

2023 Business Trends and Ideas Paper

Myat Min Soe (Matthew)

DePaul University

PRAD 564: Business Skills for Strategic Communicators

Dr. Matt Ragas

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Introduction

Since 2020, agility and the ability to pivot became the utmost important function in business, especially for strategic communicators. Current global affairs, to keep the business running and the needle moving while adapting, strategic communicators have to be able to forecast emerging business trends, the majority of which are based on ESG (environmental, social, and governance) policies. In this paper, I focus on three emerging trends: transparent employee communications, data utilization, and purpose-based communications, based on ESG policies. From communicating with internal stakeholders like employees during challenging periods, utilizing consumer data under corporate governance to ensure consumers' cyber safety, and aligning the organization's purpose and values with business activities, all are human-first communication trends to keep your stakeholders feel engaged and supported.

Trend 1

The first emerging business trend in 2023 is building transparent employee communications. Transparency is the foundation on which successful cultures are built, and it's especially important when times are tough (Masionis, 2022). Corporate transparency also reflects the organization's value towards its stakeholders. With the looming recession, recent layoffs, and growing demand for flexibility, maintaining transparent employee communications will be one of the most important aspects of corporate communications. Public reaction to recent layoffs by Alphabet Inc. (Google) has proven that transparent communication is vital. On Friday, Jan 20, Alphabet let go of 12,000 employees across different sections and regions. Although 6% of employees were laid off, it doesn't come as a surprise to employees as tech companies have been going under immense headcount shrinkage. Laid-off employees were notified via email in the middle of the night whilst some woke up to find their access to company properties was cut off.

And some had been long-tenured or recently promoted, this raises questions about the metrics used in deciding layoffs. Alphabet provided an FAQ for the layoffs but employees have complained that it lacks details. The company's question-asking platform, Dory, was flooded by employees to get answers. Directors have been instructing employees to hold questions for the town hall which will take place in the following week. As Wendi Sabo, Marketing Communications and Brand Director at ECI Software Solutions highlighted, "Be transparent, be authentic and provide the 'why.'" (Forbes Council Members Expert Panel®, 2023). Alphabet failed on all fronts and as a consequence, laid-off employees flooded social media with negative sentiments, and various media outlets published internal memos, Alphabet's corporate reputation took a hit. I believe the whole fiasco could have been avoided with a clear internal communication strategy and proper issues management.

Trend 2

The second emerging business trend that will become forefront in the communications industry is data utilization. "The importance of adopting a data-led approach moved from a nice-to-have to a key tool in the toolbox during the pandemic when the entire world shifted quickly." (DiSciullo & Long, 2022). Within the past decade, data analytics have grown from just a monitoring tool to the forefront of business intelligence. Nowadays adopting data analytics into communications strategy can provide real-time audience analytics for your campaign execution and drive the trajectory of your strategic communications. Spotify's Wrapped is the best example of one of the most successful data utilization by brands in recent years. "Spotify Wrapped is a year-end analysis of users' streaming habits released annually since 2015 and the inspiration of many a meme." (Nguyen, 2022). This feature allows users to share their streaming recap to various social media platforms, earning shared media value while increasing user retention. It

also added momentum for Spotify shares, jumping 12.6 percent. (Manskar, 2020). Spotify has inspired competitors like Apple Music and Youtube Music to release their versions at the end of 2022, Replay and Recap respectively. This showcases the power that proper data utilization has on business decisions. However, data utilization comes with its limitations. Organizations should be aware of the federal and local privacy laws and that they are not violating consumer data privacy laws. Simran Mahal, Data Privacy Associate Attorney at Hanson-Bridgett, outlines seven steps for organizations to comply with data privacy laws “Determine Oversight, Evaluate Personal Information Collected, Update Privacy Policy, Update Consumer Notices, Update Internal Policies, Update Contracts and Update Websites and Back-End Systems.” (Mahal, 2023). As Spotify's case study has proven, data utilization and proper compliance can drive business strategy toward not only revenue but also brand reputation and market capitalization.

Trend 3

The third trend emerging in business in 2023 will be purpose-based communications. Gone were the days when brands can keep their heads low on public concerns to avoid backlash. Nowadays, consumers expect organizations to take a stand, especially in societal issues. According to Jessica McDonell, Senior Account Manager at Source PR, “With the current state of the country (and the world) social consciousness is increasing – businesses need to take CSR activities to the next level and avoid greenwashing.” (Forbes Council Members Expert Panel®, 2023). Especially for organizations that integrated sustainability into their business model, public expectations are higher. Consumers will not tolerate “greenwashing” anymore and they will hold your organization to the standards raised by others in the industry. When Patagonia’s founder Yvon Chouinard gave away ownership of the multibillion-dollar outdoor apparel business to a trust and a nonprofit organization, intending to help to tackle climate change, it was one of the

boldest yet purpose-authentic moves ever made, especially for an organization of its size. “Earth is now our only shareholder.” (Patagonia, N.D.) has perceived roaring public support regarding Patagonia’s commitment to sustainability. It is understood that this is not the route that every organization can take or even consider. However, organizations should ensure that their businesses are aligned with sustainability claims. Purposed-based communications should always have data to back such claims. If not, consumers will see through the cellophane act.

Conclusion

In conclusion, among various trends that are emerging in 2023, I believe transparent employee communications, data utilization, and purpose-based communication will be the focus of most organizations. Mainly due to the current affairs surrounding recession, market saturation, and consumer behavior. With organizations undergoing layoffs after over-expansion during the height of the COVID-19 pandemic and increased demand for employee welfare, transparent internal communications will be one of the areas that corporate communicators will focus on. In recent years, data utilization is becoming one of the key players in the communications industry. However, organizations should be aware of a fine line between the utilization and exploitation of consumer data. Purpose-based communication is another trend that is emerging among corporations. Consumers no longer tolerate surface-level commitment and will not hesitate to call you out. If there is one thing that the organizations should do in 2023, it is putting their money where their mouths are.

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