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EFFICIENCY OF CORPORATE MEDIA AND INCREASING ECONOMIC OPPORTUNITIES OF BUSINESS

***Summary.** The article analyzes the efficiency of corporate media involvement in business development throughout the last few years. As well as in many areas of the development of society, there have been significant changes in the traditional line of the functioning of mass media, and, what is more important, the changes have been identified in relation with business. On the current market, along with all kinds of mass media, corporate media are developing intentionally. In recent years corporate media space has evolved significantly, attracting a great deal of attention of business. The essence of such media is consolidation of consumers around the brand and formation of a client base after the creation of the followers' club. Executives of business companies keep allocating funds even during crises for the development of corporate media, which indicates their understanding of the efficient role of the communication strategy. The process is based on a long-term information-related impact and ensures successful functioning of the company.*

Modern media specialists face a wide range of difficulties and obstacles in the process of the development of corporate publications. While assessing the perspectives of business media, the ideas of modern researchers coincide with one another. Nevertheless, the term "corporate media" and determination of the parameters of its systematization lead to a lot of debate. The paper emphasizes principal peculiarities of corporate publications and means of communication, which highlights the importance of corporate media in business development.

Key words: *corporate publication, content, media, strategy, business, financial development, branded media.*

Introduction. Large manufacturing companies and brands have long started to create their own printed and online publications for the purpose of promotion. However, the magnitude of this event over the last two or three years makes the media industry recognize a new stage of the development of branded communication. What has led to this event? Previously manufacturers did not produce mass media products themselves. Instead, they used all the existing media resources. At present it has become easier for them to deal with media technologies, which is already a necessity on the market amid continuous strict competition. The establishment of direct communication with potential buyers has become vital for businessmen. "Apart from this, the media landscape is changing. Corporations are creating more and more content and are capable of publishing and spreading image information on their own. Applying their own channels of communication, corporations are competing with traditional media outlets. According to the media analyst Andrei Miroshnichenko, **"these days a brand is also media"** [3].

For most companies corporate media is not only a natural stage of the development of business communication, but also a financially successful publishing project. For this type of corporations media is a stimulator of consumers.

In the beginning needs are broadcast through a specialized media outlet. Afterwards services or goods are offered to satisfy the needs. After stimulating the reactions of buyers corporate media forms a group of brand followers. At this stage the efficiency of media influence is determined by the quality of the content, especially the visual content, which affects the emotional level of the consumers most [3].

Review of References: The outcomes of the studies of foreign researchers and experts have been discussed and analyzed. These outcomes have clearly demonstrated the significance of the issue. Apart from all the other innovations, the studies have revealed a real picture of the efficiency of the existence of corporate media amid the modern standards of business. More specifically, the studies have shown that some researchers consider the development of corporate media, its place and position of a beneficial result to be an essential condition for business success. On the other hand, as in any process, there is a group of researchers who suggest that business and media are radically different areas and it is impossible to ensure their harmonious tandem. In the works by American authors we find innovative approaches of giant businesses on the world market in compliance with the needs of consumers, more specifically, in relation with the necessity of the development of corporate media. Various resources have been applied to study the issue and carry out research. In order to get a great deal of information about the coverage of issues related to business media, we have got acquainted with internet resources and websites. We have also used the results of the studies published so far.

Methodology: For the purpose of studying the efficiency of corporate media for the success of modern business, qualitative as well as quantitative research has been planned and carried out. The qualitative research was conducted as a face-to-face interview with marketing and media experts, who presented their views on

innovative decisions taken and introduced by modern prominent businesses, which confirms the growth of the efficiency of the role of corporate media in business development. The peculiarities of the use of corporate media, active involvement of both consumers and businesses in social networks, the types of mistakes made by companies or those of the monitoring used while planning marketing campaigns - this involves worthy, well-deserved and successful tandem of business and corporate media. In quantitative research, emphasis was placed on the diversity of areas, regions, types of business as well as age and demographic characteristics of people. There were 57 interviewees - both physical and legal entities.

