The increasing dynamism and complexity of the situations in which businesses find themselves operating, on the one hand, and the growing importance and complexity of communication and its governance (reflecting an even more highly articulated and mobile corporate reality\(^1\)) on the other, make it advisable, I feel, to conduct periodical analyses of the situation.

In my case, I completed one such study at the start of the nineties\(^2\) – a period that then proved to be of extraordinary importance, starting with the technological development of the media of communication – and I now present another, at the start of a decade and, at the same time, of a century that now seems already to present completely new paradigms in business communication\(^3\), now viewed in an international context\(^4\).

An international profile, moreover, appears essential to this type of analysis. This is firstly because the development of communications (the new media being the most striking example) has established and is now developing a network of connections worldwide. Secondly, because businesses – including medium-sized and small firms, using very different strategies – are increasingly working directly or indirectly and in different ways (to discover and combine the factors of production in the most efficient ways, as well as the most economical placing of their products) in markets that go well beyond the national dimension. And finally because the basic problems businesses have to cope with are largely the same everywhere and the methods adopted to solve them are consequently being developed internationally\(^5\).


\(^4\) The reader is referred to Bernard Petit Creativity: the New Renaissance or ‘Change or Die’ presented at the conference The International Advertising Scenario, organized by the Italian Chapter of the International Advertising Association, Milan, 24 May 2005.

It should also be pointed out – if we then turn to the class of larger and more highly developed businesses – that the specific study of national markets and their distinctive features is also embedded in strategies that are international in scope, an approach that is now being called ‘glocal’. This is not to eliminate the international dimension, but only its interpretation in a totally rigid, one-track way (the earlier form of globalization).

What sort of analysis of business communication will fully bring out the issues and challenges?

Among possible approaches, it seems useful to begin by examining the theory as it has developed, particularly since the early nineties to the present, and from the demands it presents and the questions it raises.

A theoretical examination provides a basis for comparison with the strategies of governance of communication as they appear in different market contexts, from the countries most highly developed socially and economically to emerging and developing countries.

Now, a number of variables intrude between the optimal functioning posited by theory and the actual workings of communications as conducted by businesses. This is a very significant and complex topic, which I shall deal with below.

Among these variables, the contributions that follow bring out the following:

– the corporate culture, particularly with regard to communication.

In this respect, it is not uncommon for businesses’ statements of principle and public declarations to be negated by the actual they attribute to communication and their much less highly developed and responsible governance of it.

This situation is aggravated when the area of intervention is enlarged to the international level;

– research into communication.

Now research can be understood in a strict sense as a set of technical methods and instruments, but it can also be understood more broadly as a promoter of models, derived either from the use of the above methods and techniques or – more generally – the result of theoretical elaboration.

It is a fact that research into communication tends sometimes to fall foul of two dangers:

– it gets stalled in approaches that are now superseded, though they may have originally been the product of strongly innovative ideas;

– it strives for formal perfection in the finding solutions to problems, but fails to fully take into account or, at best, to take sufficiently into account, the data actually available and the relevance of information which is difficult to gather, at least by the methods adopted.

Moreover, these first two variables are not independent of each other:

– a modest or obsolete business culture and, specifically, communication culture will not only fail to stimulate research to seek new goals but, by making only scarce and occasional use of it, will confine itself to criticizing the results;

– moreover, research that adopts a viewpoint abstracted from business problems and concentrates on the short term is not well suited to making real and substantial investments of resources or identifying and developing suitable methods of research to solve the problems – old and new – of businesses in the communication field.

The upshot is that the cultural loop of communication/research into communic-
tion often becomes a vicious circle: communication fails to stimulate research adequately, and research in turn fails to make a concrete contribution to communication.

Then, in addition to the corporate culture and research into communication, which we will study and evoke frequently as a fortiori involved, explicitly or implicitly, in the analysis, the following contributions will also explore the complexity (present or predicted) of the market and communication in general, both on the demand side among businesses users and on the supply side (among the media and consultancy firms), including their international ramifications.

A full understanding of these forms of complexity inevitably favours optimization, in the resources devoted to communication, in the management of these resources, and – finally – in the critical examination of the objectives achieved with the aim of launching new initiatives or even adopting a wholly different approach to business communication.

More generally, it should be observed that the recognized relevance of communication and its results – as involving invisible assets – should lead to an increase in the financial resources devoted to it as an investment and so to a different classification of these resources – in nature and prospects – when it comes to corporate financial and strategic decision-making.

2. THE THEORETICAL APPROACH TO BUSINESS COMMUNICATION AND ITS ADEQUACY

2.1. The context of the developed countries

The substantial enlargement of the scope for business communication dates back in the United States to the seventies, and was specifically produced by a series of phenomena – inside and outside businesses themselves – of the greatest importance: the development, firstly, of the media of communication, as well as the wealth of data available about consumers and their behaviour specifically as a result of the evolution of technology.6

The same phenomena have undoubtedly had a similar effect, though with the usual time lag and with some further difficulties (such as the malfunctioning of postal services) in Europe, where nevertheless the potential for business communication, or better its requirements, changed as a result of even more general phenomena, some of which date back to a slightly earlier period.

In the latter case I am thinking specifically of the ’68 protest movements, which began in the United States and then spread to Europe, creating a crisis in the economy and even the society of Western countries by contesting the concepts and values on which they had been traditionally founded.

6 “One could argue that marketing communication came of age in the United States in the 1970s. Until that time, advertising had been the driving force in marketplace applications, research and teaching. But, as media expansion fueled the opportunity for public relations, computers and retail store data provided the base for the development of sales promotion and the increased availability of customer data and databases, supplemented by advanced postal systems, provided the impetus for direct marketing, there was need for change. Thus, the field of marketing communications was born». D.E. Schultz, The revolution and the following evolution of integrated marketing communications, p. 98.
Here I need only mention the concepts of development in a given country and the centrality of businesses.

Until that time, a country’s development was seen mainly and essentially in terms of economic development, which was supposed to drive social development. The protest movements stood the relationship on its head, with society becoming the foundation for a country’s development, and economic models of development being realized within it.

As for the centrality of businesses (essentially part of the centrality of economic development), their overriding importance in a country’s economic development was belittled. They have since struggled to regain this role, but only by shouldering greater responsibilities that are social even more than economic.

The extreme relevance acquired by communication in the late 1960s stems, in my opinion, precisely from the need felt by businesses, following the events of ’68, to make their objectives, products and policies more widely and promptly known, as well as to publicize initiatives that revealed their participation in the social (and not just economic) development of a country – or several countries in some cases – so enabling them to acquire that ‘right of citizenship’ that has been so widely discussed.

Coming now to the seventies, I feel that – at least in Europe – the two energy crises of 1973 and 1979 heavily affected business communication in its intensity (and hence resources) as well as in the choice of activities and instruments. This caused a profound upheaval in the economic system of Western countries and that led businesses to operate even more in the short term rather than, as they should have done, in the medium and long term.

This led, for example, to an initial reversal – at least in Europe – of the earlier relationship between advertising, which is focused far more on the medium-long term, and sales promotion, which brings outstanding results already in the short term, making it, amid the extreme market uncertainty particularly determined by the 1973 crisis, often preferable to the former.

The fact remains that it was from the late sixties and the following decade, in both Europe and the United States, that the analysis of a new phase of possibility and of requirements of business communication started.


Hence I fully agree with the thesis that «more and more consumers are becoming concerned about which firms make and market which brands. And they also care about what those firms do in the areas other than the specific product or service». P.J. Kitchen - D.E. Schultz, *Integrated corporate and product brand communication*, «Advances in Competitiveness Research», 11 (2003), 1, p. 72.

If we look at Asia and the country where communication was most highly developed, we see that from the same years (the 1970s) dates an analysis in developmental terms of the communication needs of Japanese businesses; though this analysis appears to be more the fruit of a general cultural reflection, with a special focus on terminology, than the outcome of phenomena of a general character such as those found in the previous considerations. Y. Kobayashi, *Japanese Models of Communication and Advertising*, «Aoyama Journal of Business», 2002, 3, p. 11, where he deepens «the semantic difference in US and Japanese ads».
Finally note that these preliminary observations on the theoretical framework of business communication lead us to stress the need, in dealing with this topic, to start from the business itself and from its unity.

2.2. The theoretical evolution of business communication

Faced with the events described above and the changes they entailed at the level of business governance in general and communication in particular, two different approaches to communication developed in the United States and other English-speaking countries (for example Australia), on the one hand, and in Europe, and specifically in Italy. The two approaches pursue the same essential aim (namely the fullest enhancement of business communication), while differing in two respects: their theoretical premises and the final objectives, though wholly responding to the above-mentioned need to enhance communication.

These approaches have led to two concepts respectively labelled ‘integrated marketing communications’ and ‘total business communication’.

In this respect, it should be immediately remembered that – in Italy as in other

14 «Corporate performance is not just a function of how well its brands are doing, but also on how well the company as brand is doing. Thus, it is insufficient to integrate all communication activities at product brand level only. All communication activities at the level of the business or corporation must be integrated as well». Kitchen - Schultz, Integrated Corporate..., p. 75. See also Schultz, The Revolution..., p. 102.

15 More generally, the reader is referred to E.T. Brioschi, Communicative Business, p. 32 et seq.

16 In this respect, as early as 1990, Professor Schultz (with whom I have had the pleasure of sharing the same field of research and being able to compare results for some twenty years), on introducing one of his masterly contributions, opened by stating: «Total business communication or integrated marketing communications, as it is called in the USA, is and will be one of the major business topics of the 1990s.» D.E. Schultz, Integrating Marketing Communications in an Age of Specialization: Can it Work in the USA?, in Brioschi (ed.), La comunicazione d’azienda negli anni Novanta, p. 295.

This statement links up with the very kind foreword by Professor Schultz himself to the first contribution to the present monographic number.

Anticipating some developments of the concept of ‘integrated marketing communication’, the contribution by our author cited above concluded: «Consumers will select brands and organizations increasingly on the perceived value which they offer. This perceived value will come from all forms of marketing communications from packaging to advertising to relationship marketing to customer service».

17 Alongside the term ‘total business communication’, which I feel is more incisive, other terms have been suggested, such as “corporate communication” thought in an extremely broad sense; in any case I feel they are likely to create misunderstandings.

«Corporate communication is, in my personal opinion,” declares a well-known author, “a framework in which all communication specialists (marketing, organizational and management communication) integrate the totality of the organizational message, thereby helping to define the corporate image as a means to improving corporate performance [italics added].” C.B.M. van Riel, Principles of Corporate Communication, Prentice Hall, London 1995, p. XI.

Note that, according to this author:

– marketing communication consists primarily of those forms of communication that support sales of particular goods or services...;

– organizational communication is used... to cover public relations, public affairs, investor relations, labour market communication, corporate advertising, environmental communication and internal communication;

– management communication, i.e. communication by (senior) managers with internal and external target groups. [Internally] communication... is vitally necessary to an organization, not only to transmit authority, but also to achieve cooperation... Externally, management (especially the CEO) has to be able to communicate the vision of the company in order to win support of external stakeholders».

The same author also states incidentally, «By far the largest share of a company’s total communication budget is devoted to marketing communication». Ibid., p. 1 et seq.
countries – the term ‘integrated communication’\textsuperscript{18} has also become widespread. While

\textsuperscript{18} More precisely, it is a concept introduced into Italy in the second half of the eighties on the basis of a threefold set of considerations:

– the disappearance on the management level of the distinction between commercial communication and communications of an institutional kind.

«The separation», it has been authoritatively stated, «between communications with commercial aims and information with institutional aims is disappearing. And on the other hand, lines of corporate conduct are emerging centred on the concept of integrated communication (“global communication”), understood as a coordinated set of possibilities/opportunities to make contact with different types of ‘publics’, insides and outside firms». S. Brondoni, \textit{Dal personal selling alla global communication}, in E. Salem (ed.), \textit{Che cos’è la comunicazione d’impresa}, Lupetti, Milan 1988, p. 201. This topic was further explored in S. Brondoni, \textit{Global corporate communication}, «Economia aziendale», 1990, 2, pp. 193 et seq.;

– the requirement that the use of various forms and activities of communication by businesses should take place in all cases on the basis of a unifying strategy. “There is an increasing awareness”, comments our author, “that an effective communication activity has to stem from a comprehensive strategy, one that harmoniously relates commercial objectives with institutional objectives, that involves the different kinds of publics to which the business is exposed and finally makes synergistic use of the various instruments of communication”. S. Brondoni, \textit{La comunicazione integrata nell’economia d’impresa}, in G. Lugli (ed.), \textit{Comunicazione e pubblicità. Analisi economica e dinamiche competitive}, Egea, Milan 1993, p. 7;

– the recognition – more generally – that communication has come to constitute a true subsystem inside the business system. «With reference to the overall business system, it is... now possible», the same author stated in this respect, «to describe a specific subsystem involving communication activities, aimed at understanding the opportunities and constraints that exist and equally directed at researching the conditions for the coordination of different initiatives and instruments, also defining their potential for use in terms of intensity and duration». S. Brondoni, \textit{La comunicazione integrata d’impresa nelle politiche di gruppo}, in AA.VV., \textit{Scritti in onore di Luigi Guatri}, vol. I, Bocconi Comunicazione, Milan 1988, p. 218.

The emergence and gradual acceptance of the concept of ‘integrated communication’ thus led in the middle nineties to the observation that: «It is by now customary in the discussions of business administration and management for the term communication to be associated with and qualified by the adjective “integrated”. The term “integrated” underscores the necessity that any communicative act, above all in a business context, should be decided and carried out bearing clearly in mind that the high degree of articulation of the instruments used to communicate and the interrelation of the effects of communication on the various different publics make necessary a unified and comprehensive conception of communication, in short an integrated conception». R. Fiocca, \textit{Comunicazione integrata}, in Id. (ed.), \textit{La comunicazione integrata nelle aziende}, Egea, Milan 1994, p. 1

The subject of the integration of business communication activities can, however, be dealt with in different ways, including:

– possible levels of integration;

– the intensity of any such integration;

– the degree of integration desirable for a specific business.

