvall et al., 2001).

As we will do a qualitative study statistical generalization cannot be done. Also answers to open questions may vary over time and be influenced by the situation – as in which context the organization might be compared to its business situation (e.g., on reframing business or brand transitions), as well as influenced by the interviewer. These may affect reliability so the study will be explored also from this point of view.

1.7 Thesis plan

The introduction is the foundation for our continued work. It comprises background, research problem, methodology, purpose and perspective and reliability. Once this is discussed we continue with theories where we discuss different concepts of brand identity and storytelling. Our main sources are Aaker (1996) and Kapferer (2003). Next part is to examine the methodology and data collection. Thereafter we go to empirical data, texts identified from web site (www.personec.com) and magazine Effektiv issue 1 2007, data collected in surveys (image surveys and customer satisfaction surveys (CSS)) and finally interviews with personnel at PERSONEC. In the next chapter, chapter 5, we will analyse PERSONEC's identity and how PERSONEC can communicate its identity through storytelling. The research questions are answered together with our own reflections and recommendations in the last chapter, reflections and final report. Below we illustrate this thesis plan in a model that hopefully will facilitate further reading (Figure 1 below).

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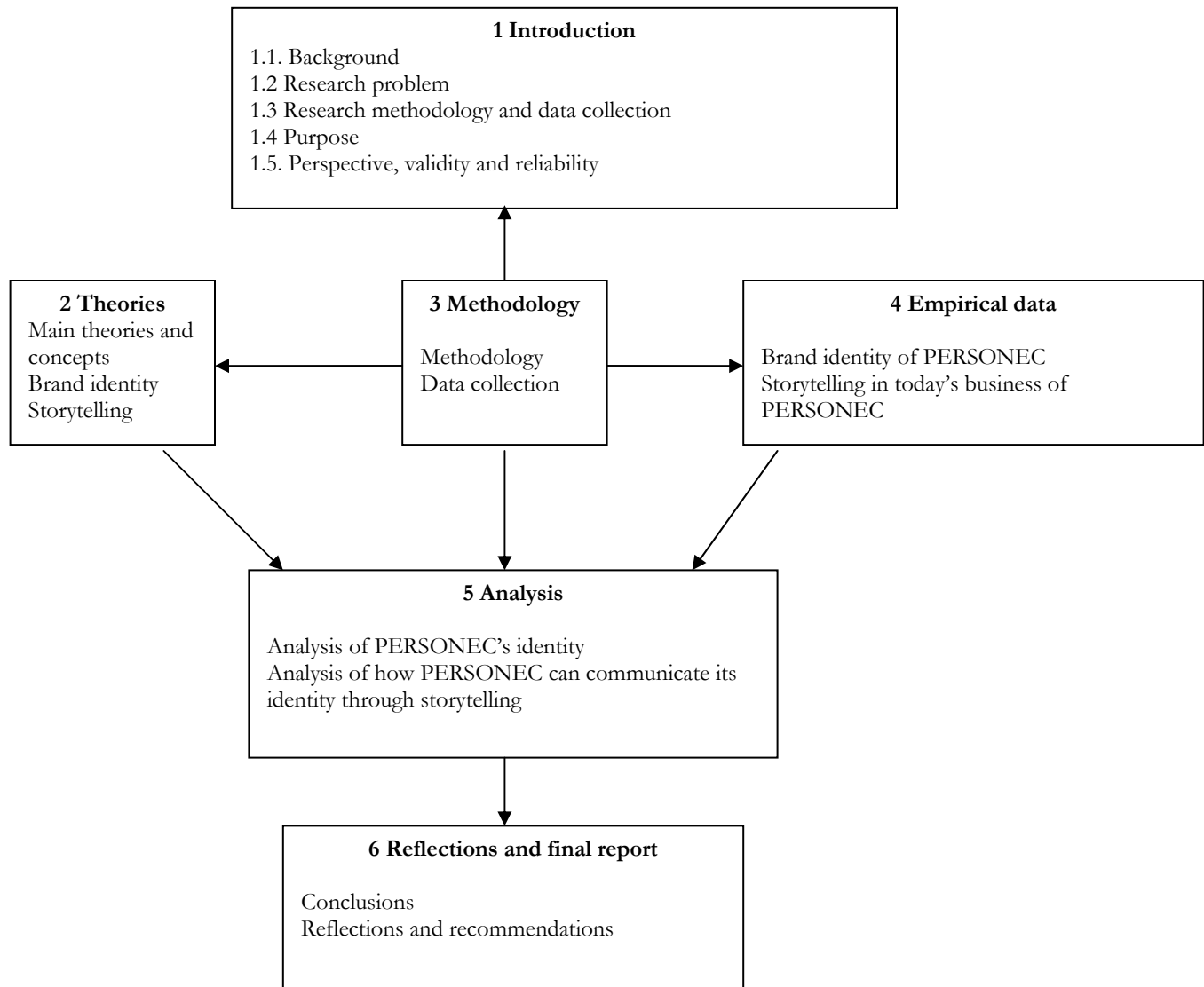


Figure 1. Thesis plan

2. Theories

The different theories used are linked to brand identity and storytelling, each of them discussed in separate sections in this chapter.

2.1 Brand identity

To understand the concept of a brand it is important to know its identity. In this section we will discuss different theories around brand identity. Main sources are David A. Aaker and Jean-Noel Kapferer but also other information sources such as PERSONEC will be discussed.

2.1.1 Introduction of brand identity

Aaker (1996) means that the brand behind a product or a service is the witness to reinforce the relationship to customers both functionally and emotionally. It is therefore of great importance to understand the identity of the brand. Kapferer (2003) on the other hand describes the importance of a clear identity through three aspects,

1. sustainability of the brand
2. to give one message of the brand
3. to give a realistic picture of the brand.

According to Kapferer (2003), the brand only exists if it talks or communicates from a sender through media, to a receiver. He also argues that many brands don't have a clear identity and are inspired by sources such as imitation, adjustment and idealism. This means that a brand that hasn't got a clear image of itself easily imitate other brands, adjust itself to the environment's expectations or try to be the ideal image of a brand. To not have a clear identity is risky and can lead to identity crisis.

According to Aaker (1996) there are differences between image, identity and position, see table 1 below.

Brand image	Brand identity	Brand position
How the brand is perceived.	How strategists want the brand to be perceived.	The part of the brand identity and value position to be actively communicated to a target audience.

Table 1. Definitions of brand image, brand identity and brand position, Aaker (1996)

Authors such as Aaker and Kapferer mean that to know the identity of a brand is an important aspect to create a strong brand. The identity is built on the brand's core values the role of which is to send out one message regardless of different products, actions and images. To refer to the above mentioned identity crisis, and to avoid it, a brand must answer the following questions (Kapferer, 2003):

- What is the aim and individual vision of a brand?
- What makes a brand distinguished?
- How satisfaction could be achieved?
- What is brand's equity?
- What are brand competence, validity and legitimacy?
- What are the features of its recognition?

2.1.2 Different identities of the brand

Aaker (1996) says that most brands have several identities. In spite of this, he argues that a brand should only have one identity but be able to adjust according to the market. It is important to control the brand's identity to create a value for the brand.

Also Balmer et al. (2002) argue that multiple identities exist in most organizations, global or local, product or service sectors. The risk of having multiple identities is that the identities are not pointed in the same direction. Balmer et al. have concluded that there exist five different identities namely, actual, communicated, conceived, ideal and desired.

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Type of identity	Key stakeholder groups involved
Actual	Internal (those who “make” the company)
Communicated	Internal (marketing, communications) Marketing partners (advertising agency, communications firms, etc.) Media (interpreting the company)
Conceived	All external publics [vary in importance], e.g., financial community; government/regulatory sector; headquarters/local facility communities; customers/consumers
Ideal	Internal (strategic planning, etc.) External (e.g., financial analysts; regulatory/legislative)
Desired	Internal (CEO/Board)

Table 2. Stakeholder group's impacts on the five types of identity, Balmer et al. p. 5.

Actual identity constitutes the corporation's ownership, leadership style of management, organizational structure, business activities and markets covered. But it also includes the offered quality and range of products and overall business performances.

Communicated identity relates to the “controllable” corporate communication. This typically encompasses advertising, sponsorship, and public relations. In addition, it derives from “non-controllable” communication, e.g., word-of-mouth, media commentary, and the like.

Conceived identity refers to perceptual concepts such as corporate image, corporate reputation, and corporate branding. These are the perceptions of the company's attribute and overall corporate image and corporate reputation held by relevant stakeholders. Management must make a judgment as to which groups' perceptions are most important.

Ideal identity relates to a rational development of the optimal position the organization should have on the market at a given time perspective. It is based on current knowledge of strategic planners and is influenced by external factors such September 11, and the nuclear catastrophe in Chernobyl, etc.

Desired identity is the organization's vision and is often mistaken to be the ideal identity. The difference is that the ideal identity is built on rational decisions/assessments whilst the desired identity relates to a more subjective vision informed by the board or top management.

2.1.3 Models of brand identity

Kapferer and Aaker have had distinguished roles in the research of brand identity and its models. Kapferer (2003) uses a prism to describe the identity, i.e. Brand Identity Prism. Aaker (1996) on the other hand uses a brand system to describe the identity which also relates to Kapferer's theories in a more structured way.

These two models will be the foundation in our discussion of brand identity.