Research Strategy: Corporate media implies a targeted, officially registered periodic media outlet which serves the interests of a particular company and is published on its initiative. It is interesting what is going on today? Traditional media outlets provide important data for the research. In traditional outlets the functioning of corporate media is much cheaper in comparison with the cost of image materials. However, it is true that today every business is not capable of coping with this issue. Many executives of prominent companies admit that it is cheaper to create your own media outlet, even on outsourcing, rather than engage in advertising in traditional media outlets. It is also a novelty that some companies started to get extra funds in time at the expense of their own corporate media when they attracted other advertisers. In corporate media of this kind the correlation between the amount of advertisement information and the text of the editor is 60-70% - 30-40%. "Corporate printed publications, radio, TV, video programmes, internet sites, internet portals or other forms of periodic spread of social information serve the interests of a particular company and are created on its order" (the definition found in Wikipedia). Generally, a particular corporate media outlet does not contain information about other businesses. [11]

The research has confirmed that in recent years successful businesses have placed a minimal number of advertisements in mass media for promoting themselves. However, this does not mean that they generally refuse to conduct advertising campaigns. We can say that a kind of modification has taken place. Innovative campaigns were launched by prominent businesses several years ago, more specifically, in the United States the fast food restaurant McDonald's created the TV channel "McDonald's Channel", where various programs produced by the company were continuously provided for the guests. Every one-hour program was followed by an 8-minute advertisement about the restaurant itself. This project was implemented in three major cities: Los Angeles, San Diego and Las Vegas. The number of viewers reached about 18-20 million a month. Currently, the outcomes of McDonald's successful performance and the use of completely different forms of informing the audiences are confirmed by the company's popularity. And what is happening in this company today? Again, in the process of spreading image information of business the company is successfully applying the latest technologies, including internet media. President and Chief Executive Officer Steve Easterbrook says: "We're pleased with our strong performance in 2018. Global comparable sales increased 4.5% for the year reflecting our broad-based momentum across the McDonald's System. This is a year when we brought our customers greater convenience, choice and value as we continued aggressively transforming our business.... customers enjoy modernized restaurants and the benefits of one of the most effective digital engagement programs in the McDonald's System.... The market is also seeing positive results from investing in Experience of the Future and maximizing the business impact of other Velocity Growth Plan initiatives such as digital and delivery"[12].

In 2010 the Finnish corporation "Nokia" created a new model of the smartphone - N8. In parallel to its appearance on the market, the corporation

conducted a campaign for informing the public about the new product by shooting an original short film "The Commuter" (7.5 minutes). The goal was to attract buyers' interests to the new model of the phone. Highly-paid actors starred in the film. The fact is that, amid the competition on the market, "Nokia" managed to inform audiences in a different way. The film itself would not serve as a commercial for televisions [13]. After a year "The Commuter" had hundreds of thousands of views on YouTube... And today, we still hear a self-confident statement from this company: "We push the boundaries of what is possible to create new ways of connecting people, things and services instantly and effortlessly. We build upon a foundation of integrity, quality and security. We help our customers navigate complex choices, drive productivity gains in physical and digital industries alike, and unlock new opportunities that provide extraordinary experiences in people's lives each day" [7].

One of the pioneers in the use of new information-communication technologies among clothing manufacturer corporations was the British brand "Barbour", which made a sensational decision in 2011, exposing clothes directly on the online podium for the online public. The corporation applied Tweeter, Instagram and Facebook... It is not surprising that media positioning of this type has led to good results for the company. We should also mention the Austrian Corporation Red Bull GmbH, which decided to position the brand through a non-trivial method. It created the largest publishing platform "Red Bull Media House", a TV channel and the largest printed magazine in the world. In the USA "Red Bull" publishes a monthly magazine - the "Red Bulletin". The brand magazines will be displayed in 20 000 stores and will be available as a supplement to the Sunday newspaper" [10]. The publishing house creates documentary films most of which refer to sports, music festivals and cultural events. "This does not mean pure branding journalism, but it is a full format media relationship under the brand