First of all the integration can be achieved on two levels: on the level of the single area of communication and on the level of the general business communication.

«The efforts of integration», it is recognized in this respect, «usually tend to be concentrated on the level of individual areas rather than on the level of communication understood as a component of general business systems... It is even rarer (partly because highly complex and problematic) to pursue an objective of general integration, \textit{i.e.} integrating marketing communication with internal communication, institutional communication, and economic-financial communication». \textit{Ibid.}, pp. 4 et seq.

Then as for the intensity of this integration, it appears neither possible nor appropriate to define a general model of this a priori.

«In fact communication and, consequently, the need for integration», as has been pointed out, «are strongly conditioned by the distinctive features of each business, in relation both to its structural features and the most significant aspects of the sector in which it operates. This means that all generalizations are not only problematic but, above all, might even lead to incorrect decisions». \textit{Ibid.}, p. 13 (see also p. 37).

The result is the introduction of the integration-specialization relationship in business communication, where the specialization stems specifically from the complexity – in terms of knowledge and instruments – typical of communication itself («it is... such a broad set of kinds of knowledge that it is unlikely to be possessed by a single person» \textit{Ibid.}, p. 19); however, it is favoured by the distribution of decision-making responsibilities related to the various sectors of communication between the different business functions. Now, with reference to this integration-specialization relationship, it has been pointed out that «any decision about integrated communication should consider the existence of two contrasting forces, one that pushes for
terminologically it is related to the first of the concepts mentioned, on the other it tends to replace that of total communication. However, I feel I should insist on this concept because of its distinctive significance (first of all the full and constant involvement of the whole business and hence of the totality of its communicational components, both explicit and implicit, whether consciously controlled by the firm itself or not)\(^{19}\), on which I dwell below.

Now (to return to my initial observations), the most authoritative scholar and promoter of the concept of ‘integrated marketing communication’ is Professor D.E. Schultz, who has done me the honour of expressing – again with his usual clarity and incisiveness – his ideas in the contribution that opens this monographic issue.

Drawing on the title of that contribution, he states\(^ {20} \): «Integrated Marketing Communication was indeed a revolution when the concept was first advanced in the late 1980s. And it has evolved almost continuously ever since... But, at core, it is still the same concept, namely an answer to the question of how organizations can use all forms of marketing communication to build relationships between themselves and their customers and prospects».

This concept – subsequently drawn on a number of times in the 1980s\(^ {21} \) – combined two features:
– it was a response to the need of businesses to build a permanent system of relationships with complex publics;

the maximum of integration, the other towards the maximum of specialization. Naturally these are not reciprocally exclusive conditions (either integration or specialization), but it is a matter of a set of factors that, variously combined, determine a continuum between the two extremes along which each business can be positioned». *Ibid.*, pp. 14 et seq.

This brings us to the third of the profiles noted above, namely to establish the requirements of integration appropriate to each business; since they may also vary in time, they exist in a dynamic equilibrium. «Integration should not be confused with an undifferentiated model of communication. On the contrary, firms should seek to achieve a balance between contents and messages that require specific and specialized instruments and those that should arrive at the markets in integrated form. This effort, which we can describe as the *quest for integration while respecting the need for specialization*, should be made on the level of logic and process as well as of the message and media used.

“IT is also advisable not to underestimate the impact of the quest to achieve a dynamic balance between integration and specialization on the organizational level...» E. Corvi - R. Fiocca, *Comunicazione e valore nelle relazioni d’impresa*, Egea, Milano 1996, p. 170.

One last question concerns the meaning itself that – apart from specific definitions – should then be attached to the term ‘integrated’ applied to the concept of business communication. In this respect, it has been pointed out that: «In reality, it should not even be necessary to qualify communication with the term “integrated”. The integration of the various communication activities in a business should be implicit. Any act of communication, in fact, if it lacks the requisite integration with the other acts and, more generally, with a business’s general communication policy, risks at the very least being largely ineffective and inefficient». And again: «Communication, to be efficient and effective, should be integrated. Therefore the term integrated, at least theoretically, adds nothing to the term communication, above all in a business context... Communication should always strive for the utmost of integration». Fiocca, *Comunicazione integrata*, p. 4 and 28.

The term in question therefore proves *virtually* synonymous with effective and efficient communication, for which the pursuit of an adequate degree of integration is a precondition. This points to the basic problem: that of the effectiveness and efficiency, to which any concept of business communication, not just “integrated communication”, to be credible and applicable with profit has to offer an adequate solution.

On the complexity of the basic problem cited here, see also, for an introduction, Corvi - Fiocca, *La comunicazione integrata...*, p. 33.

\(^{19}\) Here the reader is also referred to the fully documented study by R.P. Nelli, *La comunicazione nella dottrina economico-aziendale italiana: approccio strategico e linee evolutive*, «Problemi di gestione dell’impresa», 1994, 18, p. 90 et seq.


– it appeared a revolutionary advance over the approach to communication largely followed in the 1980s, based on the predominance of traditional advertising (media or general advertising) and on the separate governance of the other forms and modes of communication which gradually became available following the technological evolution, or that at any rate grew in importance. The concept was defined and elaborated by solid research begun in the late 1980s.

The first definition of integrated marketing communication was more precisely as follows: «A concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines e.g., general advertising, direct response, sales promotion and public relations – and combines these disciplines to provide clarity, consistency and maximum communications impact».

Now, the concern behind this definition seems to be one I have already dealt with in a previous study: to coordinate the multiplicity of forms and instruments of communication that became available in those years and were to be further increased with the arrival of Internet in the 1990s.

The ambit thus remained that of ‘marketing communication’.

The approach appears at any rate to have been of a holistic type, since it underlined precisely the added value that could be gained by the combined use of different forms or activities of communication.

Further studies conducted in the late nineties revealed IMC’s character as a process rather than a method, as it was originally defined: more precisely as a method of planning. «IMC... [is] a process, something that the organization developed and implemented over time. It was not something that the marketing firm ‘did’ and then moved on. It focused the activities of the firm on customers and prospects, not on the communication techniques and approaches. It also demonstrated the managerial implications of IMC, that is, the concept of treating marketing and communication activities as investments, not simply as open-ended annual expenses».

More precisely, this process had four evolutionary phases, namely four ways of understanding the process of integration promoted by the IMC concept:

– the first of a tactical character;
– the second one of widening the ambit that is the object of integration and hence of the public recipients of this integrated activity;
– the third one involved using the data made available by Information Technology, on the one hand, to identify these publics more precisely and, on the other, achieving greater precision in measuring the effectiveness of the communication activity implemented;
– the fourth one sought to define models of investment and returns on the marketing communication programs so implemented.

22 «During the mid to late 1990s, IMC continued to be confined to traditional media forms as new concepts, theories and approaches were developed for the emerging electronic forms of communication... It was a replica of the approach used in the 1980s when the fields of direct marketing, sales promotion and public relations were developing». Ibid., p. 100.

23 Ibid., p. 99.

24 E.T. Brioschi, La comunicazione e la sua cultura nell’economia dell’azienda, in Id. (ed.), La comunicazione d’azienda negli anni Novanta, p. 225 et seq.


26 «Rather than simply trying to integrate its external communication with customers and prospects, in this stage the marketing organizations expanded their integration efforts to include employees, distribution channels and other stakeholders». Ibid., p. 101.
A fundamental aspect, combined with the more advanced phases of the concept of IMC so proposed, was the transition from a focus on the activity (first concept of IMC and also first phase of the process described above) to a focus on publics, with an increasingly wide view of them (hence the reference to the extremely broad stakeholder concept).

The third and most recent concept of IMC brings us to the middle years of the present decade: it specifically stresses the strategic character of the process in examination, which appears, among other things, closely related to the concept of brand as in its turn fostering a process of integration within the business. «Integrated marketing communication», it is claimed, «is a strategic business process used to plan, develop, execute, and evaluate coordinated, measurable, persuasive brand communications programs over time with consumers, prospects, and other targeted, relevant external and internal audiences».

More specifically, the phases making up the model derived from it are summed up in the ‘5 step IMC process’\(^\text{27}\). A particular aspect of this model has been further illustrated very recently\(^\text{28}\).

Figure 1 - *A model of IMC*

![Diagram of IMC model](source)


\(^{27}\) Ibid., p. 103.

\(^{28}\) Kerr et al., *Integrated Marketing Communications...,* p. 7.
The point of departure is again identification and analysis of a business’s possible various publics or audiences, followed by the development of a wide range of possible contents (messages, incentives etc.), which will be delivered to them through an equally wide range of media (from traditional to new media and all the way down to media that are uncontrolled or uncontrollable by the user business).

The range of kinds of publics is matched, more generally, by the range of the activities and instruments – explicit and implicit – of communication adopted.

«Product design, packaging, brand name, pricing strategy, location and ambience of accessibility (or distribution)», it is stated with reference to the brand alone understood in traditional terms, «are all... forms of communication... Quality is a form of communication. Customer service is another form of communication, as is availability, price, and so on».

However, in the most recent contributions the process of integration does not appear to be confined to this or to that combination of activities, but involves – though as a future objective – the whole business.

«This 5 Step IMC process» – hence the most recent concept of IMC – «appears to be the most sophisticated form of IMC today... Clearly, it is much more strategic and managerially focused than were the initial efforts in IMC that were developed at the outset in the late 1980s. Yet, it is not, in my view, the final stage of Integrated Marketing Communications. That is still to come. Real integration occurs only when the entire marketing organization is totally and holistically integrated».

And again: «The 5 Step IMC process can be used to bring the organization together as a unified whole, focused on customers, not just on marketing activities, communication programs and certainly not on the products and services the organization develops or wants to vend».

On the other hand, in an earlier contribution, while the organization itself was considered as a brand (corporate brand), already stress was laid on the need to achieve close integration between the two areas of communication which emerged in this way:

– communication on the level of the firm (corporate communication);
– communication on the level of the individual brand of a product, good or service (product brand communication or marketing communication).

«The aim of the corporate brand», the authors then point out, «is or should be to supplement, underpin, and reinforce the various product and service marketing activities being used by the product brand[s]. Corporate communication should, thus, provide value to customers, publics, stakeholders, shareholders and the like in addition to customers and prospects for the product brand[s]».

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29 Kitchen - Schultz, Integrated Corporate..., p. 82. This list should, however, be systematically extended to the business in general (beginning from the name and legal form of the business itself, as well as its physical structures – head and branch offices, sales points, factories, means of transport etc.; otherwise this would lead to a further point of difference – though partial – between the two conceptual approaches today being analysed. For a first analysis of the question of implicit instruments of business communication, the reader is referred to E.T. Briosehi, La comunicazione d’azienda negli anni Novanta, pp. 229 et seq.

30 Schultz, The Revolution..., pp. 104 et seq.

31 «The brand concept [can be used] in a two-dimensional way. The brand can be a functional product wrapped in appropriate packaging, or it can be the corporation itself as brand». Kitchen - Schultz, Integrated corporate..., p. 72.

32 Ibid., p. 76.
And again: «By definition we are implying an interrelationship and interaction between corporate and marketing communications in terms of totally integrated communication»\textsuperscript{33}.

This last expression also indicates an approach – in this case terminological in character – to the European concept of total business communication, though it still differs from IMC first of all by its theoretical starting point.

The theoretical premise underlying total business communication does not, in fact, stem from a realization of the multiplicity of publics or activities and forms of communication, rendered available specifically by the development of technology, or by the explicit or implicit character of these activities or forms; but of the unity of the ‘business’ as an organization, as taught by the modern school of business administration\textsuperscript{34}.

The business (whether private or public; industrial, commercial or service business; local or international; real or virtual) is a single whole, a combination of factors and elements directed towards the satisfaction of specific needs, whose value surpasses that of the individual factors and elements in question and which tends to operate generally in a medium-long term perspective, using adequate parameters of evaluation for the purpose\textsuperscript{35}.

But if the firm is a unified organization and any initiative it undertakes acquires a precise significance only in the light of the firm as a whole, the context it offers and the specific conditions in which this context is embodied, then – in a rational approach – even this specific factor called ‘communication’ cannot and should not be managed in a fragmentary way, arbitrarily separating activity from activity and instrument from instrument, but in a unified approach (though with full awareness of the multiple relationships with all the other factors and characteristics of the firm), so giving the business an optimal contribution in that it is superior to the set of the results that would be attained by managing the individual communication activities separately.

In this respect – as we saw above – communication has even been accorded the status of a subsystem within the overall business system.

Certainly the same school of thought cited above – the Italian one – also realizes:
– the multiplicity of publics with which the business has to establish enduring relationships through adequate communication processes;
– the multiplicity of activities and instruments of communication that need to be used in appropriate combinations to activate, maintain and develop these relationships;
– the multiplicity of contents to be defined case by case, to achieve synergy by using them together and with the instruments/means chosen to disseminate them.

\textsuperscript{33} \textit{Ibid.}, p. 75 et seq.

\textsuperscript{34} «This is therefore the business», states the founder of this school, «an economy ordered in a unity; the economic unit, which in its development evolves independently and proceeds continuously in accordance with non-ephemeral rules towards objectives that are not temporary in character. This is the business properly considered as an economy in itself, or as an economic individuality». G. Zappa, \textit{Le produzioni nell’economia delle imprese}, Tomo primo, Giuffrè, Milan 1957, p. 65.

\textsuperscript{35} «The concept of the achieved unity of the business means that the distinction between the capital moments of the business is not embodied in an unreal separation, apt to permit the isolated study of each of them... Business events are so composed into a unity so that no administrative sector, no group of economic phenomena, can be taken as the foundation or as the prevalent index of the development of the business... In fact, perhaps no single phenomenon, no particular group of business events can be effectively investigated and configured, unless related by multiple points of contact to the whole in which it has its source and significance». \textit{Ibid.}, p. 68 et seq.
Hence a multiplicity of publics, activities and contents that reflect the multiplicity of the objectives that the business – through communication or principally through it, or at any rate with its contribution – intends to achieve.

This, however, is not the theoretical starting point: if anything it is evidence of the complexity of the communication that the business should develop. This complexity grows yet further if we consider that there is no element, aspect or activity of the business that does not make its contribution on the plan of communication, both on the level of the identity, and – through this – on the level of the image, or, as is also said today, the reputation of the business.