2.1.4 Brand Identity Prism

The brand identity prism is made of six facets; physical, personality, relationship, culture (values), reflected consumer and consumer mentalisation (self-image). Further Kapferer (2003) divides the prism into three parts, the sender, the receiver and the bridge between them. Finally the prism is divided into an external and an internal aspect of the identity. Below, figure 2 of the above described prism.

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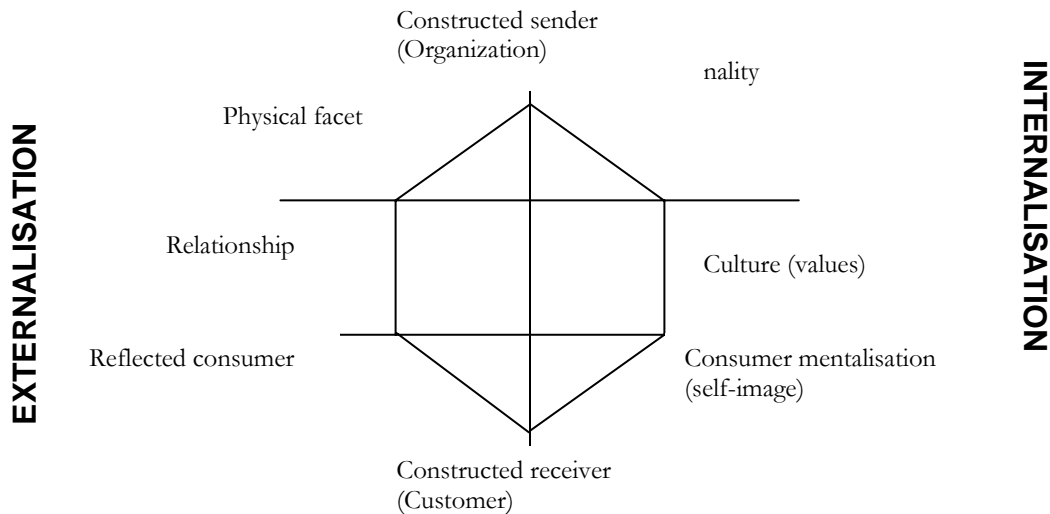


Figure 2. Kapferer's brand identity prism

Physical facet relates to the brand's material distinguishing traits and its history. This part answers questions such as: 'what does the product do and how well does it perform?'

Personality is how the brand would be described if it was a person. For example many companies use celebrities and their personalities to help marketers position the brand. The consumers then identify themselves with these stars. For example Omega uses ex-top model Cindy Crawford to market their brand. The risk is that if and when the star's behavior and conduct changes this can lead to the effect that the image of the brand also changes. For example, in the 80's Michael Jackson was the face of Pepsi. This collaboration was finished in 1993 when Michael Jackson was charged with child molestation. This was because Pepsi didn't want to be related to this kind of behavior.

Relationship, according to Kapferer, is the relation between the consumer/individual and the brand. This is especially important within the service sector as this sector provides an intangible exchange between the provider and the customer. Example of relationship is how Philippe Patek markets their products (watches), it should be a life-time relationship through generations. In their advertisements they say "I don't own a Philip Patek, I keep it for future generations". They want their products to enhance a strong lifetime relationship between customer and their watches.

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The *Cultural* facet relates to basic principles governing the brand in terms of product and communication: In other words the set of values feeding the brand.

The brand is, according to Kapferer, a reflection (*reflected consumer*) of its consumers, the kind of consumers to which the brand is associated. Kapferer stresses the importance to separate target consumers and reflected consumers. The former is the group to which the brand wants to reach; the latter is the reflection the brand gives to its consumers.

According to Kapferer the *consumer mentalisation* facet (self-image) describes the internal image of the brand whilst the reflected consumer is the external. The self-image facet consists of the values and convictions the consumer brings by wearing/buying brand.

Constructed sender or organization. The organization sends out the message of the brand, which is received through the mentioned six facets to the customer, *constructed receiver*.

Below we have tried to implement the prism to the brand Lacoste, see figure 3, below.

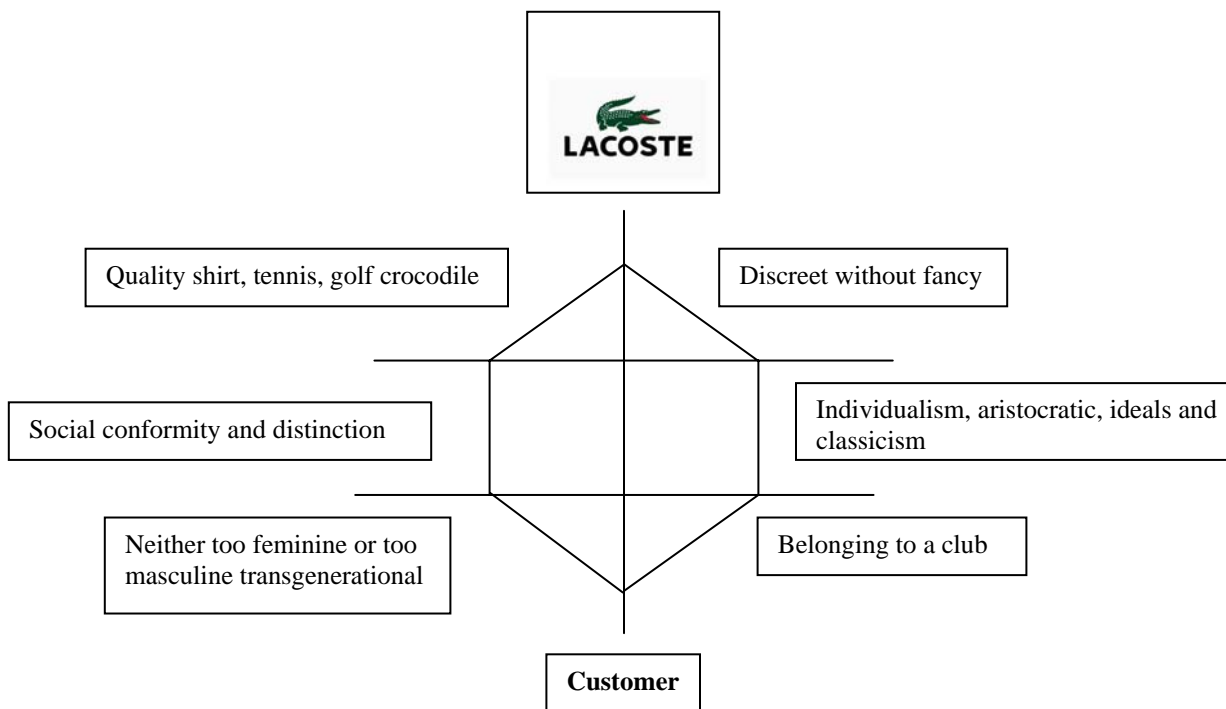


Figure 3. Kapferer's brand identity prism applied to the brand Lacoste

2.1.5 Brand identity planning model according to Aaker

Aaker (1996) argues that strategists should consider a brand as a product, an organization, a person and a symbol. Each perspective is distinct. The purpose of this system is to help brand strategists consider different brand elements and patterns that can help clarify, enrich and differentiate an identity. A more detailed identity will also help guide implementation decisions.