umbrella and elements of social activity as well"[5]. The company started publishing the magazine the "Red Bulletin" in the United States in 2011. Previously the magazine was released in other countries: Great Britain, Germany, Poland, Austria, South Africa, New Zealand and Kuwait. Before publishing the American version its self-value circulation consisted of 3.4 million copies. On publishing the American version "Red Bull" put 75 000 copies of the magazine at \$ 4.99 at 20 000 newspaper booths. There were interesting marketing tricks, more specifically, the magazines were sold at newspaper booths in the chains of well-known stores (Target; Walgreens; Kmart; Safeway) as well; The first free issue of Ipad version was released; Furthermore,"Red Bull" published 1.2 million copies of a 100-page youth issue as a supplement to well-known newspapers [1].

Years ago other businesses also made an attempt to create their own media product. The quarterly magazine "Rouge" owned by Procter&Gambel, the website "Babycente" owned by the company Johnson&Johnson and Ipad addition "Big Fork, Little Fork" owned by the company Kraft Foods are worthy of note in this respect. Of course not all of them have achieved great success but they did manage to attract marketers. "This enabled them to get financial control over a part of media space. Corporate media creates a level of communication with consumers which is not easily achievable for mass media" [1].

In order to attract consumers companies are now persistently spending money even on the orders of branded magazines. "Red Bull" publishes the "Red Bulletin" in its own publishing holding. "Owning network resources, supplements and printed versions of magazines allows us to strongly believe that we can maintain a dialogue with the consumers at an unprecedented level", said the deputy publisher of the magazine "Рэймонд Роукер".

"The most important thing for us is the people we would like to attract. People who love journalistic works love stories", said Andreas Tzortzis - the editor

of the American version of the magazine. "You ought to be ready to travel to the Atacama Desert to write an article about the scientists studying the celestial light there or to go to New Orleans in order to talk about culture with a church orchestra several years after hurricane Katrina. However, in the magazine there are also real stories about athletes and events sponsored by "Red Bull", wrote the branded magazine about marketing [1].

Successful businesses of today's world keep to brand journalism. The research has shown that it is becoming more and more important to most corporations to create their own media content, thus forming a positive image for the target audience. Brands create media projects. They manage to communicate with the audience and to apply creative resources of professional journalists as efficiently as mass media. Brands try their hardest to attract the best representatives of mass media. There are a lot of cases when prominent editors and correspondents cooperate with businessmen. "The fact that the best specialists of mass media move to other areas of work can soon become a big problem for mass media, since business companies are recruiting the best staff from the media [4]. It is important to identify the characteristics of both corporate media and mass media in order to show the similarities and differences between them (Chart 1).

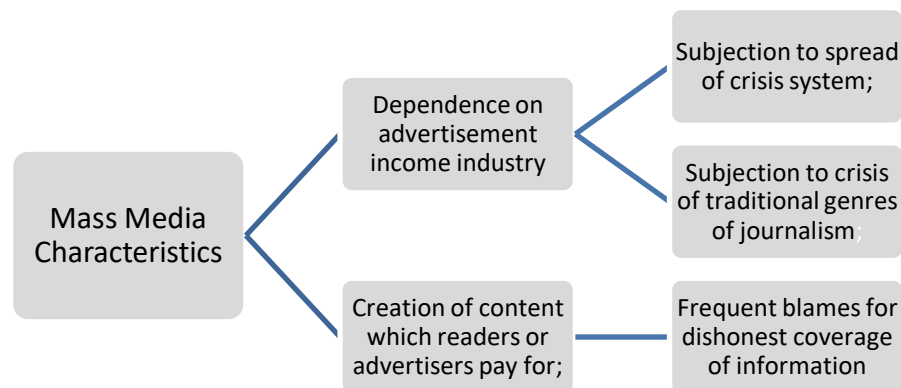


Chart 1

Unlike mass media branded communication is characterized by:

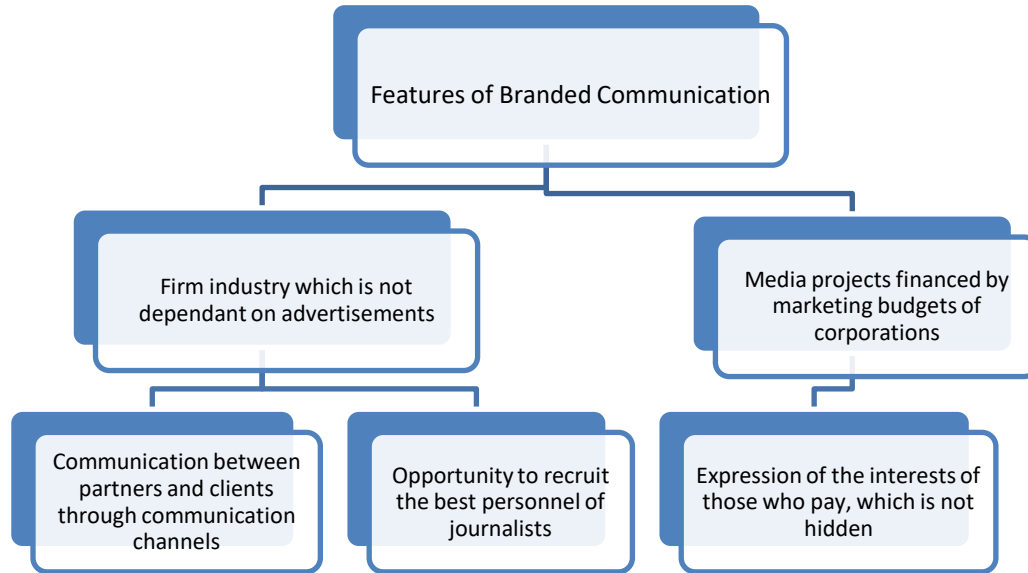
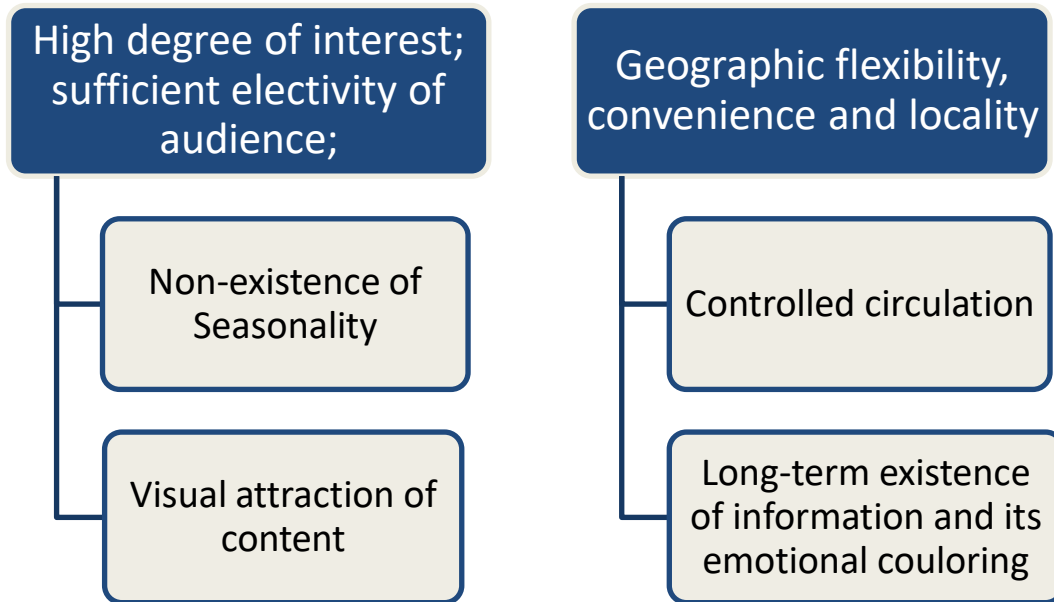


Chart 2

We should refer to the lifestyle media or the media “with the style of a demand”. For many companies corporate media is not only a natural stage of the development of business communication, but also a financially successful publishing project [8].