Essentially the business communicates with all of itself (total business communication), explicitly and implicitly, in ways which the management is fully aware of and also, unfortunately, in ways of which it is unaware or not sufficiently aware.

And, with reference to the awareness and the purposefulness of the management – and specifically the top management – in governing the communication of the business in all its aspects, there arises the basic problem of the existence or absence, in a specific business, of a culture of communication.

A culture of communication rests on three fundamental factors:

– the conviction, among the top management of the strategic – and not purely tactical – character of business communication;
– the insertion of communication and hence communicating among the values of the business (just as much as technological innovation or the development of its human resources or the conservation of the environment);
– the permanent use of communication and the consequent development of a communication outlook as a particular approach to the governance of the business in general, seen in the light of the fact that each element, aspect or activity of the business produces its reflection and offers its contribution on the plan of communication.

Hence the need to govern appropriately all these contributions and consequently all the elements, aspects and activities of the business that underpin these contributions, directing and coordinating them in such a way that – taken as a whole – they have a positive influence on the identity of the business and, through this, on its general image.

This need and the policy of governance lead to a communication approach that necessarily (it is worth stressing once more) involves the whole business.

Total business communication therefore differs from IMC not only on the level of its theoretical principles but also by the goal it sets itself. It is not a question, in my opinion, of making communication – as total – a sub-discipline of marketing: a conclusion most likely favoured by the reductive and cumbersome, though historically
comprehensible, application of the term ‘marketing’ to the concept of communication. To call it ‘marketing communication’ is to some extent counterproductive, it is worth stressing. Even though the adjective suggests an evolution in the process of integrating business communication, the latter goes well beyond the scope of marketing communication, as we have already seen\(^{38}\).

So business communication should, in my opinion, constitute a separate discipline and should give rise to a policy in the governance of the business different from that of marketing.

The communication-based approach – like the marketing approach or the financial approach or the technological approach – has to preside over the governance of the business together with the other approaches and, through their most suitable combination, enable the business to achieve its final objective (whether this is profit or a certain type and level of service to society).

As for the discipline of business communication, this is based on specific axioms, pursues its own objectives and is embodied in suitable methods of planning and control, even though it is certain that research – perhaps we should say courageous and innovative research – could further verify, integrate and suitably consolidate its objectives and methods.

So, as in the case of IMC, I can also say to a large extent of total business communication that, «Its future now rests on our ability to identify and verify key constructs and to conceive and execute high-quality research that demonstrates behavioural and financial impact»\(^{39}\).

In short, as I pointed out above, the points in common with the theoretical approach of the American school are multiple despite the persistence of certain differences that I have sought to bring out.

3. THE GOVERNANCE OF BUSINESS COMMUNICATION: DIVERGENCES AND LIMITS

3.1. Business communication between culture and research

The theoretical principles underpinning culture and research appear – in the two approaches (IMC and TBC)\(^ {40}\) – to be quite clearly well developed, though requiring

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\(^{38}\) Though I confess my inadequacy for intervening in the debate over the theoretical development of the IMC concept, I wonder, in all humility, whether an expression such as ‘integrated business communication’ or ‘integrated organization communication’ would not match more closely the degree of development already reached by the theoretical approach to the issue.


\(^{40}\) Clearly the Japanese approach is the most difficult to comprehend. This is largely due to the primary need to correctly interpret the relevant terminology, an aspect that rightly concerns one of representatives of the Japanese school, Yasuhiko Kobayashi, in his contribution, *Japanese Models of Communication and Advertising*, «Aoyama Journal of Business», 2002, 3.

The fact remains that the concept of *koukoku* – the communication to sell*, understood extremely widely to comprise both advertising and publicity ‘in a broad sense’ – is itself also interpreted in terms of IMC, the latter concept referring specifically to communication with a ‘profit-seeking appeal’.

More precisely, as can be seen from Figure 2, this is one of the two ambits into which communication is divided: one indicated as IMC, while the other (the non-profit-seeking appeal) is embodied in the concept of ‘senden’ (propaganda).

Again with respect to the correct interpretation of the terminology, our author states: «In the U.S. adver-
further verification and above all study in greater depth. This is true, for example, of the contribution that business communication in its most appropriate forms is capable of making to the general economy of a business\textsuperscript{41}. Then there naturally arises the question of advertising \textenquote{is not free and not transmitted through people. If we try to nail down the semantics of \textquoteright advertising\textquoteright the American way, it is an act to gain a reputation. But if this is accepted, it actually transcends the original definition of advertising to include the concept of \textquoteright publicity\textquoteright, and comes closer to how the Japanese define it}. (In this respect reference is also made to \textquoteright traditional advertising in Japan\textquoteright).

Consequently we can observe that IMC seems to have appeared in Japan even earlier than in the United States. \textquote{Ad agencies in Japan have always dealt with various fields in advertising, thus already hold PR and SP divisions internally. In this sense, we can understand as one American advertising academic theorizes, \textquote{\textquoteright[The] concept of integrated marketing communication (IMC) existed in major Japanese ad agencies, well before Americans took to the concept\textquoteright}.}

At this point two brief observations are called for:

\begin{itemize}
  \item if IMC is used – as it appears – to cover only the sphere of marketing communication, we find ourselves again in Japan at the first stage of the path of development followed by this concept as described above;
  \item hence, the divergence between IMC so understood and the concept of total business communication seems to be far greater than it actually is if the latter concept is compared with the US theory.
\end{itemize}

I shall conclude this parenthesis with one last quotation from our author, who confirms the observations made here: \textquote{As we can see, in our daily lives, \textquoteright publicity\textquoteright is positioned within \textquoteright communication\textquoteright, \textquoteright mass sales communication\textquoteright in \textquoteright advertising\textquoteright, and finally \textquoteright promotion\textquoteright in \textquoteright sales communication\textquoteright. When all of these are combined, we find \textquoteright integrated marketing communication (IMC)\textquoteright}. Kobayashi, \textit{Japanese models...}, p. 5 s., 10 and 12.

In this respect the reader is also referred to a representation of the figure given in Kerr et al., \textit{Integrated marketing communication}, p. 20. Note that some expressions in the figure are modified in the subsequent treatment: specifically \textquoteright act of advertising\textquoteright becomes \textquoteright traditional advertising in Japan\textquoteright and – with reference to \textquoteright individual-targeted-appeal\textquoteright – direct marketing is added. Moreover, it further stresses that the concept of advertising in the United States constitutes only a part of the Japanese concept of advertising (\textquoteright communication vs. group-targeted appeal\textquoteright).

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure2.png}
\caption{Organization of the concept of communication}
\end{figure}


In this paper, with its deliberately provocative title, given the acknowledged complexity of the problem, this noted author proposes to reverse the traditional approach – which sought to appraise the return on invest-
of why the application of these principles is still very limited even in the more highly developed countries.

The problem, as already admitted, is undoubtedly complex, given the need shared by the approaches mentioned both directly (‘integrated marketing communication’ and ‘total communication’) and indirectly (‘integrated communication’ *tout court*) for unified deployment – meaning one guided by an overall strategy – of the activities, means and forms of communication used by the business.

There are first of all concrete difficulties – also dealt with in the contributions presented here – that stand in the way of this requirement, just as there are advantages to be borne in mind. The difficulties in question\(^\text{42}\) are specifically caused by:

- the disparity between the objectives which each area of business communication pursues, though they share a single final objective;
- dispersal of the governance of these areas between different organizational functions, with the consequent difficulty of pursuing that final shared objective, because that objective ends up by reducing the power of the individual functions in terms of the responsibility for communication attributed to each;
- the increasing richness, complexity and specificity of the means and instruments of communication, which may make it more difficult, even extremely difficult, to pursue the objective of a unified use, as posited by the theory;
- the different degrees of importance attributed to the different areas of business communication in the sector where the business operates, in the individual business considered as a particular phase of its existence and, finally, in the business considered in its development.

Alongside the difficulties in question should be set the advantages of achieving that unified – or ‘integrated’ – use of the activities, means, and forms of communication which are made indispensable by both the strategic role specific to business communication and the financial expenditure involved.

This brings us back to the problem of the balance that has to be achieved – and maintained in time – between integration and specialization in the communication in question, which is characteristic of each business (‘firm-specific’ in business parlance)\(^\text{43}\).

On a more general level, we have to bear in mind the factors in the business and

\(^{42}\) See Fiocca, *Comunicazione integrata*, p. 5 et seq.

\(^{43}\) Here the reader is referred to the observations presented in note 18.

«Any generalization», it has been authoritatively reaffirmed, «about integration and of specialization, which is orientated to supplying operative guidelines to establish the “right” dynamic balance, is likely to give
the sector that press towards integrated communication, meaning towards the desirable joint use of all the activities, means and forms in which communication is articulated: more specifically, on the one hand these are the structural and organizational features of the business, and on the other certain features of its external environment, in particular the structural conditions and state of competition in the sector.\(^{44}\)

Having stated the fundamental terms of the problem in implementing the approaches to business communication here analysed, and the consequent reasons for the gap between theory and practice, I shall return to the contributions in this volume, which stress specifically that the introduction of these approaches requires the business, and its top management (as primarily responsible for the degree of innovation or inertia in the corporation itself), to overcome various kinds of obstacles, which can be summed up as follows:

- cultural obstacles;
- organizational obstacles;
- technological obstacles;
- financial obstacles.

First, in the case of the cultural obstacles, the term ‘culture’ here specifically indicates the field of communication.

In the great majority of firms, the culture of communication still appears inadequate. It can be summed up quite simply as caused by a ‘lack of people who understand IMC’ and the same holds true of total business communication.

The first obstacle to the development of such a culture and hence of the management or governance of business communication in the modern sense, is therefore the mental outlook. This was also shown by research into the subject carried out in Italy in the second half of the nineties: more precisely, it showed that the change in the mentality of management was the first and fundamental problem to be dealt with on the level of general business management itself, and not just in the case of communication.\(^{45}\)

This despite past and recent (some very recent) cases, in Italy and abroad, of corporate crises caused or made more acute by a wholly inadequate management of communication.\(^{46}\) This confirms the general problem of the business’s need to present itself rise to serious misunderstandings and may be the cause of a mistaken model of management of communication: the “right dynamic balance” is essentially “firm-specific”... the intensity of the need for integration... is specific to each business and is subject to continual change in time». Corvi - Fiocca, Comunicazione e valore..., p. 171 et seq.

\(^{44}\) Here the reader is referred to the very full treatment in Fiocca (ed.), Comunicazione integrata, p. 21 et seq. This work, moreover, seeks to define precisely «a model of general reference that will make it possible to identify the required degree of integration associated with given businesses and features of a sector». Ibid., p. 22.

\(^{45}\) Brioschi, Communicative business, Ch. II.


More generally, the reader is referred to the two reports by A.R. Rao, titled respectively Tale of Two Crises and Communication Errors, presented at the workshop La comunicazione aziendale in chiave strategica, organized by Ambrosetti, Milan, 10 June 2004.

It is further well known that crises, caused or aggravated by poor communication management, often affect also institutions. A topical example is the case of the Banca d’Italia; to refurbish its image, it has been authoritatively stated that, «The image depends on the line laid down by the management [of the institution]...
promptly and transparently to its complex interlocutors: «Stakeholders want to know who the firm is and what it stands for and how it operates. Today, there is no escaping and “stonewalling” is certainly not a solution, as firms such as Monsanto, Coca Cola, and others have learned to their chagrin»\(^\text{47}\).

Obviously this problem can only be solved by adopting a communication approach to corporate governance.

Another of the obstacles of a cultural nature is an unfavourable attitude to the conceptual development of communication adopted – as appears on the international level – by the academic community. This tends to perpetuate inadequacies in the training of future generations in this specific field. «In spite of the professional marketplace acceptance of the principles and practice of Integrated Marketing Communications, the academic community was reticent. Many academicians suggested that IMC was nothing new or that it was an old concept, dressed up in new terminology. Critics... argued that IMC, since it had developed as a professional methodology, lacked a substantive theoretical base. That controversy continues to this day, although the resistance to the concept of integration and IMC appears to be declining»\(^\text{48}\).

«The future of IMC as a discipline», is one of the observations being made, «is unclear. The IMC academic literature remains closely focused on advertising and advertising-related concepts of measurement; few case histories have been produced; the documentation of IMC application by geographic region has been extensive but descriptive; internal, organisational issues have been identified but few theory-based, organisational structures have emerged; and while the call for measures of IMC performance has been issued, details on how to implement measures such as Return on Investment (ROI) have been lacking. This conceptual and descriptive treatment is appropriate at the early stages of discipline development; however, the future of IMC’s maturity rests on the testing and verification of its basic premises»\(^\text{49}\).

Be that as it may, the academic community has a fundamental part to play in the progress of business studies in general and in communications in particular, as Gino Zappa has already pointed out: «If our doctrine succeeds in grasping all that is systematic, consistent and enduring, all that is not isolated, contingent and fleeting in all businesses, it will be effective in animating the orientations of practice and in illuminating its approaches. And from practice it will be able to draw the elements of an assiduous revision, the stimuli for developing new statements that will no longer lag behind on positions long superseded by life, which presses on with its urgent necessities, with its continually new goals»\(^\text{50}\).

The first thing to do to restore the credibility of the Banca d’Italia, not just in Italy but also in the rest of the world, is for it to put its house in order. Then it can turn to its image». G. Ferraino, La pubblicità? Farà strada su Internet e nuovi cellulari. Interview with Maurice Lévy, President of the Publicis Group, «Corriere della Sera», 21 August 2005, p. 27.

\(^{47}\) Kitchen - Schultz, Integrated Corporate..., p. 85.  
\(^{48}\) Schultz, The Revolution..., p. 99 et seq.  
\(^{49}\) Patti - Kerr, Advertising..., pp. 153 et seq.  