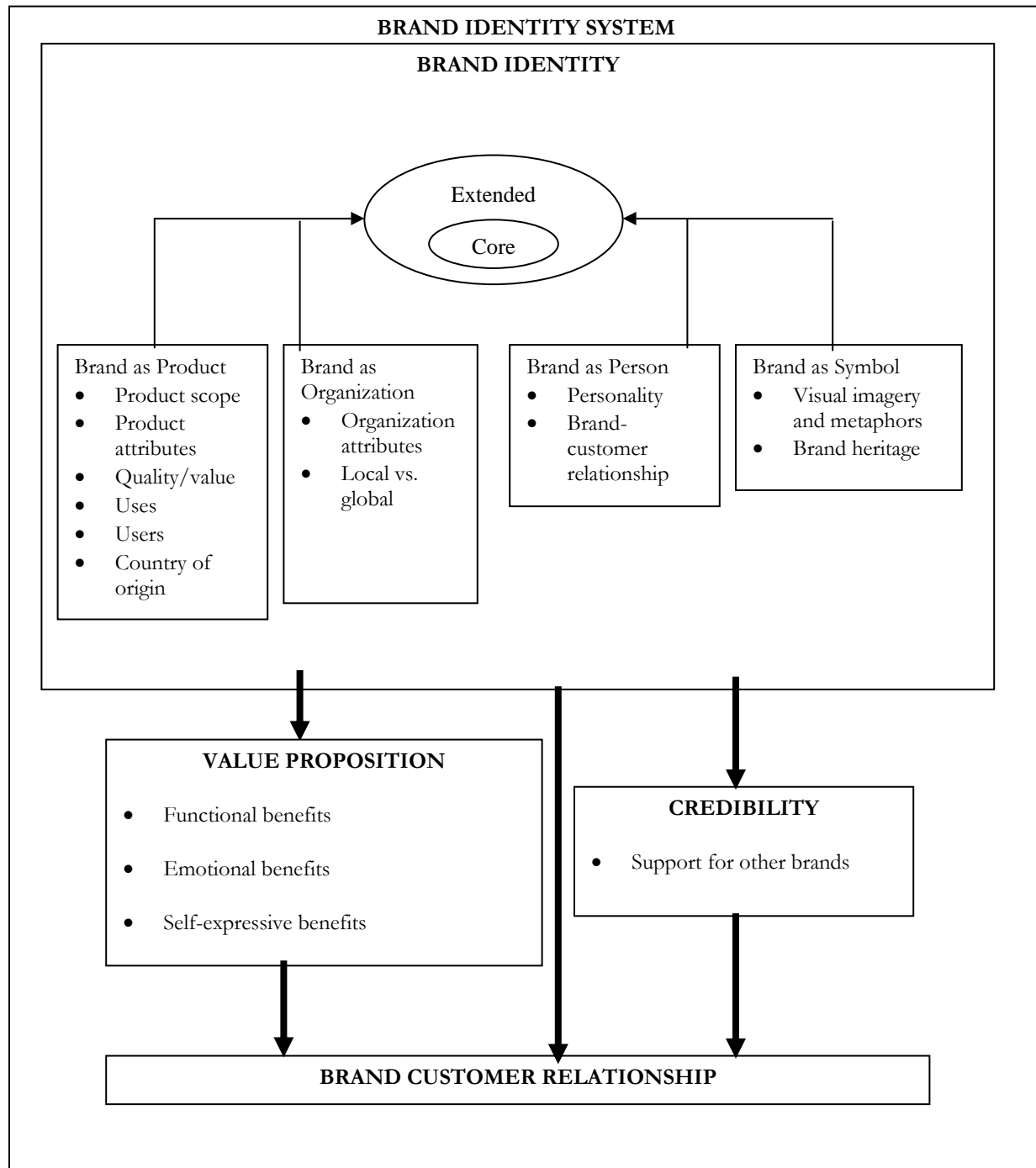


Figure 4. Brand Identity System according to Aaker, Aaker (1996)

Aaker cautions that not every brand identity needs to employ all or even several of these perspectives. For some brands, only one will be viable and appropriate. Each organization should, however, consider all of the perspectives and use those deemed helpful in articulating what the brand should stand for in the customer's mind.

- **Brand as Product** – According to Kapferer (2003) the product is the first source to brand identity. A brand should ask what a product should fulfill to be called a specific brand name. All brands have according to Aaker (1996) a core product and the immaterial values should be reflected in the shape of the product. The product does not only affect the physical, as in Kapferer's prism, but also the other parts of the prism. Aaker (1996) divides the perspective brand as product into six dimensions; product scope, product attributes, quality/value, uses, users and country of origin. The *product scope* consists of the association people have to this product category and is an important part of the identity. It is, according to Aaker (1996), important for the brand to know to which product scope it belongs. *Product attributes* are the physical and emotional advantages the product brings when buying it. By offering more and better attributes than the competitors the brand can gain advantages. *Quality/values* of a product are of importance as they give the brand strength according to Aaker (1996). He also argues that it is difficult to create a good and well-known quality. It is not only to have/present a high quality but the customer must also experience/feel it as high. *Uses* relates to the areas in which the product can be used. The brand must know the different user areas for the product. *Users* are sometimes closely related to a certain personality, which is important for the brand to recognize. Through a strong user personality the brand can be supported in the creation of a brand identity, such as earlier discussed in Kapferer's prism. The *country of origin* is sometimes of importance to the brand identity as its history and roots call attention to the country of origin. According to Kapferer (2003) some brands use more of their country of origin than others. One example is Swatch, which uses its Swiss origin to be connected with high quality as the Swiss watch industry is worldwide known for its excellent quality.

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- **Brand as Organization** – This perspective is attributes and local versus global brand. The organizational attributes are, for example, environmental thinking, innovation and the quality aspects that the organization has. The culture, employees and values within the organization create these attributes. Employees are especially important in organization with high service factor. Aaker (1996) continues saying that a brand should be local or global. The advantage of the local perspective is that the inhabitants become proud and willing to buy the product, whilst the organization easily can identify their needs. The advantages of a global perspective are many, such as prestige and recognition when the brand is successful. One of the disadvantages is impersonality, and therefore also the importance for a brand to understand customers in different markets is highlighted.
- **Brand as Person** – Aaker (1996) divides this perspective into two dimensions; personality and brand-customer relationship. A personality humanizes the brand and its products. Aaker (1996) means that a personality could be sporty, humorist or active. A brand can hence take the same feature as a human being. According to Aaker (1996) the personality can be the starting point for the brand-customer relationship and hence support communication of product attributes. The brand is often visualized with founder's identity and personality. An example could be Ingvar Kamprad's IKEA. He gives the brand IKEA a personality and identity that symbolizes him through his economical and practical direction.
- **Brand as Symbol** – Aaker (1996) splits this perspective into two parts, visual imagery and metaphors and brand heritage. Aaker (1996) argues that symbols create structure to the identity and also help us to remember and recognize it. A symbol can be everything the brand stands for and the symbol becomes more meaningful if there exists a visual imagery or a metaphor of the brand's functional, emotional and self-expressive advantages. The symbols could be anything from animal, celebrities to cartoons, or other things that symbolizes the brand. The brand heritage should be visualized through the symbols. This can be done, according to Aaker (1996), by visualizing the founder of the brand or history.

The value propositions are results of the different above-mentioned perspectives according to Aaker (1996). The identity can be communicated through the value propositions, which are

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functional, emotional or self-expressive benefits. These value propositions together with credibility, lead to a relationship between brand and customer and enforce the customer to make a 'buy decision'.

- **The Functional benefits** are based on the product's attributes, which give the customer a functional benefit such as Lexus giving their customer a feeling of being safe, reliable and top-quality. These attributes can directly be related to the customer's decisions and experiences. The disadvantages with functional benefits are that they are easy to copy, further they decrease the flexibility and hence the opportunities to expand the brand become restricted. Aaker (1996) argues that a brand can prevent these problems by looking at the identity from the three other perspectives; brand as organization, brand as person and brand as symbol.
- **The Emotional benefits** give the customer a feeling of satisfaction by buying the brand. By creating emotional benefits an organization can build a deeper experience for the customer and it is therefore important for the brand to know what the customer feels when he/she uses the brand. According to Aaker (1996) strong brands have both functional and emotional benefits and that functional benefits also have corresponding emotional benefits.
- **The Self-expressive benefits** give the customer a way to express himself through the brand. By creating values, which can express a customer's personality through the brand, the brand can create stronger and more personalized relationship with their customers, Aaker (1996). Aaker continues that a person has different roles and for each one of them there is a self-concept and a need to show a picture of this. Some products and brands show this self-image of the person.

Credibility is according to Aaker (1996) important for the identity. He argues that the brand itself not always is in the center but acts as a certifier, as discussed earlier with celebrities affirming the brand. The problem again is though when the celebrities no longer represent the brand's values and the wanted image, i.e. Michael Jackson and Pepsi.

Having analyzed these aspects and the brand identity system, Aaker (1996), believes a strong **customer brand relationship** has been created. The purpose of this system is to help brand

strategists consider different brand elements and patterns that can help clarify, enrich and differentiate an identity.

2.2 Storytelling

We start this chapter with definitions of storytelling and different areas it can be used. Thereafter we discuss what makes a good story and how should it be told. We end this part with a discussion of the importance of authenticity and possible problems that can rise when using storytelling.

2.2.1 Definitions of storytelling

Storytelling is one of the oldest, most powerful communication means according to Kaufman (2003). She talks about former president Ronald Reagan as a masterful storyteller and also other politicians have used stories to gain votes and win elections.

What is storytelling and how is it defined in literature? According to Kotler and Keller (2006) Storytelling is one qualitative measure in marketing research – in which people are prompted to tell personal stories about their consumer experiences. This is so wide a definition that different approaches might be included into this interpretation – e.g., word associations, projective techniques such as completing incomplete stories and more. They also restrict the usage for consumer behaviour research and not as a means for communicating brand, mission and values. This aspect of storytelling is also adopted by Escalas (2004a) in which hypothetical scenarios are used to evaluate favourable effects of storytelling on brand evaluation.

Eriksson and Gianneschi (2004), on the other hand, state that 'Corporate Storytelling' is a communication strategic tool in which the organization uses stories – fictitious or true, to reach a desired goal. These goals are often related to building of brands, communicating common values, mission etc. Johansson and Liljeqvist (2003) define storytelling as a story as such. The story can be fictitious or true but it embodies the values of the brand and it is communicated in a captivating or fascinating way.

There are two general concepts that are closely connected to storytelling and those concepts are Story and Narrative. According to Shankar, et al (2001) narratives are stories and stories and storytelling help us make sense of our lives. Denning, (2005) uses story and narrative in a similar way and does not make any distinction between these concepts. According to Denning (2005) they both refer to “an account of events that are causally connected in some way”. Hopkinson and Hogarth-Scott (2001) argue that stories are: firstly factual reports of events. Secondly, stories are also myths as they describe the teller's interpretation of these events. Thirdly, stories are narrative since they are means of coming to understand events and constructing their reality.

Further a story contains an emotional content. According to Simmons:

“... a story is a narrative account of an event or events – true or fictional. The difference between giving an example and telling a story is the addition of emotional content and added sensory details in the telling. A story weaves detail, character, and events into a whole that is greater than the sum of its parts.” (Simmons, 2002. p. 31).

The story is also regarded as independent of the media by which it is transmitted.

“A story can be transmitted by words, by pictures, by video, or by mime ... while recognizing the suitability of language to communicate narrative, it is possible to study narrative in its nonverbal manifestations without requiring verbal narration.” (Denning 2005, p. xxiv) .