Magazines are especially effective for lifestyle media. They are created on the basis of a real brand as separate publishing projects. An edition automatically attracts loyal readers from the consumers of services or goods of a particular company. Nevertheless, media of this kind necessarily means certain mistrust towards a source of information. The inseparability of this publication from ordinary magazines is a prerequisite for its efficiency. As a rule, a magazine goes to a reader who is an active user or makes a purchase. The editorial office functions independently. Legally it is not part of the corporation. The circulation of the edition of this type depends on how popular and powerful the company is. The indicator of the importance of corporate media to consumers provides countable results for businesses. Time and experience have demonstrated that it is more rational for businesses to create their own media outlet rather than choose

traditional mass media with a definite time limit for their advertisements. The main advantage of such a choice is a narrow segmented audience. Besides, in the process of obtaining detailed information the opportunity of involving a “secondary” audience is effective. Advantages of corporate lifestyle magazines are:

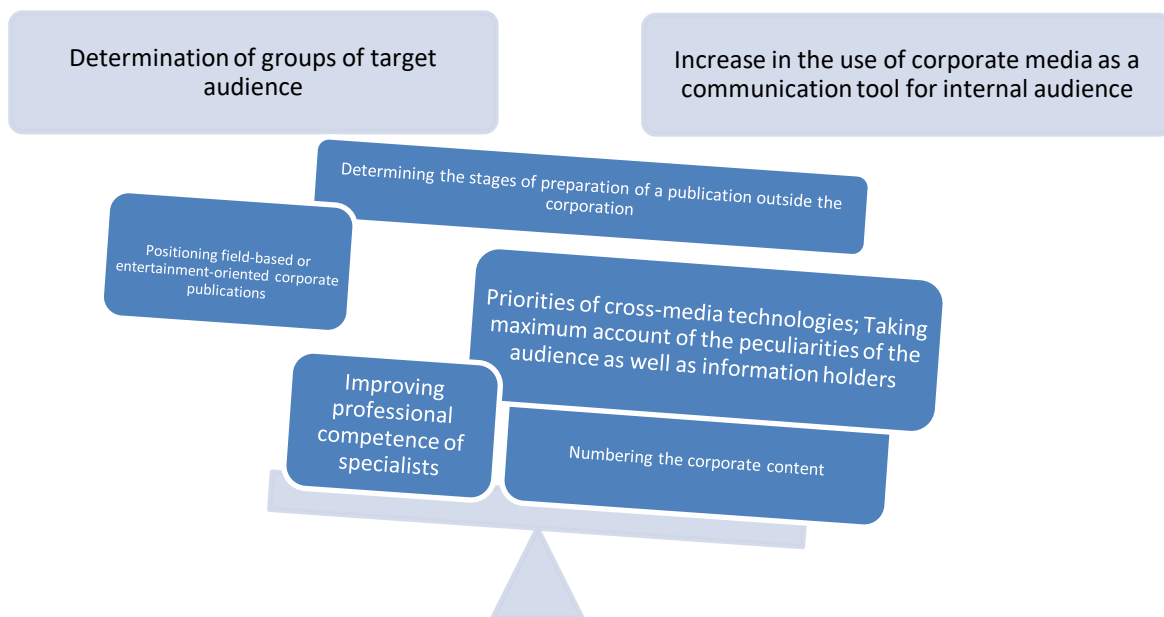


As a result of the analysis of our research and the existing studies it can be concluded that corporate lifestyle media is the best instrument of branding, focused on the company’s business objectives. It is good not only for the accumulation of image capital, but also for the profit which advertisers make from sales [9].