Incisively and authoritatively, Miracle states specifically: «Academic researchers have the responsibility to develop useful new theories and new research methods and to disseminate them to: (1) students, to help them to prepare for careers, (2) business managers, to help them to make improved decisions, and (3) government officials, who make public policy or regulatory decisions». Miracle, Using the Translation/Back-Translation Technique in International Marketing Research, p. 180.
It is now time to look at obstacles of an organizational nature. These obstacles lie substantially in the model of organization by functions adopted by most businesses.

In this respect, it is stressed that: «21st century organizations, unfortunately, are still organized using the forms, formats and structures initially developed in the late 19th century. That is, functional groups or departments that are focused on individual activities that are assumed to contribute to the overall success of the organization. While this functional structure is easy to manage and control, it does or has little to do with how a firm can or should serve customers... Yet, most so-called “marketing organizations” are still structured to develop and deliver products and services based on the assets they manage or control» [51].

As clearly pointed out, this is an organizational model that, first of all, does not facilitate internal coordination, much less external coordination, and that at any rate is not sufficiently focused on customers and satisfying their needs.

It should be noted, however, that this model is permeable by the third and most highly developed concept of IMC, aimed at creating and maintaining customer satisfaction [52].

So overcoming organizational obstacles is conditioned by the knowledge and the acceptance – not purely formal – of the concept of IMC or, if we wish adopt other approach, the concept of total business communication.

As for the technological obstacles, overcoming them again appears to depend closely on an advance which is essentially cultural.

As has been correctly pointed out [53], a business does not have to focus on technology as such, but on technology as the bearer of a specific contribution to achieving the final objectives that the business sets itself.

Now, in Italy as in other countries, since the nineties there has been a progressive shift of attitude towards technological innovations in the field of communications and particularly Internet.

So, «in the ways that businesses have concretely related to Internet over the last decade» it has more specifically been pointed out «we can identify three successive stages that saw a shift in the attitude of businesses from only the technological aspects to the objectives that these aspects made it possible to attain most efficiently and effectively:

– in the first phase, with the wave of enthusiasm over the innovations promised by Internet, businesses focused their attention mainly on the technical features of the new instrument (speed, global reach, cheapness, multimedia), often interpreted and adopted uncritically and unrelated to corporate objectives and strategies;
– in the second phase, when facile enthusiasm had faded, businesses began more cautiously to sound out the functions of Internet capable of offering concrete advantages in their activities and processes, by offering greater precision, higher speed and lower costs;
– in the third and current phase, businesses have come to realize that Internet can

be a catalyzing instrument that innovates nearly all business processes involving the subjects inside and outside the business (distributors, production partners, customers, suppliers, etc.) in pursuing their strategic objectives»54.

Closely connected with the change in attitudes is the opportunity offered to businesses «to develop new communication skills that enable them to exploit better the innovative potential of connection offered by Internet and, more precisely:

– the potential for extension, meaning the scope for broadening the number of strategic partners interconnected in the network of value;
– the potential for variety, meaning the richness of information content that it is possible to transfer within the network, so amplifying the knowledge of each partner;
– the potential for relationship, meaning the quality of the interaction between the different players hooked up to the network synchronically or asynchronically, which is essential for exploring and absorbing new forms of knowledge and sharing innovative experiences»55.

In the specific field of business communication, the availability of Internet should therefore lead to a reconfiguration of the definition and governance of all the firm’s relationships with the possible various stakeholders56.

Last, but outstandingly important, come obstacles of a financial character, which appear to rest on three factors:

– the size of the resources devoted to business communication;
– whether these resources are seen as expenditure or investment;
– the difficulty of determining the economic return deriving from their use57.

Examined more closely, however, these obstacles again stem from a cultural deficiency in the field of business communication, which consists in seeing it as entailing an expenditure rather than an investment.

At the same time the defect is justified by the inadequacy of the results of research in terms of the economic returns on the investments themselves, which then necessarily tends to be reflected in the size of the resources devoted to this field.

It is clear that the demonstration of specific economic benefits derived from the resources devoted to business communication would also have a decisive effect on the remaining problems, which are likewise cultural in nature.

It has been incisively said that, «To date, IMC has struggled to isolate – and therefore, demonstrate – its financial contribution. IMC researchers and professionals have suggested various outcomes (e.g., Return on Investment, Brand Equity, Customer Relationship Building), but the field has not yet developed the tools that will convince a broad spectrum of managers that IMC provides quantifiable value. Many feel that the future of management’s interest in IMC rests on discovery of new ways of measuring

54 Ibid., p. 199 et seq.
55 Ibid., p. 202 et seq.
56 «It appears clear that the role of Internet in business communication has to be analyzed in far broader terms than advertising and promotional applications alone, since one has to take in the reconfiguration of the modes of conceiving and managing all the relationships between the business and its multiple stakeholders – and between stakeholders, clients in the first place – coherently and synergistically backing up the innovative instruments online by traditional ones offline, in a perspective directed towards a horizon of reference global in its dimensions. Ibid., p. 200.

57 Concisely expressed as: «Insufficient budgets, expense vs. investment mindset, inability to demonstrate ROI». Patti - Kerr, Advertising..., p. 162.
its contribution. So far, researchers have been hampered by trying to apply advertising measurement models – designed to measure the contribution of a single communication tool – to IMC’s multi-media approach\textsuperscript{58}.

The increasing and (prospectively) generalized application of methods such as IMC (or total business communication) therefore appears strongly influenced by research: innovative research which covers the whole of business communication, or at least most of it. The problem becomes even more complex if we consider that not all the components in a total communication program can be measured using the same parameters. So, after outlining the two components of such a program – respectively related to the business as a whole (corporate communication) and its specific brands (marketing communication) – it was recognized the impossibility of getting reliable measurements of the first of these two components\textsuperscript{59}.

«...trying to measure marketplace sales results from a corporate communication program, at least at the corporate brand level, is generally the wrong approach... It should be noted that those values [provided by corporate communication] may not be immediately measurable in terms of increased exchanges. And that is the measurement challenge for corporate branding. What value? Over what time? With what return on investment?».

So now research has to take up the challenge.

3.2. Business communication in developing countries

Having analyzed the situation in developed countries, I feel – given the number and level of the contributions to this monographic issue – it is relevant to dwell now on the situation in developing countries, specifically with regard to the possible repercussions of features typical of these countries on business communication.

A preliminary but imperfect analysis suggests these are the main features:

– the political system;
– the economic system;
– the development of markets;
– the frequency of crises.

The political system appears the first factor capable of influencing the existence – and development – of business communication and its modes of expression.

An example is China, where – as shown by the relevant contribution in this issue – advertising is the principal form of business communication.

After developing in the early decades of the past century, advertising reached a peak in the thirties, with Shanghai as its major centre (the thirties are actually described as ‘China’s golden age of advertising’). It then suffered sharp cutbacks, first with the Japanese occupation and then above all during the civil war (1945-1949) and the subsequent foundation of the People’s Republic of China.

In the fifties advertising was essentially political propaganda, and this remained its dominant feature also under the subsequent policy of ‘socialist advertising’, following

\textsuperscript{58} Ibid., p. 158.

\textsuperscript{59} Kitchen - Schultz, \textit{Integrated corporate...}, p. 76.
the Prague conference of 1957. «Socialist advertising», it was claimed, «must serve the purposes of production, consumption, distribution and beautification of the urban environment, and must not only be true and artistic but also reflect policy, ideology and cultural identity»\textsuperscript{60}. The Cultural Revolution (1966-1976) finally led to the annihilation of advertising, which was condemned as «a societal waste, not adding any value to commodities»\textsuperscript{61}.

Advertising then reappeared in the late seventies following the start of the reforms, launched in 1978, with the aim of developing the Chinese economy and at the same time creating political stability.

In this way advertising became «an accelerator for the economic development in China». This was a country that ambiguously needed a planned economy but also a market economy, the latter being embedded in the former\textsuperscript{62}.

For some twenty years, from 1979 on, the Chinese economy developed rapidly and advertising with it\textsuperscript{63}.

Admission in 2001 to the World Trade Organization was a further boost to advertising: in 2002 China was eighth among the ten leading countries by advertising expenditure (after the United States, Japan, Germany, Britain, France, Italy and Brazil), but forecasts saw it moving up into fifth place as early as 2006, so leapfrogging France, Italy and Brazil. The next twenty years should see further astonishing developments\textsuperscript{64}.

However, it is worth repeating that China’s political system has a profound impact on advertising. While in the eighties it was difficult not only to express the concept (called ‘Western communication’) in Chinese characters but also to translate some fundamental concepts closely connected with it\textsuperscript{65}, advertising is still heavily conditioned by politics today\textsuperscript{66}.

It is precisely within and in compliance with the political system, that the special economic system of a specific country is defined\textsuperscript{67}.


\textsuperscript{61} Basow, \textit{Advertising in China}, p. 124.

\textsuperscript{62} \textit{Ibid.}, p. 124.

\textsuperscript{63} «Ever since 1979, when China embarked on a voyage of economic reforms the Chinese economy has been developing at a fantastic speed. According to the China State Statistics Bureau (\textit{China sees}, 1998), the nation’s gross domestic product has grown at an annual rate of 9.8 percent for the last 20 years. Growing together with the economy is the purchasing power of the Chinese people and the huge potential of the Chinese consumer market. Advertising, an integral part of China’s economic reform package, has also undergone rapid development over the years». \textit{Ibid.}

\textsuperscript{64} «Thus in the twenty years ahead of us, the process of urbanization will accelerate. The process will radically change the model of economic growth and individual consumption behavior in China and finally alter the values and worldview of the Chinese people. As urbanization proceeds, the Chinese economy will once and for all move away from supply-dependent growth into a pattern of development pulled forward by effective demand. The populace, driven above all by the core urban consumer population, will create a consumer economy with the greatest potential in the world. Its magnitude may reach several trillion U.S. dollars». \textit{Ibid.}, p. 127.

\textsuperscript{65} «Studying this new field [Western communication] was complicated by the difficulty of translating into Chinese such Western terms as “communication,” “information” and “media” – the cultural concepts did not correspond). \textit{Ibid.}, p. 126.

\textsuperscript{66} «Advertising, as a social institution is conditioned by its social-political environment. This is especially true in China. Though economic reforms in the country have made remarkable progress, the government has been reluctant to implement fundamental political reforms...Without the complete autonomy of the media, and without guarantee of freedom of speech, advertising is still confined to the business sector, and advocacy of unorthodox ideas through advertising in the media is still impossible». \textit{Ibid.}, p. 131.

\textsuperscript{67} Hence the formation of an economic ideology, which produces consequences that are far from margi-
Now, in this respect, we can distinguish two basic systems: the planned or nationalized economy and the so-called free or market economy.

I have already noted the deep and deleterious influence – with reference to advertising – of the nationalization of the economy following the founding of the People’s Republic of China and, by contrast, the fact that the progressive opening up of its economy to competition prompted extraordinary growth in the sector.

This phenomenon also finds full confirmation elsewhere.

Of a different regional market we learn that, “Until the late 1980s the Latin American countries (with the notable exception of Chile) were committed to an economic development model based on substantial state ownership and regulation, limited competition, discouragement of private sector initiatives and entrepreneurship, and protectionist policies that limited imports and discouraged foreign investors. In the late 1980s and early 1990s, following the lead of Mexico and Argentina, a new economic paradigm began to emerge, based on free markets, free trade, integration into the global economy and welcoming of investments by multinational companies with their technology, financial muscle and marketing know-how. This trend introduced a great deal of dynamism to marketing communication efforts in the region.”

Again, an interesting comparison can be made for the 1960s between two countries with different economic systems, Lebanon in the Middle East and Egypt in Africa.

“In Beirut, agencies... led the way. Strongly inspired by and trained in the West, their founders introduced concepts, tools and techniques which previously proved efficient in such countries as the US and the UK. In Cairo, Americana was on the other hand able to implement a very typically local advertising approach which was to be dubbed (and still is) the “Egyptian Touch”. The reason lies probably in the fact that Lebanon’s was an open economy which relied on imports, when Egypt’s economy was state-run and relied on locally produced/assembled goods. Thus, foreign-made goods were brought to Lebanon along with their foreign imagery and values by which they had to be promoted, when the Egyptians had to make up their own”

Opening up economies also leads to growth, sometimes at rates that are quite remarkable, first in certain sectors of the market and then gradually spreading to very different sectors. At the risk of some exaggeration there has even been talk about ‘boundless markets’. Here the reference is specially to the 1960s: advertising in the modern sense was introduced into the Middle East when oil fields were discovered in the Arabian peninsula, followed by a rapid growth in affluence, greatly increasing the purchasing power of the local populations and their standard of living. Demand grew exponentially, in both consumer products and instrumental goods, fuelled by urban development.
«The market», it has been said, «seemed to have no limits. All the available products, good or bad, were sold in no time. Each new consignment was swallowed in just a few days leaving distributors with one difficulty to solve, as indeed logistics were a major problem which surpassed by far all marketing considerations».

And again: «It was henceforth clear that the best part of the region was totally open to foreign products (with taxes and custom duties kept at minimal levels everywhere). The local populations were clearly opening to foreign influences: travelling to and from the West and the East amplified... The local population definitely chose a settled way of life, and, in no time at all, old and new cities boomed in the Gulf».

Such large markets did not take long to foster competition and with it advertising, which reached a high level of development, partly due to the presence of new media.

Another interesting development is the role played in the development of markets in these countries by the relationship between domestic production and foreign. In this case, too, the Chinese market is of particular interest.

Now, at the start of the third millennium, in this market the development of advertising, fuelled by extraordinary growth in the market for consumer goods, seems to be largely due to domestic production (or production supposed to be domestic) rather than imported goods. So, among the top spenders in advertising, in 2000 no fewer than nine out of the first ten were Chinese businesses followed by Unilever.

This same thing happened in the countries of Eastern Europe once the Berlin Wall fell (1989) and they could again forge links with the West and adopt a Western lifestyle. In fact, after an initial period of particular interest in and preference for the foreign goods and brands they returned – as early as the mid-nineties – to local products.

All the same, multinational businesses, global and transnational, still played a fundamental part in promoting and developing the communication market in Eastern Europe, Latin America, the Middle East and China. It is for this reason that names such as Unilever, P&G, Nestlé, Coca-Cola, Sony, Toyota and General Motors are recurrent.