Harding (2006) argues that anecdotes are the best way to visualize the benefits of intangible offerings and services. By the use of anecdotes we can demonstrate tangible values and values of process benefits. Reiter (1994) argues that the nature of stories is partial and that especially stories used in policy making must therefore be carefully considered. This implies that the “teller” is the empowered sender, the listener – if it is an active listener should be the critical.

It is also important to note that stories need a context – a situational context if possible. According to Brown et al: “Stories are told at a particular time and at a particular place.” (Brown et al, 2005, p. 24).

Consequently, storytelling is a means for communication and it is a means for conveying an emotional or value added message (as opposed to giving examples). Storytelling can either be displayed in stories narrated or displayed by symbols that have to be interpreted. Stories can be true or fictional but they convey an emotional message. In this paper we adopt the same definition as Johansson and Liljeqvist (2003) and Eriksson and Gianneschi (2004) – Storytelling is story as such and 'corporate storytelling' is the strategic communicative tool.

2.2.2 What is a good story?

Simmons (2002) presents a statement on stories and why stories are used. According to Simmons Stories are told in order to “get connected” –

“People don't want more information... They want *faith* – faith in you, your goals, your success, in the story you tell. It is faith that moves mountains, not facts. ... Faith needs a story to sustain it – a *meaningful* story that inspires belief in you and renews hope that your ideas indeed offer what you promise.” (Simmons, 2002, p. 3).

The importance of “connection” is exemplified with the consultant “selling” an idea who will often end up wasting time extolling the benefits of the logic of a process if he or she has not first established a connection. If a group believes most consultants are more interested in billable days than client success, they don't hear a thing until they decide for themselves that “this” consultant is different. (Simmons, 2002). Also according to Simmons (2002) if you push, you will activate resistance. “The pull strategy of story taps into the momentum living in your listeners rather than providing momentum for them.” (Simmons, 2002, p. 109).

Simmons (2002) also argues that stories have meanings that are (or should be) transparent (as opposed to manipulative). “Story is a form of mental imprint. A story can mould perceptions and touch the unconscious mind.” (Simmons, 2002, p. 29).

Furthermore, according to Simmons (2002), there are six types of stories that will form a foundation for influencing others: “Who I Am” stories; “Why I Am Here” stories; “The Vision” story; “Teaching” stories; “Values-in-Action” stories; “I know What You Are Thinking” stories. These 6

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types of stories are each linked to specific goals. For example 'teaching stories' are told in order to make sense of new skills. A skill would not be taught without telling the reason why. (Simmons 2002).

Simmons also divides different strategies for influencing into two types of categories: the Push strategy – such as persuasion, bribery or charismatic appeals. Simmons considers 'the Story' as a pull strategy – "If the story is good enough, people – of their own free will – will come to the conclusion that they can trust you and the message you bring." (Simmons 2002 p. 5).

Denning (2005) identifies 8 different narrative patterns dependent on the objectives. Denning lists these in 'a storytelling catalogue'. When comparing Simmons and Denning we would end up with a table specifying different story types dependent on the objective (we anticipate that the objective is always to influence others).

Denning's storytelling catalogue	Simmons's story types
Sparkling action – describes how a successful change was implemented in the past, but allows listeners to imagine how it might work in their situation	Teaching stories
Communicating who you are – provides engaging drama and reveals some strength or vulnerability from your past	Who I am stories
Transmitting values – feels familiar to the audience and will prompt discussion about the issues raised by the value being promoted.	Values in action stories + teaching stories
Communicating who the firm is – branding	Values-in-Action stories
Fostering collaboration	Why I am here stories – I know what you are thinking stories
Taming the grapevine	I know what you are thinking stories
Sharing knowledge	Teaching stories
Leading people into the future	The vision story (cf. Martin Luther King's "I have a dream")

Table 3. Comparison between Simmons's and Denning's story types (Simmons 2002; Denning 2005)

Table 3 compares the different story types from Denning's storytelling catalog with Simmons's story types. In some instances the eight story types presented by Denning's correspond to combinations from Simmons's story types. It is inherent in the structure of the story types that potentially good stories are substantiated by their respective goal, the suitable message and the context in which they are told – several stories can support each other, so called 'springboard stories' (Denning, 2005).

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According to Escalas (2004a) stories consist of two elements: chronology and causality. Narratives have configurable episodes that all consists of beginning, middle and end. Goal, action and outcome are incorporated as general human goal-oriented action episodes (Escalas 2004a). Escalas (2004b) elaborates these aspects further:

“Because stories focus on goals, actions and outcomes, and stories in memory are likely to be self-related, a link may be forged between brands in an ad story and the achievement of self-related goals. A self-brand connection (SBC) may be formed based on these perceived psychological benefits.” (Escalas, 2004b, p. 168)

According to Fog et al (2005) there are four elements in storytelling: The message, the conflict, the characters and the plot. Ardley (2006) on the other hand uses a more dramatized terminology in his approach. Ardley applies storytelling to the marketing plan in which the ‘Preface’ introduces the plot – describing the company for example. Next section is the ‘Backdrop’ for setting the broad scene – this is where the current situation is described in a narrative about the business environment. The third section is the ‘Confrontation’ – detailing the specific challenges facing the organizational members. The fourth section is the ‘Settlement’ – and this is where the problem is solved and how it is solved. The final section is the ‘Epilogue’, which largely constitutes of an update on new events in the story.

A good story then should only contain one, but clear message. It is important that this message is credible and transparent. The conflict, confrontation (or the problem) is the driving force of a good story – if there is no conflict there is no story (not interesting enough anyway). The characters all have specific roles to play – they are all ‘driving’ characters exemplified by benefactor, beneficiary, hero, and adversary. The plot is the timeline with the beginning, middle and an end – i.e., the progress of the story. According to Simmons: “In the end, the best story wins. Not the right story, not even the most frequently told story, but the story that means the most to the greatest number of people – the one that is remembered..” (Simmons 2002, pp. 149-150).

2.2.3 When can stories be used?

According to Simmons (2002), strategic planning in the traditional sense is out dated. In a complex environment people listen to whomever makes the most sense – i.e., whoever tells the best story. Simmons states that the reason our organization charts change so quickly is that analytical, linear representations of reality are at best temporary – and at worst pure nonsense. According to Simmons (2002), reality in the information age is nonlinear. – Many companies are turning to metaphor and scenario planning to give direction to this unpredictable, highly complex, and ever-changing world in which we now live. Thus, story is used to replace the old strategic plan's goals/objectives/strategy format. – “In the land of complex reality, story is king. Story makes sense of chaos and gives people a plot.” (Simmons, 2002, pp 36-37). This is also in line with the findings of Ardley (2006) that storytelling can contribute in the process for marketing planning. Ardley argues that a plan written in a narrative style in everyday language makes it easier for people to engage with the plan and its different stages.

Johnson et al (2005) states that stories are devices for telling people what is important in the organization. Further they argue that stories may be managed to some extent and as such they become change agents. Examples of these stories can be found in corporate newsletters and newspapers. (Johnson et al, 2005).

Fog et al (2005) argue that leaders of today's companies distinguish themselves by being good storytellers; voices that employees listen to, are inspired by and respect. The challenge today for companies is to build solid values into their brand and storytelling is the means for this goal. According to Fog et al (2005) a strong brand is built on clear values and on emotional connection with the consumers. This is where brand value is transmitted into a core story. Strong brands always represent a story. Values are only 'empty words' if not put into context, i.e., a story. According to Fog et al (2005) the goal is to streamline the company's identity with the external perception of the company. This is where the core story is used to close the gap and to create consistency between identity and image.

Consequently stories and storytelling can be used for strategic planning both for external and internal use.

2.2.4 Authenticity and drawbacks of storytelling

Both Simmons's and Denning's story types are based on a sound level of authenticity and thus transparency and credibility (Denning 2005; Simmons 2002). However, all definitions of the concept of story above also include elements of fiction. Thus, stories may not always be true, i.e., they are fictitious. They may also be 'partial' and subjected to interpretation (in the eyes or ears of the beholder, the listener) (Reiter, 1994). This means that storytelling maybe is more demanding both on the source, i.e., the sender, as well as the listener, i.e., the receiver. Thus, great storytellers can spellbind their audiences and manipulate their listeners because they easily connect and convince after this connection has taken place. Maybe it is needless to point out the ethical aspects in connection to storytelling and that not all good storytellers are by definition also 'good' people.

3. Materials and Method

As a basis for the empirical data we used two different surveys performed by PERSONEC: PERSONEC Image Survey in 2006 performed to measure awareness of the PERSONEC brand and a Customer Satisfaction Survey (CSS) performed in 2006. The results are adapted to this thesis and the complete results of these surveys are PERSONEC property. Thus, they are only available on demand and with a non-disclosure agreement.

We have made interviews with the marketing director in Sweden and with the head of internal communications with regard to their view on branding and storytelling. Since there were only two interviews we decided to present them together under chapter 4, section 4.5.

We have also studied case reports in company magazine – Effektiv. (Personec, 2007). The results of the case reports studied are presented below (chapter 4, section 4.3).

Method is discussed further under chapter 5 Analysis, section 5.1 Methodological aspects of the results.