We should also highlight the topic of “outsourcing”. In modern business there are new facts and events occurring on an everyday basis. There are new trends, including outsourcing. It is conquering today’s business worldwide. The essence of outsourcing implies bringing the company’s image function outside and granting the full responsibility to the relevant outsourcing company. This is preferable because it will be more expensive for a company to employ three professionals than a group of professionals in a single company who simultaneously work for the success of other companies as well, even if these

companies are competitors. Consequently, this process is still cheap to businessmen. Outsourcing differs from the standard process of staff recruitment. The latter implies providing employees with job descriptions and determining their various functions, whereas the main advantage of outsourcing simply lies in general description of objectives [14]. A corporate edition may function on the initiative of a company interested in its publication as well as on the initiative of other partner organizations specialized in publishing outsourcing [11].

Research results: Corporate media product is a specific image. As a rule, it goes along the same way from an idea to realization as all other types of printed media. The following trends of the development of this kind of mass media can be determined:



Due to market development corporate media is principally deemed as a separate type of mass media characterized by the following characteristics:

- The communication strategy of a company affects the content and concept of publication, the priority of corporate interests and strategic objectives;

- The corporate content is combined with other instruments of communication used by the company (the corporate portal, website, social network, advertisements and image materials in press, e-mails, etc.);
- The company openly declares and approves corporate publications;
- PR goals and journalistic objectives are united;
- All kinds of texts (PR-materials, advertisements and journalistic texts) are merged with one another;
- The target audience consciously belongs to the company's creative work and results.

Recommendations. Based on the study and analysis of the results of the research of the issue, it is possible to focus on important aspects in the form of recommendations. It should be noted that there are certain difficulties and impediments the solution of which will contribute to the development of corporate media:

- First of all, the company should solve the problem of the lack of highly qualified personnel with an in-depth knowledge of the theory and instruments of journalism;
- A hindering factor for the development of corporate media is created by the company's representatives who participate in the process of concept development, take tactical decisions and lack the necessary complex knowledge;
- The content is incompatible, which is generated by internal departments of corporate communication to solve the issues concerning the publication. Other employees of companies should also be involved in the formation of the corporate media concept;
- Corporate signs are expressed in the content of the publication not only by identifying the brand, but also by achieving marketing objectives or other

objectives of the company. It should be noted that corporate objectives are achieved through journalistic technologies and not through PR-technologies.

It is obvious that modern media industry is going through paradoxical development - demand for media services is gradually decreasing and the need for media technologies increases day by day [4].

“If you have any media ability, it should certainly be used in what was not in the media yesterday and is in the foreground today. This idea may describe the whole (or full) trend, with insignificant (so far) but loud examples” [4]. In recent years an important fact has been observed: despite the corporations’ active attempt to create their own media project, many questions still remain unanswered, more specifically - does brand capitalization increase if it includes a media project? In the future will it be a necessary condition for communication with clients and the public to own a media outlet? [3].

The problem corporate media has faced so far - ”syndrome of multicirculation“ – implies being restricted to the company’s activities, while professional mass media focuses on the formation of the agenda of the society. Recently brands and business representatives/companies have started to understand how to control the public mood and gain influence. The best thing is to attract the public not for listening to reports or epochal interviews with the authorities, but for significant issues – the ones accentuated by responsible journalism. While journalism is gradually taking the side of marketing, corporations, on the contrary, are quickly developing their marketing for the development of content - i.e. are oriented to journalism. The objective necessity of highlighting social significance may lead to the following future reality - in brand journalism the content and advertising proportions will be the same as they are in modern journalism [4].

A future opportunity for corporate publication is to include mass audience. It is possible for business media to attract many people who may not be involved

in the activities of the company, and to create a definite picture of the world where the company’s values and priorities play an important role. An internal corporate publication can use competing business models and become a pretender for the audience of mass media. The links between corporate and mass media are becoming closer and closer, mainly in terms of appearance on the competitive market, understanding social problems and coping with issues concerning a wide circle of society. This confirms socialization of corporate media and its establishment in public life.

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