One last aspect we need to consider in dealing with features specific to developing countries is the frequency of crises. Here we are concerned with economic and not

a strong demand for housing, offices, schools, hospitals, hotels, warehouses, shopping centres, transportation etc.», ibid., p. 141.

72 Ibid.

73 «The audio-visual media were still scarce, though extremely efficient. In that context, advertising played a major role because of its very informative and demonstrative approach. It educated the consumers in a pleasant and attractive way. Consequently, successful as it was, advertising was there to stay, and to grow». Ibid.

74 «Since local products often sell best, many retailers will willingly stock their shelves with local goods. In addition, many international brands are now manufactured in China and also count as local in the eyes of the government. At the same time, Chinese customers are still interested in trying new, imported goods, particularly when it comes to food». Basow, Advertising in China, p. 128.

75 «When the Berlin Wall fell in 1989, the first thing Eastern Europeans wanted were Western brands. But in 1995, local brands returned as a result of a growing nationalism and increasing self-awareness... This is a slow but steady shift in consumer behavior. For a short time, values attached to a foreign or global brand may have a very strong appeal, but as time goes by, these values may change because of changes in the local environment». M. de Mooij, Global Marketing and Advertising. Understanding Cultural Paradoxes, Sage Publications, Thousand Oaks, 1998, p. 21.

76 Specifically, the reader is referred:
– for Latin America to Hervitz et al., Integrated marketing communication in Latin America, p. 135 and 136;
– for the Middle East to Lachaze-Ayoub, The advertising industry in the Middle East, p. 144;
– for China to Basow, Advertising in China, p. 120.
political crises such as those that we saw troubling development in China. Unfortunately Latin America is afflicted by recurrent crises, starting with the region’s three leading economies (Argentina, Mexico and Brazil), where a series of major financial crises have left their mark on the advertising sector. Now the frequency and the intensity of these crises have substantially produced three effects:

– the search for communication strategies and specifically media strategies that provide an alternative to traditional approaches;
– the consequent use of a multiplicity of activities and instruments (going beyond traditional forms of advertising: \textit{i.e.} media or general advertising);
– development of a strongly creative approach\textsuperscript{77}.

More specifically:
– in the case of Argentina, apart from traditional media, use is made of direct marketing or more precisely \textit{direct response advertising}, while telemarketing and Internet marketing are growing;
– in the case of Mexico there is evidence of the increasing importance of communication activities such as sales promotion, public relations and merchandising. Then there has been a significant growth in interactive advertising, direct marketing (\textit{i.e.} direct response advertising), advertising over cell phones and at point of sale. The greatest growth in advertising media is, however, on Internet.

All these cases, however, are essentially IMC activities based on “marketing communication” alone\textsuperscript{78}.

It needs to be pointed out that the crisis relates developing countries to developed countries, which, have experienced recurrent but less acute economic crises as well as more serious ones, such as those caused by the oil price hikes in 1973 and 1979. These crises, as I have already pointed out, profoundly affected the intensity, media and methods of business communication, at the same time prompted a far-reaching rethinking of it.

It is very disheartening, by the way, to point out that in the present situation (June-July 2005) the danger of a yet another serious crisis triggered by oil prices is far from unlikely, since not much seems to have been learnt from previous crises of the same kind.

\textsuperscript{77} «The macroeconomic results of the new development model [experienced in the late 1980s and early 1990s] have been uneven, with the unfortunate proclivity towards sudden and severe crises, as was the case in Mexico in 1994-1995, Brazil in 1999, and Argentina in 2001-2002. These crises triggered sharp recessions with devastating impact on advertising budgets. The combination of a more competitive business environment with the frequent occurrence of economic slowdowns has forced Latin American companies to utilize its finite resources in a more intelligent way. In order to build their brand equity under these conditions, firms have had to rely on marketing communication strategies that involved not just advertising but also public relations, direct marketing, e-marketing, and trade shows and exhibitions, through which they attempted to strengthen their competitive positioning in a more economical way. The Latin American advertising industry is a study in contrasts. On one hand the industry has been characterized by impressive bursts of creativity; but on the other hand it has had to learn to adjust to an extremely difficult macroeconomic environment». Hervitz et al., \textit{Integrated marketing Communication in Latin America}, p. 134.

\textsuperscript{78} \textit{Ibid.}, p. 135 et seq.
4. MARKET COMPLEXITY AND COMMUNICATION

4.1. From globalization to glocalization

While referring the reader to a separate treatment of the characteristics and problems of such a complex phenomenon as globalization⁷⁹, I feel it will be useful if I pick up some points and observations that emerge from the contributions published here.

We can start from the assumption⁸⁰ that globalization takes three forms:

– globalization of products;
– globalization of distribution;
– globalization of the consumer.

Each of these forms, it should immediately be said, needs to be examined very carefully since, as has been shown by numerous research projects which were largely innovative in character, «We are heading towards a world and a market that will tend to reward both the local and the global, in a switch that is rather difficult to conceive but that already exists and coexists: different people that buy the same products and the same people that buy different products»⁸¹. The starting point, however, is the observation that the process of globalization now affects increasingly large areas of production, whether consumer or instrumental goods, and even affects sectors that seemed most immune to a process of this kind, such as foodstuffs. And this despite the persistence of certain differences between country and country, starting from cultural differences⁸².

This process of globalization is matched by the development of what are called global brands or megabrands. Gaining leverage from an in-depth knowledge of markets, rich experience of past conquests and extremely long purses – that enable them to adopt highly aggressive pricing policies and promotions – they have come to dominate dozens of national markets and earn very high profits.

There is little hope for local brands, which the global brands eliminate, managing to buy them up in a fair number of cases.

Now one of the principal challenges that global brands have to face is the search for quality, and through it, how to achieve a distinctive identity.

Quality is often associated with the national origin of a product, because the qualities associated with the “country image” often rub off onto it⁸³. This is a distinction or

⁷⁹ Brioschi, Communicative business, p. 4 et seq.
⁸⁰ Bossi, Le strategie global-local nella comunicazione d’azienda, p. 170.
⁸¹ Abbate, Il consumatore: una visione worldwide, p. 194 et seq.
⁸² «Il devient bien difficile – si è dovuto pertanto rilevare – de citer des produits industriel ou de consommation qui ne soient pas globaux. Les voitures, les produits de luxe, l’électronique, les produits d’entretien, l’équipement sportif sont les mêmes dans le monde entier. Même les produits alimentaires, signes les plus évidents des cultures locales, se répandent universemellement: les pâtes et la pizza, le vin, le yaourt, l’eau minérale sont désormais de consommation courante chez des populations qui peu d’années encore en connaissaient à peine l’existence. Et ne parlons pas des produits culturels qui par la musique et le film s’uniformisent de plus en plus. Bien sûr, il s’agit ici de produits: les différences de culture et de mœurs subsistent bien vivantes. La résistance des langues nationales est incontournable». Larue, Quel avenir pour les holdings de societes de conseil en communication?, p. 175.
⁸³ Transfer calls for special care: «Each country», as has been truly said, «is credible only for certain products, just as a brand is, and it has to conduct in-depth research to identify its limitations. Take the attempt to launch German foods in Italy (“New music in the kitchen”): it was a flop. Germans are credible in Italy when they are selling machinery, technology and cars, but not food! Likewise numerous studies have shown that Italy is credible abroad for “High Touch” (fashion, food, art, creativity etc.) but not “High Tech”. In
differentiation that is difficult to attain – on the general level – through technological innovation, while it is increasingly bound up with the quality of the activities of marketing and communication.

All the same, it is a simplified picture of reality, since there always exist both truly local products and brands, and product “concepts” designed as local that eventually become global products and brands.

In short, we have to point out that “in Italy, as well as in a lot of other parts of the world, there is a large and growing market for local, typical and/or nostalgic products”.

So, the overall picture looks more complex than at first suggested because of the presence of local products and hence brands, of global products and hence brands and the possibility of passing from the former to the latter. Nor is the world market – starting with developed countries – governed exclusively by American brands: of the top 100 global brands, 62 are American, 29 are European and 8 Asian.

As for the market players who at the very least facilitate the process of globalization, experience suggests the fundamental importance of the role of manufacturers, though naturally a complementary role (or in one interpretation a strategic one) is played by distributors, who are also involved in the globalization process.

Now in maintaining the thesis of the strategic role of distributors, a “phenomenon... curious and significant in that it credits distribution with an immense responsibility for spreading brand value”, three arguments are put forward:

America Fiat is popularly supposed to stand for “fix it again Tony” and Alitalia “Always late in takeoff always late in arrival”! Abbate, *Il consumatore: una visione worldwide*, p. 195.

The terminology of the problem becomes even more complicated. «There exists what can be called a “parochialism of marketing” bound up with highly local brands: just think of the market for pasta, consisting of a myriad of local manufacturers, each unbeatable on its home turf, or for coffee, where again a well-known brand is dominant in the south of Italy». *Ibid.*, p. 193.

«Conto Arancio, Coca Cola, Tic Tac Ferrero are ideas born locally which have become international leaders, just as Pachino tomatoes or grana cheese are local ideas that could become international successes». *Ibid.*, p. 195.

With respect to grana, it should be pointed out that Parmesan is already present, though with policies differentiated depending on the degree and development of the areas in question – in both the global and domestic markets. In the former market, it has been observed that there exist – apart from the domestic market – “two separate situations with different requirements:

– Countries with a long history of consumption of the product (Europe and the United States), where consumption has grown thanks to the presence of a large number of Italian immigrants and the demand for the product is strongly influenced by variables of price and quality;

– Emerging [consumer] countries (Asia and Northern Europe), where the consumption of Parmesan is due to a positive experience of Italian products and the demand is closely [connected]... with the growth of a culture of the product and its enhancement in terms of both innovation and intrinsic quality... The strong development of these emerging markets makes it a priority for the whole sector to share a governance that will limit the expansion of those products that unjustifiably appropriate the positive experience of Parmigiano Reggiano». Benuzzi, *L’internazionalizzazione del Parmigiano Reggiano*, paper cited, p. 2.

Abbate, *Il consumatore: una visione worldwide*, p. 194. «While marketers, advertisers, and scholars have devoted considerable attention to the use and study of consumption-related nostalgia, research within the context of advertising is perhaps best described as nascent. The present research provides... causal evidence that nostalgia – themed ads (as compared with non-nostalgic ads) result in more favorable evaluation of an advertisement and an advertised brand. ...The results of our study offer preliminary support for the notion that causing consumers to “yearn for yesterday” may be an effective strategy to get them to “yearn for advertisers’ goods” as well». D.D. Muehling - D.E. Sprott, *The Power of Reflection. An Empirical Examination of Nostalgia Advertising Effects*, «Journal of Advertising», 2004, 3, p. 33.

Larue, *Quel avenir pour*, p. 175.

See, as a further example, L’Oréal’s Middle East launch in 1977, illustrated by Lachaze - Ayoub, *The advertising industry in the Middle East*, p. 145 et seq.

– the relocation of production from its country of origin, or rather from a product’s “initial” and stated country of origin;
– the part played by the point of sale and its location and diffusion on the level of brand recognition and association;
– the part played by franchising in speeding up the globalization of distribution and at the same time ‘multiplying brand value’.

In this respect it is also said: «Today it’s quite common to describe Benetton as a point of sale more than a manufacturer; in publishing, Feltrinelli is probably better known as a bookseller than a publishing house...». This leads to the conclusion: «Even more recently the birth of flagship stores like Swatch in Paris, Titanic in London or Joe's Pub in New York represents the modern totemic concept of brand».\(^{90}\)

I shall only note in passing that – with reference to the first of the arguments adduced – that the relocation of production, in cases where it is noticed (i.e. recognized) by the consumer, can have far-reaching and adverse effects on the perceived quality of the product, when its quality is closely associated with the country where a given product was originally made.

This brings us, finally, to the consumer, who is logically the source of processes of market development (whether global or local) and who, at any rate, is in a position to influence these processes. Again in this case the answer is complex: «Is it really true», wonders one of the contributors to this monographic issue «that the consumer is increasingly globalized and standardized, increasingly expresses a global style of life, homogeneous, comparable even across different countries, and that the world is moving steadily towards a so-called “global village”? The reply that I have found in recent years is that it is true, but only of a certain percentage»\(^{91}\).

In fact the population on the international level can be compared to a pyramid made up of three bands:

– the cusp consists of the social class most ‘highly regarded of the countries most highly regarded’ (called ‘first adopters’). This is a public with a strong urge towards self-affirmation and domination, constantly in quest of new and different ways of distinguishing itself from others. It is largely this public that originates new trends\(^{92}\);

\(^{90}\) Ibid. Also belonging to the same area are the recent – in some cases very recent – developments in the automobile sector, which involve marques (corporate brands) – Ferrari and Fiat – belonging to the same group, though they target different market areas and have highly diversified goals.

In the case of Ferrari, the launch of a network of sales points (Ferrari Stores) is meant as a form of brand consolidation, or rather consolidation of its iconic status after the outstanding run of victories that ended in 2004. It involves a network of stores and megastores created to merchandise a very wide range of products and planned to expand not only in Italy (where the fifth sales point opened in late 2005), but also in two market regions particularly important to the automaker (North America and the Far East, notably China), where some stores have already opened.

As for Fiat, the stated aim, though general and calling for further analysis, is to bring the firm closer to the public through a mix of non-traditional forms of communication, in which the various stores opened in Italy are one factor (from the Fiat Playa Bath-Restaurant at Porto Rotondo to the Fiat Café at the Milan Triennale). Features common to these initiatives are the involvement of particularly upmarket partners and containment of costs.

\(^{91}\) Abbate, Il consumatore: una visione worldwide, p. 193.

\(^{92}\) Of particular interest in this respect is a research conducted internationally (the countries analyzed were Britain, Hungary and China) and aimed at identifying ‘first’ or ‘early adopters’, drawing on a sample of no fewer than 110,000 individuals. The results were summed up as follows: «Similar attitudes, although not identical, are held amongst key Early Adopter groups in different countries. Attitudes are a better indicator for the group than demographics, but combining both proves to be the strongest indicator». 
– the central band consists of those who feel a strong need for acceptance by others and seek reassurance by adopting the products that the first band have already tried and they are often about to abandon (‘mass followers’);
– the third band – at the base of the pyramid – consists of those who are hard to classify and integrate, a band that it closed on itself and often refuses novelties (‘resistants’).