4. Empirical data

In this chapter we illustrate PERSONEC's brand identity based on interviews and on secondary data about PERSONEC. The chapter will also illustrate the concept of storytelling through opinions by experts (Internet sources mostly) and how storytelling as a concept could be used at PERSONEC.

4.1 *Short facts about PERSONEC:*

PERSONEC is the largest provider of human resources and financial management solutions, as well as consulting and outsourcing services in the Nordic region. PERSONEC's mission is to build excellence in business support processes through the use of specialized knowledge and powerful IT systems. The company employs 1,300 experts and has a customer base of about 18,000 organizations representing different business areas within both the public and private sectors in Sweden, Finland, Norway, Denmark and Estonia. PERSONEC's net sales amounted to EUR 129 million in 2005.

There is a focus on controlled growth in which the objective is set to expand significantly, both through acquisitions and organic growth. Examples of this are both the acquisition of payroll and HR business in Sweden from Manpower in 2006 and also by winning major contracts to supply payroll services to larger customers.

The company's business idea is to help its customers to streamline their business support processes through a combination of expertise and effective ERP solutions. Complete and comprehensive service package "Starting from your needs and with you all the time as the main driver, together we can build the better route to increased efficiencies, profitability and added value."

www.personec.com

4.2 PERSONEC the brand

Brand 'history' of PERSONEC.



The Brand :

Figure: 5. The Logo

Personec [pe•rsonec]: Personality (in Esperanto). The logo symbolizes a heart with 'ONE' (i.e., symbolizing market leader, no 1). The colour orange is retro. (Bergman, T.: Personal communication)

The Brand was established in 2004 and has since undergone one transition due to merger. In this merger the offerings were expanding to cover more than “just” HR. That is why the mission statement was changed. (See figure 5 below).

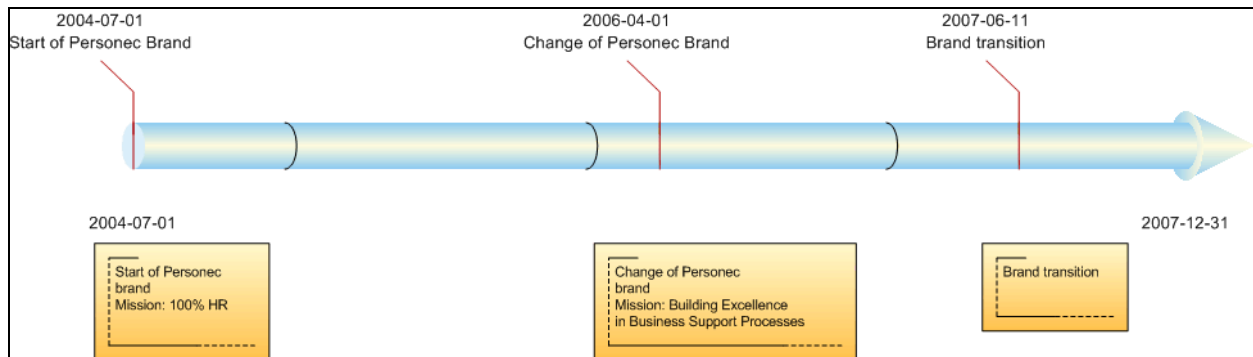


Figure 6. Describes the PERSONEC brand and mission changes over time

Figure 6 show that PERSONEC is a fairly young brand. In less than two years it has changed core mission from “100% HR” to “Building Excellence in Business Support Processes”. This is where the ‘controlled growth’ – one of the strategic goals affect the mission and ultimately the sustainability of the brand. Because of these changes there has been extensive marketing research

made during this period and results show that the total awareness of PERSONEC as supplier of payroll and HRM offerings in Sweden is increasing.

4.3 Information on web site *www.personec.com* and customer Magazine *Effektiv*

According to PERSONEC's website, *www.personec.com*, "PERSONEC is the leading Nordic provider of personnel and payroll management and financial management solutions together with consulting and outsourcing services". The company motto is building excellence in business support processes. The company looks at their customers' needs, within the above mentioned areas, to find ways to increase efficiency, profitability and added value. And as more and more companies, PERSONEC tells us its success stories on their website. One example is a story about Scania. PERSONEC helped Scania to modernize their system of control of presence and number of hours worked. Instead of time card and clock terminals, Scania's managers use today the web to check presence and authorize overtime and absence. You can read about how the IT manager within the HR department of Scania, explains how well PERSONEC has managed to help Scania to modernize their system of who is working and how many hours. For potential customers, to read these success stories, it is of great importance to get to know others that has worked with PERSONEC.

PERSONEC publishes a customer and employee magazine called *Effektiv* that is distributed by email to customers and employees six times a year. The company enhances the fact that using email the paper will be more up to date and also that it is more environmental friendly than to have it in form of paper issues. PERSONEC also invites customers to spread the magazine to reach a broader market.

In each number of the magazine you can read about changes in HR and financial system around the world together with PERSONEC's services with regard to payroll management, financial management solutions and outsourcing. In the latest issue, *Effektiv* 1 (2007), there is an article called "Gates gillar Vellinge".

Prevailing articles and texts are mostly connected to telling stories of solutions and services such as implementation of payroll, HR solutions and outsourcing in order to create value-added intangibles at customer sites. There are few case stories about project management for instance.

4.4 Results of Image Surveys and Customer Satisfaction Surveys

In order to measure the awareness and the results of different campaigns there are at least yearly telephone surveys performed for surveying public image. The population consists of two different target groups:

- 1) Administrative directors and personnel managers and directors in companies with a minimum of 250 employees – HR related.
- 2) Directors (in general) and business controllers in companies with a minimum of 250 employees – Other managers.

The population is 50% female and 50% male. The market is divided into private sector and public sector with equal representation. There is an overrepresentation of persons from managerial level.

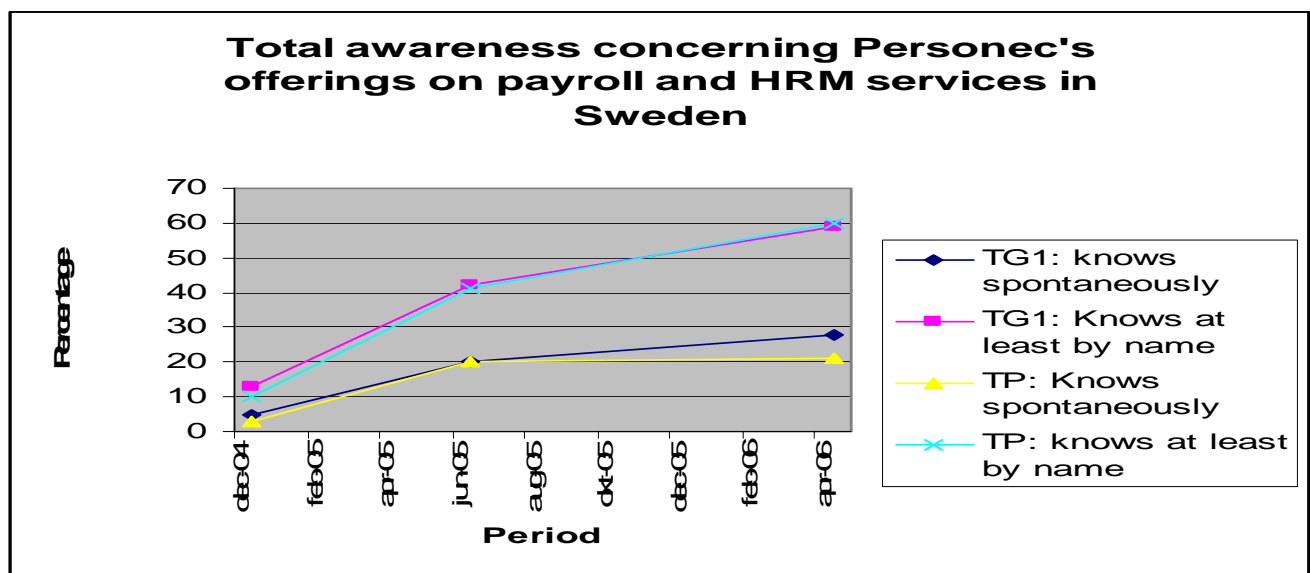


Figure 7. Total awareness of Personec's offerings on payroll and HRM services in Sweden (adapted from Personec Image survey Sweden 2006).

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TG1 = Target group 1, TP = Total population, i.e., Target group 1 + Target group 2.

The figure is based on the results from Telephone interviews with administrative directors and personnel managers and directors in companies with a minimum of 250 employees (n=61 for 2006, n=60 for 2005 and n=60 for 2004) target group 1. The investigations were performed in December 2004, June 2005 and April 2006. And the result shows a positive trend that the awareness of the image is increasing. Changes are displayed when comparing total awareness with entire population (n = 101 for 2006, n = 95 for 2005 and n = 102 for 2004) and the result of Target Group 1 (Figure 6, above). This comparison shows that the number for those who know about PERSONEC spontaneously is levelled out over time compared to the domain experts in Target Group 1 in which the awareness is still increasing.

Another measurement of awareness has been focused on the media used for advertisement and where the respondents have seen the advertisements.

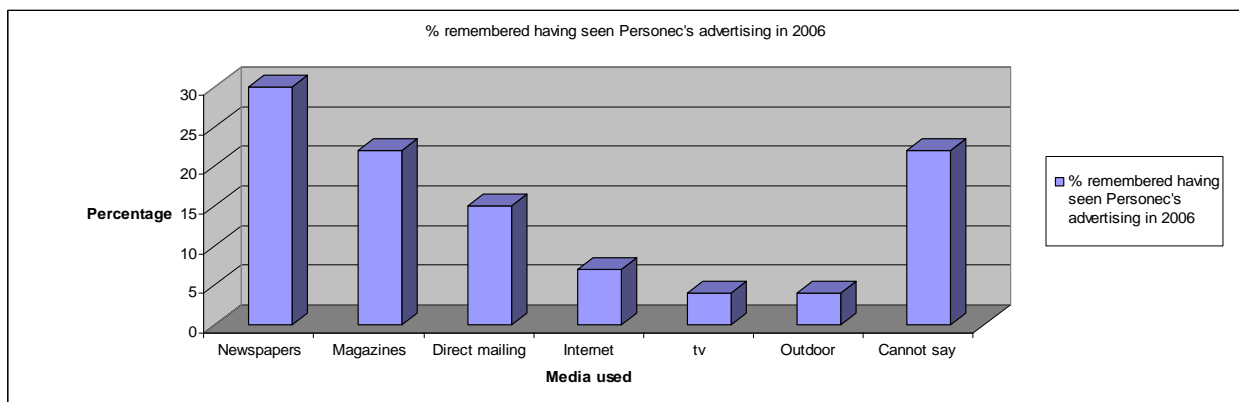


Figure 8. Percentage who has seen Personec's advertising (adapted from Personec Image Survey Sweden 2006)

Additional information from the respondents has been that they remember the colour and the logo. It is obvious that the most known sources are newspapers and magazines. It is also interesting to find out that 22% cannot say where they have seen about PERSONEC – as compared to the 22% who have seen the advertisements in Magazines. 2% of the population saw commercials on TV and

according to information there have been no commercials on TV during this period (Bergman, T., personal communication).

Customer satisfaction surveys are performed regularly. The data collection method is telephone interviewing. In Sweden 75 respondents per sector (public and private) participated, i.e., in all 150 respondents for the 2006 years survey. Since these are customers, the score on familiarity with PERSONEC should be high. However, the customer satisfaction survey deals with brand image from the customer loyalty point of view and thus the measures are different. The brand image is then defined and tested against customer loyalty and commitment.

Customer loyalty is defined in terms of:

- Likelihood to recommend
- Likelihood to continue co-operation

Value is defined as:

- Overall quality as supplier
- Ability to support customer's business
- Provide value for money

The most important result from the Customer satisfaction survey is that:

Customers are quite familiar with PERSONEC. Familiarity has not improved between 2005 and 2006. The image of PERSONEC as a flexible product has weakened. Loyalties are strongest in Finland and in Norway but customers are not very loyal in Sweden. Improvement areas in Sweden have been identified as Project Management and Marketing and Sales.

4.5 Interviews

Interviews reveal that knowledge of 'Storytelling' as a tool for internal and external marketing is already known in PERSONEC. One of the interviewees said that the main advantage of storytelling is that it is easily communicated to customers, partners and co-workers. It is also easy to understand

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and does not need a lot of explanation. People remember a story better than “facts”. One interviewee also applies the term “active myth mania” for inventing stories about a phenomenon for making something more attractive, the example given was, “water that takes 70 years to purify”.

Internal marketing at PERSONEC has been focused on colour, form and feeling – giving a common “tone of voice” stemming from the basis of a common communication platform.

Internal primary target group is management. Group management team and business unit managers are classified into three levels and eventually ‘middle’ management managers are addressed in particular.

There are some key areas that are focused in particular:

- How does PERSONEC visualise what PERSONEC stands for through management?
- How does PERSONEC solve problems?

In both these areas the image is conveyed as young, happy, flexible and active. The mission is to support the organisation.

Personnel in the company is highly diversified – employment time varies between 40 years to less than 6 months – and “all should have a positive experience of where we stand and what we offer our customers – “the important stuff””.

Storytelling has been used in PERSONEC in customer magazines and in customer events. Also Ralf Jensen, founder of the *Dream Company*, has been an invited speaker at one customer event. Generally the frameworks for these stories are based on identifying a problem, how this is solved, what effect it had, and next step and follow up with “lessons learned” stories. The reason is to have a sound message and to make a difference for the customer. According to one interviewee there is one basic story; i.e., the PERSONEC story, and all stories told are based on this story. – This is mainly used for external marketing.

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Internally, there are also other stories – on corporate level – these stories are aimed for different purposes. They may be aimed at embellishing and simplifying processes, with focus on certain things – like “nailing things to certain ingredients”. Stories are good to tell what, why and how to deliver.

According to one interviewee one drawback with storytelling is that it takes time. It also requires commitment that has to be shared by more people. In order to mitigate this drawback “we would need to create an environment for more “storytelling””. – This would increase communications flow, increase participation and create interactivity in communication. This in turn would “induce self confidence and pride in what we do”.

Stories are good because they are continuous, and consistent. They are also a form of transparent information with “lessons learned” in a positive sense. “It is important that we tell others about different cases and what we do for our customers – who have been involved, who have participated and what have their respective roles been”.

“It is important to identify the heroes/heroines or group of our organisation: how do we work with! This is also important in order to highlight our methods for solving problems and our offerings.” According to one interviewee it is “through the stories we reinforce good behaviour” – working more based on who you are, for example “always on time”.

Brand Identity – One of the interviewees identified ‘Brand Identity’ as “the desired identity that an individual associates with the brand”.

One of the interviewees divides the brand into three parts:

- a) Identity – what is used internally in the organization
- b) Profile – a visual part
- c) Image – a communicative “picture”.

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Furthermore, according to one of the interviewees: “The focus should be on setting up the image and to create a profile that supports that image”. Primarily it is a platform for internal/external communication. When you see PERSONEC = what image comes to your mind then?

The vision and goals for PERSONEC – These are means for communicating what one stands for. The mission is “Building excellence in Business Support Processes”.

Internally, the strategic goals are Change, Growth, Efficiency and all stories are built on these terms. – Video is used as communication channel and employees may then get their message straight from the sender.

What PERSONEC is doing differently to its competitors is according to one interviewee that PERSONEC has an engagement and capacity to contribute to the effects at customer sites plus credibility. PERSONEC also performs continuous Customer Satisfaction Surveys that supports this statement.

The need PERSONEC fulfils at customer sites is acting as partner and supplier. The ultimate aim is to increase efficiency and value for customer. “How can payroll administration become more efficient?” – Helping them in their core business and getting better in what they do. “Getting the right person in the right place at the right time with Human resource support, financial management support, customer support and tools for logistics.”

The core values of PERSONEC are not communicated internally. But one of the interviewees gives examples of core values such as the ability to change and to be business oriented. This – i.e., “The good behaviour” creates values such as work satisfaction.

PERSONEC profiles its identity by means of shape and colour. The intention is that the target group should be able to identify themselves with the PERSONEC brand.

Both interviewees believe that storytelling can enhance the brand identity of PERSONEC in a positive way. "It is the stories of the good examples and where we solve problems that really boost self confidence". "You know - It is easier to explain what we do using stories."

Storytelling can have negative effects if it is not credible and transparent enough. "Everything has its limits". Focus is on credibility and transparency only then it might be true.

Storytelling with customer cases is a good complement to internal communications. However, it is not so prompt and it is more demanding on the audience. Meanings may be hidden using metaphors and subtleties are not easily discerned. If the target group, i.e., the audience is heterogeneous it is more difficult to tell a story to "suite them all".

Storytelling as such can be a concept for strategic marketing but it depends on the target group and if the target group is more or less homogeneous. "It also depends on the aim and what media we are using. In some cases, since it is not so prompt, people tend to think of storytelling as smoke screens and "bla, bla, bla get to the point...". Also prerequisites can change, people tend to quit their jobs (so the hero is no longer in house), the dragon dies – important problems will be yesterday's news." According to this interviewee stories has a certain "due date" and after that they are no longer credible. The challenges are more tools and who owns the preferential right of interpretation of "What is good internal communication for you?"

5. Analysis

This chapter is a connection between the theories and the methodology, i.e. chapters 2 and 3. Showing how PERSONEC from an identity point of view can use storytelling as a concept.

5.1 Methodological aspects of the results

The study of stories and the diverse narrative techniques are especially prone to a hermeneutical approach trying to interpret the essential 'meanings' of the stories as well as the senders' intentions. In this approach the common understanding of concepts is essential (Eriksson and Wiedersheim-Paul, 2001). The hermeneutical approach is also subjected to the hermeneutical spiral in which the literature surveys are the basis for the "pre-understanding" of the subject. The dialogue and the subsequent interpretations creates knew (or deeper understanding) of the problem domain and this of course has an impact on subsequent studies.

Also the interviews have been performed in Swedish and the results translated into English by the interviewer which might cause an interpretational gap. In order to mitigate this gap the result has been verified by the interviewees.

There is a problem with the image survey referred to in Chapter 4, section 4.4 in that the survey was performed by third party company and telephone interviews. The result in Figure 7 for instance only displays the traditional marketing channels (Newspapers, Magazines, Direct mailing, Internet, tv, Outdoor, Cannot say). The alternatives do not include word of mouth or other C2C (consumer-to-consumer) communication. It is also particularly interesting since there have been no commercials on tv but there have been outdoor advertising (in airports) and 2% say that they have seen PERSONEC's advertising on tv (Bergman, T. personal communication). As many as 22% cannot remember where they have seen the advertising which is the same percentage as have seen the advertisements in Magazines. This may be due to the fact that there are too few alternatives and no follow up questions in the questionnaire or put forward by the interviewer during the survey.