So if we consider the promotional force of the phenomenon in examination, globalization is relevant only to the top band, the so-called “advanced transnational tercile of the population”. At most it is relevant to the top two bands, if we consider the driving force behind globalization.

To return to the advanced transnational tercile. This category:
– possesses certain fundamental features (including medium-high social level, metropolitan life style and a wide range of interests)\(^3\);
– possesses a strong concentration in certain types of products (for example, certain kinds of food, clothes, cars and services).

"Demographically Early Adopters in Hungary are similar to their peer groups in China and the UK – generally younger, better educated, with a higher than average income...

Attitudinally, Hungarian Early Adopters are similar to those in the UK and China. They enjoy keeping up with the latest fashion, like to stand out in a crowd, trying new things..., keeping up with new technology...

[More in general,] what... binds these people together and differentiates them from the rest of the population...is their attitude towards life».

Great fascination is exerted on ‘early adopters’ in the countries which I shall indicate – in terms of the theory of economic development – as ‘semi-peripheral areas’ (in this case specifically China and Hungary) by the ‘newer Western or Western sounding brands’ and by brands recently or very recently introduced from the most advanced Western countries. R. Ware - M. Crellin, Identifying Early Adopters Internationally, «Research World», December 2001, pp. 5 et seq.

\(^3\) So a very recent study conducted internationally (United States, Europe and Asia) along the lines described above led to the definition, in the luxury goods sector, of a special segment of the public – successful modern men – termed ‘alpha males’.

Their profile has been defined as follows: «They are rich, they are relentless and...they are [still] misunderstood by the marketers and media owners who stand to profit from men with money to burn...

...rich men engaged in a constant battle with their own feelings of dissatisfaction. After making money by rejecting received wisdom in finance, technology and other fields, they are resistant to advertisers’ appeals to lead a conventional “good life”».

Further research, again internationally, has led to the even more explicit statement: «Today’s successful man finds his greatest pleasure in experiences rather than things». And again: «What today’s man really wants is a chance to test his limits and set himself apart». G. Silverman, The Challenge is to Feed the Alpha Male’s Insatiable Appetites, «Financial Times», July 5, 2005, p. 9.

A further signal of this is the emergence of the so-called “Hub influentials” (Hubs), namely a segment of influential people who are the expression of a ‘Hub culture’, namely the culture of the major cities.

«Hub culture is most visible today among the young, urban affluents and professionals who are building their own social networks according to their own perspective and experience... The key to ‘membership’ is about the feeling of being multicultural rather than national, of being defined by travel and communications».

«You can identify them to some extent, but these individuals are constantly on the move and within a year most information is outdated. That makes it difficult to build relationships».

On the theme of communication: «The way Hub influentials communicate will have a huge impact on traditional media. Information will become ubiquitous, mobile and electronic platforms will dominate and individuals will want to control their news and information...Hub influentials are communities of people defined by their common perspective and they will demand that communication is being delivered to them that fits their perspective». M. Mareck, Getting Hold of the Hubs, «Research World», 2005, 7-8, pp. 29 et seq.

Note more generally the extreme mobility and randomness of the ‘driving’ models of consumers, dealt with in particular by the American expert Marian Salzman, Director of Strategic Content operating the ambit of WPP Group.
So if business communication is modelled on consumers’ penchant for globalization and hence a partiality for certain products and brands, the globalization of communication must necessarily be partial and – on the same level – express itself in different ways at different times. Moreover the globalization of products and communication as the fruit of a collective aspiration, which was also experienced in Italy specifically in the 1960s and 70s\textsuperscript{94}, has been replaced, or at least joined, by a form of globalization closely bound up with the transition between generations\textsuperscript{95}.

This second type of globalized communication has been summed up as follows: «No one has any interest any longer in the nationality of the people who appear in commercials. We are only attracted by a face, by a smile, by the way they move, with a strong predilection for youth. Music is equally transnational and is it only the fact it belongs to one musical genre rather than another that determines the target of a commercial. If we take the analysis further, we find that the language of words and signs in the commercial is another factor that sets a global stamp on products. ...This attitude is most evident in products aimed at the young, but is also evident in communication aimed at a more adult target»\textsuperscript{96}.

But perhaps the most interesting phenomenon in communication is ‘glocalization’, which means planning communication that is international in its assumptions or tone but embodying values specific to a given country.

In this way, globalization and glocalization seem to coexist, a fact that can be exemplified quite easily by looking at advertising.

«A good example» – of glocalization or glocality – «is the latest series of Mulino Bianco commercials, where setting and cinematic approach are international in tone but the content suggests an Italian quality: spontaneity»\textsuperscript{97}.

By contrast, I feel an example of globalized communication can be found in the recent Philips campaign, «which takes the simplicity of technology as a shared value for consumers of different nationalities. Buying hi-tech products is a worldwide phenomenon; their use emphasizes simplicity. Apple makes computing like child’s play; domotics makes one button contain all the hi-tech functions of the home. The Philips

\textsuperscript{94} Echoing the success attributed a priori to foreign products in developing countries (p. 74 et seq. of the present contribution), it has been stated that in Italy in this period: «Italian consumers were well aware that some products had a foreign origin; they saw them as a success even before they were tried out in Italy, and found it natural for communication to magnify the foreign cachet of the products».

As for the ‘mechanism of collective aspirations’, this (again in the same years) was exemplified in the following elementary fashion: «When we Italians become an advanced, industrial nation like the Americans, we will eat and move like the actors in commercials». Bossi, \textit{Le strategie global-local}, p. 169.

\textsuperscript{95} «Two macro-areas of consumption», it has been observed, «are prevalently responsible for globalization: music and food. It is evident that music in the last two generations has been the most powerful social and unifying force in fostering globalization. It seems centuries, not decades, since we watched the images of young people back in the sixties and seventies listening in ecstatic and contemplative attitudes to groups like the Rolling Stones and Beatles, which made Italian music sound provincial. In terms of consumer attitudes, people in their twenties are more influenced today by generational than national stimuli. The success of McDonald’s or modern products like That’s Amore point in the same direction. Ten years ago Italian would never have accepted a line of speciality foods based on Italian recipes but bearing an English label: That’s Amore. If these are the postulates of the new consumption, communication simply has to adjust its technical decisions to the new reality». \textit{Ibid.}, p. 171.

\textsuperscript{96} \textit{Ibid.}, p. 171.

\textsuperscript{97} \textit{Ibid.}
commercial makes the metaphor of the white box, thrilled by interwoven voices of different ages and social status, an image of simplicity\textsuperscript{98}.

I can at any rate confirm that the globalization of communication – to be really effective – should never ignore the distinctive features of the different national markets, so as to both identify some truly transnational values on which to base communication and avoid conflicts with these features\textsuperscript{99}.

Again, this globalized communication can and should leave some more or less extensive spaces for communication of a local kind, especially where the dominant values of a given country or region are openly in conflict with those found in global communication or when the latter have little or no meaning for the public in the region in question\textsuperscript{100}.

4.2. Country cultures and the role of research

In dealing with the values peculiar to certain countries, I have already encroached on the area of ‘country culture’, since these values, as Hofstede has shown\textsuperscript{101} – constitute the central element of any such culture, and are expressed in terms of rituals, heroes and symbols.

While values constitute the central element of the culture of a country, the most

\textsuperscript{98} «Simplicity», in the Philips commercial, «becomes... a feeling that cuts across age groups, social classes, countries». \textit{Ibid.}, p. 172.

\textsuperscript{99} So at the end of the analysis of L’Oréal’s global campaigns in the Middle East, it has been observed: «After a long process of evolution, the Middle East was now part of a “global” strategy, with advertising campaigns benefiting from the expertise and funding of a central marketing division. But the peculiarities of each market are still there. Globalisation does not exclude “localisation”... Wherever they are, consumers express their own identity. Advertising cannot ignore this fact». Lachaze - Ayoub, \textit{The advertising industry in the Middle East}, p. 147.


With reference to the cosmetics sector of a US group for the Japanese market, it has been even more incisively stated: «Over the past decade, the approach of global brands to local markets has had to change. Where once the reputation of the brand was enough to win the hearts and minds of consumers around the world, today’s more demanding consumers demand that brands identify and empathise with the local market... There used to be a time when a brand could be relevant just by being global. Today, it must be relevant locally, in order to be relevant... The approach has changed – the study offers examples from marketing research, but the same is true of communication – ...in the ’70s and ’80s... it was a global/global approach [with the initiative being established globally, by the mother company, and the consequent decisions were also taken globally.] Now it’s a global/local approach, so global marketing asks the local affiliate, and even the brand within it, to do the research». D. Murphy, \textit{Global, but Local}, «Research World», April 2005, p. 39.

Further confirming the above observations, it has been pointed out with reference to the Chinese market that: «Chinese consumers are starting to become fastidious and expect more creativity in communication. In the past, campaigns with foreign faces and an international matrix could win them over, but now to attract their attention it has to show something closer to everyday life, the way they live. ...The trend is definitely shifting towards elegant campaigns and the multinationals have to try and reflect the outlook of the locals in their communications, instead of simply adapting international campaigns and accompanying them with Chinese script». C. Parma, \textit{Niente testimonial, siamo orientali}, «Economy» of «Corriere della Sera», December 2004, p. 103.

\textsuperscript{100} In this respect consider the U-turn in Lipton’s advertising campaigns in the Middle East, which evoked the wry comment: «It took Lipton five years to adopt the “tradition” strategy because the mother company, Unilever, wanted to implement the global Lipton concept which revolved around the “The World Famous English Tea” concept. ...This is a case of when a global brand has to go local, if it wishes to be and remain global». Lachaze - Ayoub, \textit{The advertising industry in the Middle East}, p. 149.

immediate and most apparently superficial factor is language, though even a language will often vary greatly, especially if it is widespread. Again in the case of language, it is essential to remember that not all countries targeted by communication use the same alphabet or linguistic symbol systems.\textsuperscript{102}

One of the leading experts in this field, who has honoured me with a specific contribution, points out: «Although much international marketing research is done in markets in which the same alphabet or essentially the same language symbol system is used, it is important to keep in mind that the Cyrillic alphabet is used in Slavic languages, and entirely different symbol systems are used in Arabic, Chinese, Japanese, Korean, and Thai, to mention only a few. To the unwary, different symbol systems can cause unexpected problems in the translation and back-translation process.»\textsuperscript{103}

A language may also be written in characters or symbols belonging to different systems: Japanese, for example, uses three symbol systems, one of which is specially employed for the translation of foreign terms.

Translation – the subject of one of the most substantial contributions in this monographic number – is an especially delicate problem. The author, frequently quoted here, notes: «Virtually all translations from one language into another suffer at least a little from a partial rather than a full correspondence in the meaning of words.»\textsuperscript{104}

Imagine what happens when the translation involves not just single words but idiomatic expressions that fully reveal the cultural substrate of the language.

This last aspect is emphasized even more by the ways language is used, meaning its context. In this respect, researchers – for example with reference to Japanese culture and context – have identified two types of communication,\textsuperscript{105} which can also be found in Western languages.

The first type of communication (‘line communication’) is based on reason and logic, on the explanatory quality and coherence of communication between communicator and receiver. This kind of communication makes use mainly of words, a verbal register.

It is the typical kind of business communication found in Western countries, including the United States.

The second type of communication (‘point communication’) is based on emotions, subjectivity, feelings, illogic – at least apparently – and is peculiar to communication in Japan,\textsuperscript{106} which makes much less use of words.

\textsuperscript{102} «New difficulties emerged», it was pointed out of the L’Oréal campaign. «...They had to do with language. Modern Arabic is not a unified language. Each country has its own dialect. An advertising campaign could not ignore this aspect. Fortunately, the advertising message was universal: beauty and self achievement are universal values. A unique campaign was finally adopted for the whole region». Lachaze - E. Ayoub, The advertising industry in the Middle East, p. 146.

\textsuperscript{103} Miracle, Using the Translation/Back-Translation, p. 184.

\textsuperscript{104} Ibid., p. 185. «Among the many foreign words in Japanese that are normally written in katakana, many of them lose part of the original meaning. For example, the Japanese expression in katakana for “computer graphics” carries only the meaning of a picture, a drawing or a sketch... On the other hand, some foreign words in Japanese take on new meanings. For example, the main meaning of the katakana rendering of the English word “skeleton” in the Japanese language (se-ke-ru-ton) carries the meaning of “outline” (as used when referring to an outline or table of contents of a book)». Ibid., p. 185.

\textsuperscript{105} Kobayashi, Japanese models,..., p. 14.

\textsuperscript{106} «Japanese communication places greater significance on the non-verbal elements such as the context, the nature and the depth of the relationship etc. Communication the Japanese way is an aspect of high
More generally, the differences and similarities between cultures have been classified into three groups:

– similarities or differences of a conceptual kind, bound up with the existence or absence of a certain way of thinking;
– similarities or differences of a functional kind, bound up with forms of behaviour common or absent in certain countries;
– lastly, linguistic similarities or differences, which are related to forms of expression and, more generally, the richness of a language and the transferability of concepts and functions from one language to another\(^{107}\).

This classification leads us to stress that business communication, if it gives adequate weight to the culture of a country or, even more, the cultures of the many different countries in which it is present and operates, needs to use three types of register or code (verbal, visual, acoustic). The verbal code obviously means languages, the visual or iconic code images, the acoustic code sounds, music or – strange as it may seem – silence.

Now, if the problems concerning the relation between country culture and business communication appear generally complex, they become even more so in the case of developing countries, where the search for a balance between old and new, between tradition and modernity, appears constant and fundamental.

This is the case of the populations of the Arabian peninsula, for whom tradition means life in the desert and not big modern cities. In a return to the codes described above, in particular to the visual code, the desert is still an effective symbol of tradition and hospitality\(^{108}\).

context culture, where the act of communication becomes the objective, enjoying the process rather than the contents. Ibid., p. 16.