5.2 PERSONEC's brand identity

To create a unique brand a thorough analysis of PERSONEC is needed. According to Aaker (1996) and Kapferer (2003) it is important that the identity is built on the inner values, which PERSONEC

seems to have done. But have they structured the identity clearly on paper? The advantages with a well-structured and written identity are several; it is easier for newly arrived employees to understand the organisation and gives the marketing department a well-established ground for communication. If PERSONEC does not have a clearly written identity there is a risk that they will imitate other company's identity or adapt to the identity to the surrounding world's expectations. On the same time it is important for a service company as PERSONEC that it is aware of the changes on the market with their new expectations.

5.2.1 The brand PERSONEC

To get a clear picture of PERSONEC's identity let us use Kapferer's questions we mentioned in chapter 2.2. The answers to these questions are the foundation of PERSONEC's brand identity.

- **What is the aim and individual vision of PERSONEC?**

The vision and goals for PERSONEC – These are means for communicating what one stands for. The mission is “Building excellence in Business Support Processes”.

- **What makes PERSONEC distinguished?**

The company has 40 years of experience of the Nordic countries' business support systems and has followed the technological changes during this period.

- **How satisfaction could be achieved?**

Satisfaction can be achieved by working in close collaboration with its customer and make sure that employees of PERSONEC are motivated and proud of the company.

- **What is PERSONEC's equity?**

PERSONEC has a wide range of satisfied customers who also are well known in the region PERSONEC works. PERSONEC also takes care of its employees so they feel part of the growing organization.

- **What are PERSONEC's competence, validity and legitimacy?**

The competency lays in personnel-, payroll- and financial management together with outsourcing services in the Nordic area. As the basis for this company has worked in this area for over 40 years the company has a strong knowledge about customers' businesses and needs.

PERSONEC wishes to work in partnership with customers so that they together can achieve common goals and targets.

- **What are the features of its recognition?**

For customers, PERSONEC is a personal company that takes care of human related and financial issues. It has a wide range of services and experienced employees with broad range of specialty and expertise.

5.2.2 PERSONEC's brand identity structure

5.2.2.1 PERSONEC as product

PERSONEC has quite a large *scope of products*. The main products are personnel-, payroll- and financial management solutions adapted for the Nordic region. PERSONEC's main *attribute* is its 40 years in the business, which has given it an excellent overview of the business support needs of Nordic organisations. Another attribute would be that it has followed what has happened in the technology area during these years. The *quality* and *values* PERSONEC presents within its business area seem to be good. Its customers experiences good value for money and appreciate the values (Effektiv 1, 2007). *Users* relate to the areas in which the product can be used and is well defined i.e. HR, financial solutions for mainly Nordic companies. *Users* are PERSONEC's customers but also employees. The *country of origin* plays a role as long as it is from the Nordic countries since PERSONEC's speciality is to work in this region. So the fact that PERSONEC is originally Nordic does help the brand.

5.2.2.2 PERSONEC as organisation

Since PERSONEC is mostly a service organisation the employees of the organisation play an important role. The organisational attributes PERSONEC has given its customers is in form of innovations of new IT solutions. The fact that PERSONEC acts within the Nordic area gives the company both a local and semi-global perspective which in the future could be enlarged to a bigger geographical area.

5.2.2.3 *PERSONEC as person*

There is not only one personality that characterises PERSONEC but several. The relationship among PERSONEC employees is broad as well as their relationship with their customers. This is important in order to establish an innovative and challenging work environment so PERSONEC can distinguish and understand not only its customers but also its employees.

5.2.2.4 *PERSONEC as symbol*

The metaphors and visual imagery is the new logo of PERSONEC. The logo symbolises a heart with 'ONE' (i.e., symbolising market leader, no 1). The logo hence creates structure to the identity and also helps the customers to remember and recognise it.

As mentioned above, PERSONEC profiles its identity by means of shape (symbol) and colour. The intention is that the target group should be able to identify themselves with the PERSONEC brand.

5.2.2.5 *The identity prism by Kapferer*

PERSONEC's *physical facets* are to sell services and solutions in the personnel-, payroll- and financial areas. The *personalities* of PERSONEC vary. They all excel in service- and outsourcing field to different industries, private as public, in the Nordic region. In total PERSONEC have 1300 specialists with various backgrounds and expertise. As mentioned earlier *relationship* is the relation between the consumer/individual and the brand. This is especially important in the service sector as it provides an intangible exchange between the provider (PERSONEC) and the customer. The employees must be taken good care of, as they are the brand. Employees must feel proud and be knowledgeable in their field to be able to create a relationship with customers. The *cultural facets* are related to innovation, openness and a Nordic mixture of employees and customers.

The *reflection* that exists of PERSONEC depends above all on employees and management board. What reflection the brand gives to its customers depends primarily on the attitude and image PERSONEC (management board) wants it to convey. According to the website they want to offer their customers not only "traditional HRM, payroll and financial management applications but also high-level consulting and HRM, payroll and financial management outsourcing services which are

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expected to grow rapidly in the next few years in Nordic Countries". In other words: count on PERSONEC in the future to respond to all your questions in the HRM, payroll, and financial areas. The *self-image* different actors have of PERSONEC is that PERSONEC acts on a personal level and is open-minded and willing to listen to their customers. They also see PERSONEC as a sole provider for a complete and comprehensive service packages. PERSONEC shall be known as a creative organisation that works in a growing and promising field.

Below we have tried to conclude PERSONEC's values in the identity prism, figure 9 below.

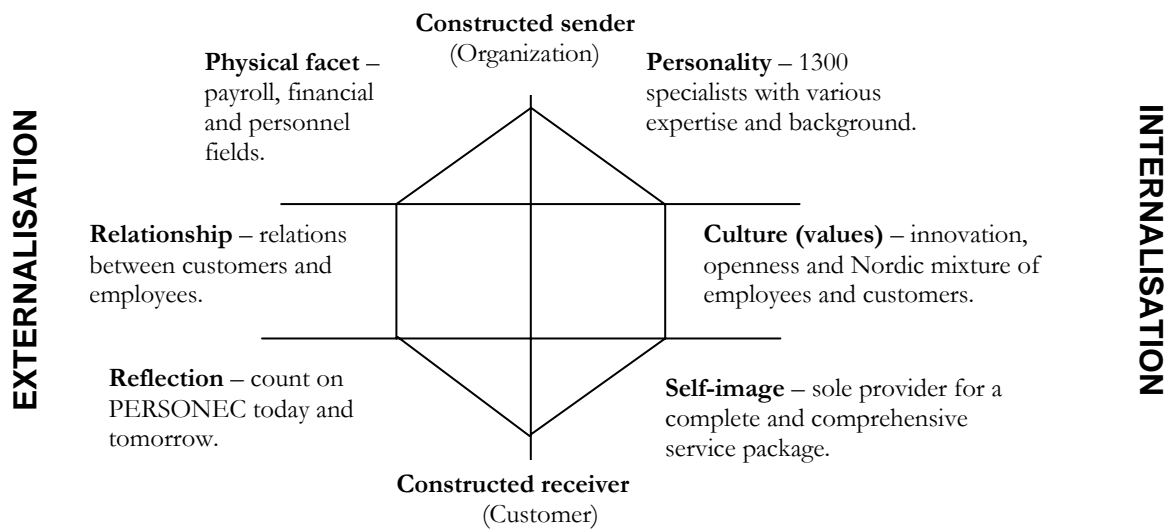


Figure 9. PERSONEC applied to Kapferer's identity prism.

5.3 PERSONEC and Storytelling

PERSONEC not only use storytelling in a narrative way to market their business, they also use symbols. Looking at their logo you can read a ONE in PERSONEC in a heart shaped form. This can also be related to our earlier discussion about symbols by Aaker (see Brand as Symbol chapter 2.1.2, above). A brand needs to be recognized by a symbol that tells what the product or services are

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offered. For PERSONEC you can say it relates to personnel (human resources) or PERSONEC wants to become close, personal or partners, with their customers to advise them. For this the customers who want to change their payroll management and financial management solutions they only need one, ONE, company namely, PERSONEC.

Also the choice of colour conveys a message: According to Howard Bear, J [desktop publishing] "Orange is mentally stimulating as well as sociable. Use it to get people thinking or to get them talking." [<http://desktoppub.about.com/cs/colorselection/p/orange.htm>]. This is also in agreement with the definition of story and how it is transmitted according to Denning (2005) "A story can be transmitted by words, by pictures, by video, or by mime." The logotype then stands for what's "at heart" for the organization – i.e., the core mission.

PERSONEC already uses storytelling in their organisation. According to one of the interviewees, storytelling is already known and used at PERSONEC, both for internal and external marketing (see also section 4.4, above). The same person argued that storytelling is easily communicated to customers, partners and co-workers and people remember a story better than "facts".

For internal as well as external marketing PERSONEC has targeted management with focus on colour, form and feeling. PERSONEC wants to convey an image as young, happy, flexible and proactive individuals. The mission is to support the organization. They believe stories are good because they are continuous, and consistent. They are also a form of transparent information with "lessons learned" in a positive sense. This transparency also confirms credibility which is important ingredients in storytelling and authenticity (Simmons 2002, Denning 2005).