\(^{107}\) «Often words in one language do not have precisely equivalent words in another language, or words are translatable but require lengthy explanation to express the full idea; for example several sentences may be required to explain in English the German word Gemütlichkeit (sociability/coziness/geniality, etc.), and even then the word may not be fully understood in translation. Meaningful idioms or metaphors in one language may be entirely meaningless in another, for example the US expression: “It is as easy as rolling off a log”». Miracle, Using the Translation/Back-Translation, p. 182.

\(^{108}\) Lachaze - Ayoub, The advertising industry in the Middle East, p. 141 and 149. Rightly great stress is placed on cultural differences between West and East, but there is a tendency to overlook the many cultural differences that exist between the North of the world and the South. If we return, on a very elementary level, to the symbol of the desert, we find that in Western cultures it evokes values very different from those noted above (boundlessness, adventure etc.).

More generally, it was pointed out: «Asian advertising is, for the most part, holistic because that’s what the cultures are, holistic, from religions to everyday activities. Many Asians believe everything is connected to everything else. From feng shui to Zen, the view is that of the whole, not of the individual pieces. How things and the world fit together. How they relate. How they are seamless and consistent. And that is reflected in the Asian approach to advertising and promotion.

Where the Western world has contracts, Asians have guanxi. Where the West is copy-focused, Asia is visual and aural. So Asian advertising is different, but it is different for a reason and therefore it works differently no matter how many Western products and brands are introduced into the many markets and many cultures». Basow, Advertising in China, p. 131 et seq.

Besides, it was also underlined, «The natural way of organizing the world for Westerners is to do so in terms of categories and rules that define them. Given Easterners’ convictions about the potential relevance of every fact to every other fact [on the contrary], they tend to organize the world more in terms of perceived relationships». Kerr et al., Integrated marketing communications..., p. 11.

Clearly here we are in the realm of the deepest differences between cultures: those of a conceptual nature.
Country culture, on the other hand, always affects and characterizes business communication (in developed countries as in developing ones) and is often specifically mentioned.

There is particular significance in the cases of four countries in four different continents:
– the exceptional creative simplicity of advertising in Brazil, where the tendency is increasingly to adopt local strategies «that integrate simple human elements that make them universal»;
– the distinctiveness of advertising in Egypt, which has sought – since the sixties – «to implement a very typically local advertising approach which was to be dubbed (and still is) the “Egyptian Touch”»;
– advertising as propaganda in China. «Until recently it has been observed, “advertisers didn’t get much bang from their megabucks. Chinese ads followed a highly literal style dominated by slogans, a result of the Cultural Revolution’s emphasis on propaganda»;
– the archetypical quality of advertising as it developed in Australia from the sixties on (Ockerism). «Irreverence, mischief, mateship and a sense of humour», it has been said, «are the key components of Ockerism. Drawing on stereotypical Australian character traits, this advertising style uses exaggerated, but self-revealing images. Its language is colloquial and its images drawn from the Australian ethos of mateship, egalitarianism and the conviction that whatever the situation, “she’ll be right”»

Hence the need for firms to gain a real, in-depth understanding of the cultures of different countries, above all by careful, incisive research into international marketing. Clearly there are numerous problems involved:
– first of all in the methods to be used;
– then in the reliability, validity and comparability of the data obtained in culturally very different countries.

In this respect it has been authoritatively stated that: «International marketing research methods encompass not only the entire range of problems encountered when doing research within one country, but also problems that arise from the differences in international markets. Research decisions include sample selection, preparing data collection instruments and other research materials, recruiting and training supervisors and research personnel to collect the intended data, and selecting methods to process, analyze and interpret the findings. Many of the research methods that are useful in one-country studies can be adapted for use in multiple countries. But cross-cultural research also requires a number of additional methods, including selecting comparable samples from different kinds of populations, selecting different data collection methods in some of the countries when some types of methods might be possible or practical in some countries but not in others (e.g. the internet, mail, personal interviews, telephone interviews), preparing translations and back-translations of research materials (e.g. research instructions, data collection instruments), selecting sources of translators and research personnel, and training and supervising them».

109 Hervitz et al., p. 137; Lachaze - Ayoub, p. 142; Basow, p. 126 and 130; Patti - Kerr, p. 160. Note that even in developed countries we use expressions of the kind mentioned, such as ‘advertising the American way’ or ‘advertising the Japanese way’.
110 Miracle, Using the Translation/Back-Translation, p. 180 et seq.
In this respect the process of translation/back translation becomes of great importance. Here we can emphasize specifically at least two problems:

– the fact that not only the scheme of research, the data collecting instruments and the other research materials are preset in one language and then translated into another, but that this presetting itself is based on a knowledge of the literature of that given country. Hence the need to consider everything perfectible in the light of the study of the literature of the other countries in which the same research is to be carried out. So what is involved is not just a linguistic problem but a problem of method;

– the difficulties bound up with the translation of what was prepared only in a specific language, when the languages involved are not two but three or more\footnote{«The translation/back-translation process is simple when only two languages are involved. But it becomes complex when an ideal translation/back-translation scheme is used for three (or more) languages, for example, between English, Japanese and Korean...» \textit{Ibid.}, p. 184.}

Finally, with respect to the results of the research carried out and the related generalizations, these can be of two types:

– ‘emic generalizations’, which are therefore valid only within a special culture;

– ‘etic generalizations’ which are valid in two or more cultures\footnote{«Cross-cultural research is concerned with identifying and distinguishing emic from etic generalizations. Etic generalizations depend on the equivalence of culture between two or more societies. If the international marketing research is to produce reliable and valid results, the language of the cross-cultural research materials must be equivalent and contain no emic material» \textit{Ibid.}, p. 181.}.

5. OFFER OF COMMUNICATION AND CONSULTANCY SERVICES

5.1. The media of communication: use and development

In dealing with the media and their exploitation by business-users, we can first of all state that the financial resources devoted to this purpose in 2004 exceeded $1100 billion\footnote{Larue, \textit{Quel avenir pour}, p. 174.}

Now these resources can be considered in terms of three particular types of distribution:

– by type of activity;

– by market area;

– by type of medium.

So, according to the first type of distribution, we should note that next to the traditional kind (‘media advertising’) and markedly more important than it appears what is known as ‘specialized communication’: this goes beyond the traditional media and is created for special products and contexts (pharmaceuticals, distribution services, ethnic communication etc.)\footnote{There appears an obvious need, in any case, to define exactly the content of such an important item, which is not always necessarily done in the breakdowns used in the different countries. It seems no less important to define – both in general and in their articulation – the contents of an item increasingly cited: ‘non-traditional communication’ or also, as it is sometimes called, ‘non conventional communication’.

The basic feature seems to be not to use the classic media, or perhaps – and here the ambiguities arise – not to use them in traditional ways but within innovative projects and with innovative applications.}.
The second profile of analysis is articulation by market area, with the world’s biggest market by far (the United States) being compared with the rest of the world, which now accounts for about half of the global resources taken into consideration.

Coming specifically to advertising, we can note that:

– North America now accounts for under half the resources devoted to advertising (just over 45%);

– Europe has lost ground (about 26%) and is followed by Asia (just over 20%), above all due to the rapid development of advertising in China.

While in 2004 the world advertising market grew by 7.5% over the previous year, the United States has a growth rate of 8% against 6.3% for Europe.

By contrast, a rapidly expanding country like China has an exceptional rate of 32%, over four times the global rate. Moreover the development of China’s economy is one of the reasons that led the ten biggest users of advertising worldwide to earmark extremely large slices of their budget for Asia.

This brings us, lastly, to the distribution of resources by type of media used. This is actually one of the most ambiguous classifications because of the variations in the items listed in individual classifications and the heterogeneity of the contents of the separate items.

What – more precisely – are the media or activities covered by the term? Here one naturally thinks of non-classical media, such as sales points, trade fairs and exhibitions, direct response, interactive communication and activities such as sponsorships or special forms of sales promotions (for example ‘gadgeting’).

We are still, however, at the level of example, which is certainly not satisfactory when faced with the growing demand from firms to get as close as possible to their target group by taking unconventional approaches to communication.

The approach sought after is however that labelled the “touch-points approach”, which will be dealt with below (p. 90 et seq.): here we can also use the term – though it increases the ambiguities – “experiential communication”.

In this respect, university institutes themselves can become – through their structures, probably always strengthened by adequate media of communication offered by technology – extremely important vehicles of unconventional communication.

However, in the case of advertising, the forecasts worldwide – according to the statements of one of the most authoritative international operators in the sector – will see a substantial stability in TV, growth on Internet (from the current 3% of world expenditure to 5% within three years) and the extraordinary emergence of third generation cell phones, which «in future will become the top medium worldwide». As for Internet, it should be stressed that it now involves – in its total use (advertising and other) – over a billion people and also makes possible the creation of virtual communities that are of the greatest importance to businesses.

«Marketers are... discovering the Internet’s inherent strength in providing the glue that builds communities of interest – whether that turns out to favor or condemn particular brands. With more than one billion connected consumers becoming tied to one another, word-of-mouth is growing in importance». H. Mariampolski, Innovate!, «Research World», April 2005, p. 47.

As for 3G cell phones, according to the expert cited at the start of this note, «In future they will become the top medium worldwide». The writer adds: «When the cell phone is able to access Internet, have a TV screen, receive ADSL images and a whole range of services, we’ll hold an immense potential for communication in our hands. There will be over 2 billion people with cell phones. And moreover we’ll have all the data about the consumer: ...[sex], age, occupation...» He then points out: «To communicate properly to cell phones, one has to address a very precise target. So the message will have to become more personalized. But we need new technologies and more advanced software. We also need to ensure the users agree to receive commercials, perhaps by introducing a premium, such as discounts on rates». Ferraino, La pubblicità?, p. 27.

Parenthetically we can observe that the recipient’s consent – whether induced by payments or not – is becoming an extremely important factor: we are moving towards ‘permission communication’. So also in the case of Internet and the public of ‘Hub influentials’, dealt with above, it has been observed: «Technology will allow us to target these people on an individual basis, using data from websites. A great example is www.asmallworld.net, a private network of Hub influentials, where individuals themselves update their profile and decide who can access it – pre-approved marketing by invitation». Mareck, Getting Hold..., p. 30.
However, one classification available is that for the United States. Because of the role the US still plays, it is especially significant (fig. 3).

In this case, however the estimates go beyond traditional advertising, though clearly without covering the whole of the resources devoted to business communication.

We can point out, however, that expenditure on traditional advertising, on the national level alone, is largely surpassed by spending on non-media advertising: but if both levels (local and national) are considered, expenditure on media advertising is over 15% greater than that on non-media advertising.

Finally there is the outstanding part played – in traditional advertising – by television, the press and radio.

**Figure 3 - 2004 expenditures of US advertising**

<table>
<thead>
<tr>
<th>Media</th>
<th>2004 Projections (million US dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National advertising</strong></td>
<td></td>
</tr>
<tr>
<td>4 TV Networks</td>
<td>16,458</td>
</tr>
<tr>
<td>Spot TV</td>
<td>10,943</td>
</tr>
<tr>
<td>Cable TV</td>
<td>15,628</td>
</tr>
<tr>
<td>Syndication TV</td>
<td>3,949</td>
</tr>
<tr>
<td>Radio</td>
<td>4,427</td>
</tr>
<tr>
<td>Magazines</td>
<td>12,121</td>
</tr>
<tr>
<td>Newspapers</td>
<td>7,762</td>
</tr>
<tr>
<td>Consumer media sub-total</td>
<td>71,288</td>
</tr>
<tr>
<td>Direct mail</td>
<td>52,240</td>
</tr>
<tr>
<td>Yellow pages</td>
<td>2,135</td>
</tr>
<tr>
<td>Internet</td>
<td>7,062</td>
</tr>
<tr>
<td>Other national media</td>
<td>33,269</td>
</tr>
<tr>
<td>Total national</td>
<td>165,994</td>
</tr>
<tr>
<td><strong>Local advertising</strong></td>
<td></td>
</tr>
<tr>
<td>Local newspapers</td>
<td>39,173</td>
</tr>
<tr>
<td>Local TV</td>
<td>14,670</td>
</tr>
<tr>
<td>Local radio</td>
<td>15,352</td>
</tr>
<tr>
<td>Local yellow pages</td>
<td>11,900</td>
</tr>
<tr>
<td>Other local media</td>
<td>16,610</td>
</tr>
<tr>
<td>Total local</td>
<td>97,705</td>
</tr>
<tr>
<td>Grand total</td>
<td>263,699</td>
</tr>
</tbody>
</table>


As pointed out earlier, the classifications for other countries may differ from that exemplified above: a case in point is Italy (fig. 4).
Figure 4 - 2004 expenditures on advertising in Italy

<table>
<thead>
<tr>
<th>Activities and media</th>
<th>Estimate 2004 (millions of euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Press</td>
<td>2,928</td>
</tr>
<tr>
<td>Television</td>
<td>4,487</td>
</tr>
<tr>
<td>Radio</td>
<td>503</td>
</tr>
<tr>
<td>Cinema</td>
<td>77</td>
</tr>
<tr>
<td>Outdoor</td>
<td>710</td>
</tr>
<tr>
<td><strong>Total traditional media</strong></td>
<td>8,705</td>
</tr>
<tr>
<td>Production costs</td>
<td>738</td>
</tr>
<tr>
<td><strong>Total traditional sector</strong></td>
<td>9,443</td>
</tr>
<tr>
<td>Direct response advertising</td>
<td>2,212</td>
</tr>
<tr>
<td>Promotions</td>
<td>3,657</td>
</tr>
<tr>
<td>Public relations</td>
<td>1,731</td>
</tr>
<tr>
<td>Sponsorships</td>
<td>1,341</td>
</tr>
<tr>
<td><strong>Total communication initiatives</strong></td>
<td>8,941</td>
</tr>
<tr>
<td>Internet</td>
<td>102</td>
</tr>
<tr>
<td><strong>Total including duplications</strong></td>
<td>18,486</td>
</tr>
<tr>
<td><strong>General total excluding duplications</strong></td>
<td>16,354</td>
</tr>
</tbody>
</table>

*Source: UPA, Il futuro della pubblicità, Milan 2004, p. 30.*

Note the threefold division of estimates inherent in Figure 4, which contains:

- media advertising (traditional or classical advertising);
- non media advertising (activities and media);
- new media (in the case examined, the only one considered is Internet).