In external marketing storytelling has been used in customer magazines and in customer events. As mentioned above (section 4.5), Ralf Jensen, has been an invited speaker with focus on how stories can help to identify problems, to solve them, analyse the effects and also to follow up results with lessons learned. The reason is to have a sound message and to make a difference to the customer.

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Storytelling has also been used on corporate level – these stories are aimed for different purposes. They may be aimed at embellishing and simplifying processes, with focus on certain things – like “nailing things to certain ingredients”. Stories are good to tell what, why and how to deliver.

PERSONEC should work more in storytelling, according to one employee who also says that storytelling takes time. It requires commitment that has to be shared by many more people. In order to mitigate this drawback PERSONEC would need to create an environment for more “storytelling”. – This would increase communications flow, increase participation and create interactivity in communication. This in turn would induce self-confidence and pride in what employees do. Consequently, this would help PERSONEC in a positive way to have satisfied employees and also customers. This is also in line with the ‘pull strategy’ conveyed by Simmons – to create more engagement in the organisation and also outside of the organisation to customers (Simmons, 2002). Maybe PERSONEC should tell success stories about the identified improvement areas in the referred Customer Satisfaction Survey. Prevailing stories are mostly told about customers adopting new, improved solutions – however, most of these implementations are set up as projects and one way to improve the customer experience of the value of project management maybe is to provide success stories externally and lessons learned stories internally. Thus, sparkling action stories, sharing knowledge and values-in-action stories could be used (to employ the terminology from Simmons, 2002 and Denning, 2005)).

PERSONEC uses Bill Gates as a reference which can be related to Kapferer's (2003) prism of personality and Aaker's brand as symbol. Important to notice though, is that PERSONEC only uses Gates as a reference and not as a personality to market the brand. But by using Bill Gates' name, it does draw the reader to the article and gives the impression of accuracy and importance to PERSONEC's products and services. It also gives PERSONEC credibility, Aaker (1996), which is also important for the identity. As mentioned before Aaker (1996) argues that the brand itself not always is in the centre but acts as a certifier. And indeed Bill Gates is a certifier in the IT business. This story is also an example of creating brand value according to Fog et al (2005), in which value

added information is encapsulated in a story in order to streamline company identity with external perception.

One aspect that was revealed in the interviews but not addressed sufficiently in the literature in the survey is the problem with addressing a heterogeneous audience with the same story. The organisation may consist of several different cultures, different languages and different ethnicity. The meaning, essence of the story may not be transparent enough or even understandable for all listeners/readers. The authors on storytelling have all been pretty “superficial” in that sense – i.e., the disadvantages have mostly been connected to the storyteller not having a clear message and not having prepared enough. Telling anecdotes in second language is not so easy and there might be a lot of misunderstanding related to the subtleties of such anecdotes because of mistakes in language and lack of nuances and idiomatic expressions. Even between Nordic countries there are differences. Another problem area is the credibility and the problem when “heroes” move between organizations. This aspect is not dealt with in the surveys either. If creating “heroes” of employees that quit and start working for another organization within the same field where is the credibility then?

6. Conclusions and reflections

In this last chapter, we will first answer the research questions asked in the first chapter. Thereafter we will reflect upon this, connecting it with the theories and empirical data achieved from earlier chapters. Finally we will give some recommendations.

6.1 Conclusions

Below we will answer the research problem questions we asked in chapter 1 section 1.3.

Sub problem question 1

What is the brand identity of PERSONEC?

The brand identity for PERSONEC is symbolized by the strong knowledge in personnel, payroll and financial management in the Nordic region. The employees with different backgrounds and expertise are also a part of the brand identity.

Sub problem question 2

What is storytelling as a concept and how can it be employed at PERSONEC?

Storytelling as a concept is a way to strategically design a whole organisation's communication both internally and externally and can thus act as a connection between the organisation and the surrounding world.

Storytelling can be used to simplify complex processes and concepts and also include feeling and engagement, which in other cases can be difficult to evoke and communicate. Furthermore, it is easier for the target group to understand the evoked core values if storytelling is used.

Main problem question

How can PERSONEC use storytelling as a concept to communicate its brand identity both internally and externally?

To employ storytelling as a concept to communicate its brand identity, the identity must be clearly and legible defined to be utilised in storytelling. The core values of PERSONEC are defined but not well established in the whole organisation. A first step could be to implement these values to get a clear and common identity through the whole organisation. With the help of well-built stories PERSONEC would be able to continue to communicate and make visible its brand both internally and externally. This could be simplified as shown in figure 10 below.

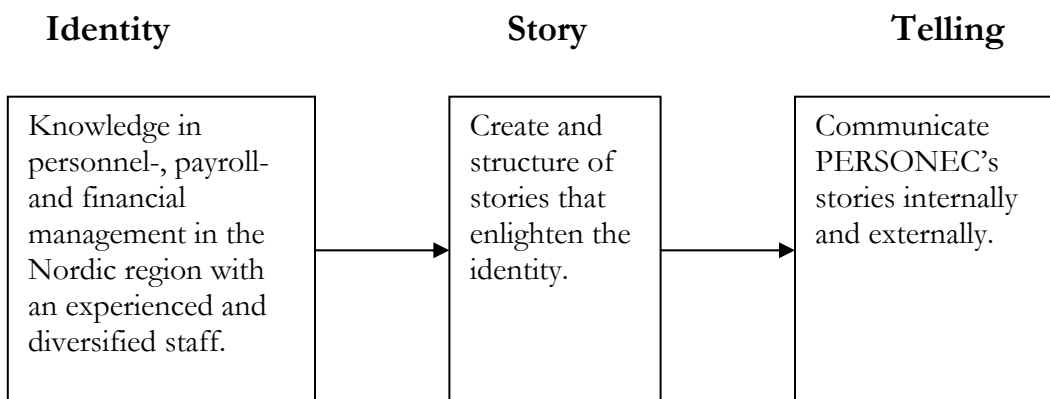


Figure 10. The process of storytelling, idea from the "The Handels story" Björk et al., p. 74

6.2 Reflections and recommendations

The importance to create a brand identity for organisations is today more crucial than ever as competition is increasing around the world. An important part in the creation of a brand identity is to make sure it differentiates itself from competitors and that the identity has real values.

We believe it is very important for PERSONEC to explain and describe its brand identity and prepare a concept to spread it among employees and customers. As organisations today often merge and become bigger, storytelling could be a way to keep the company integrated and have the employees striving to reach the same goals. Storytelling can also link people together that usually would not act or communicate in the same field. Storytelling is a way to share knowledge, to get information you usually don't get through normal channels but also to spread the core message and values in a simple and clear approach.

Our recommendations are that PERSONEC should use storytelling more to communicate its brand identity. But we also believe that before PERSONEC continues to do this, PERSONEC must secure which values that characterise the organisation and what it wants them to be in the future. PERSONEC could use external experts to get an outsider's view of what characterises the organisation. We also believe in long-term planning for the identity but on the same time awareness of changes in the surrounding world. PERSONEC could, in their paper *Effektiv* create a short story, a couple of rows that describes the values of the organisation short and to the point. This would not only be a message to the customers but also to the employees of PERSONEC to work in same direction and be aware of the organisation's values.

We also think storytelling in some contexts is more efficient and suitable in an oral communication and therefore the story must be well structured to easily be communicated mouth-to-mouth. This is due to the fact that emotions are easier to convey using an oral presentation. To enhance this effect, PERSONEC should first create stories to be told internally and then communicate them externally, again to implement the values internally before talking about them to the customers. It presents more credibility. We suggest that speech and presentations should be introduced by a story since

people remember and relate better to stories than facts. We also think that written statements may be communicated in the structure of stories – these may then engage and fascinate the reader but the demand on the writer is higher due to transparency and credibility factors. Also this needs experience and training.

To employ people as storytellers is a positive and strong resource to communicate emotional and intangible values, which is one of the purposes of storytelling. The risk could be to choose the person to tell the story, why is this person better than another colleague? One way to avoid this problem could be a written brochure, which then would be a 'non-person' who only mediates the identity of the organisation and nothing else. However, this does not cover the essentials of storytelling, and yet another way is to participate in networking communities in Project Management and Marketing and Sales communities since these are the areas that need improvement according to the findings in the customer satisfaction survey. Networking in specialised communities could contribute well to employee training.

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Appendix 1. – Interview guide

Introduction

Presentation of our thesis and the subject storytelling.

What do you know about storytelling?

How is PERSONEC marketed today internally and externally?

Who is your target market?

Brand identity

What do you believe is brand identity?

How is it defined at PERSONEC?

Do you think the employees of PERSONEC have the same definition? How could it be streamlined?

At PERSONEC: A brand identity for what/whom/when?

What are the vision and goals for PERSONEC?

What is PERSONEC doing differently to its competitors?

What needs does PERSONEC fulfill according to you?

What are the core values of PERSONEC?

How does PERSONEC try to profile its identity?

Storytelling

How do you think storytelling could enhance the brand identity of PERSONEC in a positive way?

Do you think storytelling can have a negative effect for the company? Risks?

Where, according to you, does storytelling have its best functions and where should you not use it?

Do you think storytelling could be a concept for strategic marketing within PERSONEC?

Any ideas about how it could be done? Which values should be promoted?

Do you have any stories/experiences to tell (heroes, business ideas)?

What should a "good story" be made of?

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Thesis: MBA in Marketing Management
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