Now, with reference to the means of communication – specifically traditional media – and the impact they can have on the different publics of interest to business users, the following phenomena are all of increasing importance:

- the growth in the non voluntary use of the traditional media;
- the development of methods of use of these media;
- the creation by the public of their own networks of communication.

The first of these phenomena originally appeared in the United States, where the audiences for TV networks has fallen by an average of 2% a year in the last decade\(^{118}\). As for the second of the phenomena considered, it should be noted that we are passing from a traditional use of the media (one medium at a time) to a layered use (involving two or more media or two or more activities simultaneously with a consequent loss of value for each of these media or activities by ‘duplicate audiences’) and also a revised and personalized use the media themselves (for example through the use of digital VCRs capable of selecting the audiovisual material to be recorded and therefore creating customized program schedules and cutting commercials out of the recording).

\(^{118}\) «According to Nielsen, network TV audience has eroded an average of 2% a year for a decade, although in the same period the U.S. population increased by 30 million. In 2004, for the first time, cable commanded a larger audience than broadcasts». Petit, *Creativity*, p. 6.
The third of the phenomena cited is the public’s creation of their own communication networks, particularly through interactive communication and hence by participating in virtual communities as well as forums, newsgroups and all the other activities made possible by these communities.

Here I have in mind above all the ‘communities of consumers’, «who share the same interests, the same requirements and the same desire to acquire information and assessments of products in a certain market or manufactured by a specific firm. In particular, if the virtual community is created independently by a firm’s customers to acquire information about its products and manage it collectively, it can also shape the expectations, needs, preferences, and behaviours of the members themselves, producing knowledge of a symbolic and experiential kind bound up with the product. In this way, interaction through the Net gives rise to dynamics of collective learning that draw on the experiences of each individual participant, inserting them in a broad circuit of communication that leads towards a dimension of consumption understood as experimentation, the autonomous elaboration and discovery of significances. More, the Net has the enormous advantage of being able to preserve the great variety of multimedia documentary material gleaned over time very cheaply and with easy and efficient modes of access, exploration and deeper study»\(^{119}\).

In the ambience of the consumer/recipient’s increasing independence of traditional systems and modes of using the media there has also appeared the concept of ‘consumer touch points’.

This approach, which refers to the points or modes by which to reach (meaning contact effectively and if possible innovatively) the consumer public, has therefore led to an in-depth re-examination of the problem of business communication, not starting, therefore, from the media – or specifically the traditional media – but from the needs, desires and behaviours of consumers themselves or, more generally, from any public a business desires to reach\(^{120}\).

This approach essentially seeks to oppose a substantially repetitious attitude that becomes passive and has grown up over the years. This is the fact that, when faced with some communication problem, a business (meaning the people in charge) confine themselves to examining the traditional media or the media they have previously used and the activities previously undertaken, without taking the trouble to question themselves,

\(^{119}\) Nelli, *Il ruolo di Internet...*, p. 205. Note that: «Virtual communities of consumers can also be developed and animated directly by a business, with the aim of carrying out experiment and innovation, either by fostering needs and stimulating suggestions in a predetermined direction within a specific community and closely following developments or else by disseminating a multiplicity of experimental ideas in a plurality of communities, so as to attain an elevated probability that at least one idea can be enhanced by potential users». *Ibid*.

\(^{120}\) «The focus is not how you want to talk to customers and prospects; it’s how they want to hear from you. Not in the media forms you want to buy; in the media forms they already rely on and use. When you flip the process upside-down, you open up a multitude of alternative ways to reach or touch customers and prospects with brand messages. And only a few of them involve the traditional media planning and buying concepts you’re using now. Clearly, the ‘touch-points’ approach is just the opposite of how most brand babbler attack the problem. That’s why it’s usually so much more effective and so much less expensive». D.E. Schultz - H.F. Schultz, *Brand Babble. Sense and Nonsense about Branding*, Thomson, Mason 2004, p. 125.

More generally, we are moving towards a new concept of media as «any touch point between the brand and the consumer». Petit, *Creativity*, p. 21.
again objectively, about the advisability and possibility of contacting that particular public effectively by any medium or activity, whether previously attempted or not.

In reality, with time and perhaps also the growth in research – particularly into certain media and communication activities – there has been a tendency in many cases to rest on the availability of these data and the consequent and apparent ease of reaching the various sectors of the public, including consumers, by using the usual media and activities without further questioning the real and actual further potential for contacting these sectors of the public.

Rather more generally, those responsible for communication, both inside and outside businesses, should learn, rather, to bear in mind the variety of media and instruments of communication and their constant enrichment, as well as the different degrees of control that the business can exert over them, even to their complete independence of the business itself.\footnote{Think of the virtual communities of consumers, created by consumers themselves or developed and run by businesses, as in the incisive essay by Nelli referred to above.}

What is involved here are factors that, in a modern vision of business communication, are already reflected in the terminology.

So in the above-mentioned IMC model\footnote{Kerr et al., *Integrated marketing communications*..., p. 7.}, entailing systems for disseminating a business’s messages or incentives aimed at a given public, reference is made to the following classifications of the “media”:

- outbound ‘media’;
- interactive ‘media’;
- non-marketer controlled ‘media’;
- consumer networks\footnote{In another contribution, systems of spreading messages are classified as:
- the product and its use;
- direct or indirect distribution of the same product;
- the ‘traditional media’ distinguished into ‘accessed’ (press, TV, radio) and ‘unintentional’ (signs, outdoor ads, direct advertising);
- ‘electronic media’ (wired or wireless);
- events, natural or sponsored (sports, cultural etc.).

Schultz - Schultz, *Brand Babble*, p. 124.}

5.2. *The consultancy firms: opportunities and challenges*

Faced with the many problems noted above, we now need to ask, in concluding this introductory essay, what specialist businesses are at present capable of offering an adequate and effective consultancy to business users and with what range of services\footnote{For an introduction the reader is referred to the observations on the theme of ‘Advertising agencies in time and space. Fundamental features and problems of management’ in Brioscihi, *Economia e tecnica*..., vol. I, p. 663 et seq.}.

We need to be warned that the adequacy and hence the efficacy of a consultancy of this kind will lie above all in fostering that operative tradition of unified governance in business communication on which I have dwelt here, and which implies that the need for this governance, apart from being an inherent part of the relationship with the business client, will also become an integral part of the different types of communication consultancy firms.
In the past, in fact, partly from a failure in coordination on the part of the business client and partly because of the prevalence of the individual consultancy firm and its specific skills, as well as an excessive significance attributed to some particular and innovative communication activity or to the latest means of communication offered by technological development, consultancy firms have in a number of cases caused a dangerous fragmentation or breakdown in the governance of business communication, with results that can easily be imagined\textsuperscript{125}.

In the case of specialist businesses, a special role is accorded to the advertising agencies which, when faced with the above-mentioned enrichment and evolution of marketing communications in the course of the seventies, failed to change their behaviour and interests.

They finally led to make changes in the following decade as a result of the shift in the destination of resources by business users: from traditional advertising towards other kinds of communication activities and instruments. It was, therefore, the changes in spending by users that led agencies to broaden the range of services and communication activities they dealt in (from traditional advertising to sales promotion, public relations, direct marketing, sponsorship etc.), in particular through a series of mergers and acquisitions which began in the mid-eighties\textsuperscript{126}.

This produced a transition from a traditional kind of agency to a multi-functional one. However, this was just the start of the concentration in the sector of communication consultancy services. In the same years, in fact, there began to appear ‘communication holding companies’, which were to guide the main communication groups in the years that followed.

This further phase of concentration means we have to deal with another phenomenon: the globalization of businesses and brands (eventually leading to the globalization of advertising users). The response of the advertising agencies in the sixties and seventies was to create international networks.

This entailed an extremely strenuous financial effort even for the biggest agencies, yet in most cases it failed to meet their clients’ demand to be present not in a dozen different countries but several dozen, and not only with traditional ad agencies but multi-functional ones.

The result of this (with the exception of three networks which are still functioning: the French Havas and the Japanese Dentsu and Hakuhodo) was the concentration of several networks under the leadership of a holding company. They include the American Omnicom and Interpublic, the British WPP and the French Publicis.

These ‘holding companies’ are, of course, listed and so capable of drawing on extensive financial resources to develop their networks, which operate on an international scale.

\textsuperscript{125} In this respect it is stressed that: «It is not unusual for each area of communication to be in contact with different external supporting structures (such as advertising and sales promotion agencies, public relations companies, business consultants, etc.), which may be an obstacle to integration». Fiocca, \textit{Comunicazione integrata}, p. 6.

\textsuperscript{126} «In the middle 1980s, US advertising agencies began to buy, acquire or merge with specialist agencies, initially in sales promotion and public relations. That was followed by acquisitions in direct marketing and eventually areas such as sponsorships, product placement, events and the like, all which were believed to be relevant forms of promotion and communication». Schultz, \textit{The Revolution...}, p. 98.
Besides, they are companies capable of achieving substantial economies, providing all the clients of the networks belonging to their group with agencies and, more generally, specialized facilities for the various amits of intervention (special sectors, specific publics, etc.) as they emerge on the communication market.

At the same time, they increasingly tend to back up their core function (as holding companies) by offering some specific services, in which they are facilitated by their exceptional contractual leverage.

This happens particularly in the acquisition of advertising spaces and times, which involve a large part of the relevant allocations, but their power can also be deployed in other fields (such as purchasing materials or services).

Perhaps an even more important factor is that they are able to promote particularly ambitious research programs in a sector such as business communication which urgently needs them, as well as programs for training and motivating their staff, which is another urgent need, since their task is to supply services with an elevated personal content.

On the other hand, the further development internationally of the business communication market calls for structures, skills and financial resources that only holding companies seem able to offer. However, this is a prospect that, I may be permitted to say, is unmatched by a range of means and vehicles adequate to the purpose.

Alongside advertising agencies and their networks, however, other types of businesses on the market also operate inside or outside these groups.

They are, firstly, media agencies, followed by creative boutiques, media auditing firms, a myriad of businesses that offer diversified or specialist services (sponsorships, communication at point of sale etc.), and strategic coordination.

As is well known, media agencies and boutiques are specialist firms that operate in the business communication sector, particularly in the advertising field. The task of the former is basically to plan the means of communication and hence conduct the relevant negotiations (over spaces, times etc.), as well as controlling the operations carried out. The latter deal with the creative process. Media auditing firms or ‘media auditors’ are businesses that present economic and technical appraisals of the work of the media agencies, making use in particular of surveys (conducted by independent bodies) of acquisition costs (spaces, times etc.)

The purpose is clearly to boost the efficiency of the media agencies, which have now acquired a weight on business communication market in general and the advertising market in particular that is not only not lower but, I would say, potentially superior to that of pre-existing types of businesses (first of all the advertising agencies).

This weight enables us more fully to understand the emergence on the markets, though so far only in their early stages, of firms that specialize in providing consultancy services in the strategic coordination sector. This activity is translated into the definition of international media strategies and the predisposition of processes for their application on the local level.

127 «L’entrée de la Chine, de l’Inde, des pays du sud est asiatique dans la sphère économique des pays développés signifie à brève échéance la multiplication par trois de notre marché actuel. L’échelle nouvelle des actions de marketing demandera un renforcement considérable des instruments d’action. Les grands holdings de conseil en communication sont conscients de ce challenge et représentent un atout formidable dans cette passionnante aventure», Larue, Quel avenir pour, p. 178.

128 Redivo, La pianificazione media in un contesto internazionale, p. 211 et seq.
Now, since it is impossible to imagine that media strategies – particularly on the international level – can be devised in the absence of the communication strategies of the business users or in conflict with them, the operation of the consultancy companies therefore ends up dealing (partly in collaboration with businesses) with the basic and complex subject of the conception and development of the most effective and efficient system of relationships with the many stakeholders in the businesses in question.

In this respect, we can naturally note this is an area of interests common to the theory of business communication and to the praxis developed in this field, since (as is pointed out in the insightful and fully documented text on the anglo-saxon literature presented in this monographic number) there appear to be two central themes that emerge from analysis of this literature:

– «the centrality acquired by communication engaged in managing, maintaining and developing relations with customers (customer relationship management) and with the all the other stakeholders in the business (stakeholder relationship management)»;

– «the urgency [consequently] acquired by the problem of measuring the activity of communication so as to appraise its effectiveness and the contribution it makes to attaining the business objectives».

«The purpose of this», the paper justly concludes, «is to identify and appraise the contribution made by communication initiatives to achieving the economic-financial, competitive and social results of businesses and so to optimize investments in communications in the short and long term».

This is a challenge, or the challenge, which on the one hand involves research and its development – which will need to be truly aware of business needs, innovative and courageous – and on the other the governance of communication. This means governance that serves not only to adopt the results of research promptly and systematically, but that – on the basis of the experiences acquired and even more of the sensibility essential for insightful, modern management – also functions as a stimulus to this research, which is increasingly shown to be a strategic investment, towards the most useful directions.

129 Gambetti, Le tendenze emergenti in tema di comunicazione d’azienda nella letteratura anglosassone, p. 234 et seq.
130 Ibid., p. 235.
131 Strange as it may seem, especially for a market so highly developed as the United States, even quite recently it has been observed that, regrettably, «members’ beliefs about their firms correlate very weakly with measurable characteristics of their firms... Only three/eighths of managers have perceptions that are fairly accurate, and the accuracy of managers’ perceptions does not correlate with their job specializations or experience. That is, people who are supposed to know things are not more likely to perceive them accurately than people who are not supposed to know them. Further, a surprising (to me) fraction of managers have very, very erroneous perceptions; some of the perception errors go up into thousands of percent». W.H. Starbuck, Methodological Challenges Posed by Measures of Performance, «Journal of Management and Governance», 2004, 4, p. 340.