

THE
STRATEGIC BRAND MANAGEMENT:
MASTER PAPERS

SBM

STRATEGIC BRAND MANAGEMENT

MASTER PAPERS

How using customer's stories can help build an
organization's reputation

By:

Lara Magyar, Melinda Lindh Nilsson, Nada El Nahass

Second Edition

Student Papers

2016

September - October

Strategic Brand Management: Master Papers

The Strategic Brand Management: Master Papers is essential reading for brand strategists in both private and public sector organisations, and academics in universities and business schools.

The papers are written by master student groups and follow an international journal format. The student groups selected the topics of their papers and provided updated and relevant insights into the strategic management of brands.

The mission of Strategic Brand Management: Master Papers is to “present and develop useful tools and theories for the application in practice of managing brands, and to forward the academic field of strategic brand management.”

The intent of the series is to bridge the gap between academic teaching and research.

The series is a result of co-creation between students and teachers in the course Strategic Brand Management (BUSN21 – 7.5 University Credit Points; 8 weeks 50% study time), part of the master program International Marketing and Brand Management at Lund School of Economics and Management, Sweden. The published papers represent the result of the intellectual work of students under supervision of the heads of course. The content of the papers is to be read as student reports albeit the journal format. The papers are free to download and should be cited following international conventions.

Editors

Mats Urde
Associate Professor

Frans Melin
Assistant Professor

Heads of master course Strategic Brand Management (BUSN21), part of master program International Marketing and Brand Management.
Lund School of Economics and Management

SBM

STRATEGIC BRAND MANAGEMENT

MASTER PAPERS

How using customer's stories can help build an organization's reputation

Lara Magyar, Melinda Lindh Nilsson, Nada El Nahass

Abstract

Purpose - this paper aims to provide insights into how customer storytelling can help Business-to-Business (B2B) companies build reputation and trust.

Design/methodology/approach - First, a literature review has been conducted, to discuss relevant theories. The concepts of storytelling, reputation management and track record are analyzed. For the purpose of this study a qualitative research method has been used for a case study of SAP-Software solution company and an interview with Ulf Strömquist, former CEO of the advertising agency Hilanders, was done.

Findings - using customers in storytelling creates more authentic communication and strengthens brand reputation. Further, storytelling evokes emotions in customer and make it easier for the customer to understand. It was also found that, choosing the right channel to distribute the message is crucial and most companies use a multi-channel approach. However, more and more companies are moving towards moving-pictures and video as this is a good way to create feelings and emotions.

Research limitations/implications - Biased due to the small number of investigated companies. Findings using only an in-depth qualitative research of a case study of SAP and an in-depth interview with Ulf Strömquist. Recommendation for future conducted research to test the generalizability of the proposed phenomenon. Further, as it is a qualitative study the research findings are of subjective nature.

Originality/value - As the competition in the B2B environment is becoming more intense, corporates recognize the importance of good reputation, this report offers a valuable insight on how business-to-business organizations make use of a customer storytelling to build reputation, where little research has been done so far.

Keywords - B2B, Storytelling, customer references, brand reputation, trust, authenticity, track record.

Paper type - Research paper

Introduction

To remain distinct and build sturdy reputation in a competitive market, Business-to-Business (B2B) companies are starting to use unusual communication channels in a critical attempt to gain the trust and loyalty of customers (Dowling, 2006). For a company to gain the trust of consumers its product needs to be perceived as being of high quality, to create market opportunities (Sequeira et al., 2015). Further, to build the perception of a strong brand, companies need to use powerful communication tools in a more emotional way, and storytelling is considered the best method to do this (Huang, 2014).

Storytelling is considered a form of content marketing. It is an approach used to attract and retain consumers but most importantly to present a positive behavior from a customer. Whatever the corporate goal is, storytelling has to be in the center of its marketing strategy. Unfortunately, the majority of corporations are still struggling to create meaningful content that engages customers (Pulizzi, 2012). As people usually do not respond to rationals and facts, but to emotions and caring about human brands, storytelling fits in well. Stories make you take risks and help you express yourself free with passion and that is the key for long-term consumer relationship and a good corporate reputation (Odell, 2016).

Reputation is a strategic weapon that can be more or less sustainable. It requires time to build and the returns of positive reputation can take decades to be realized (Sequeira et al., 2015). The corporate reputation itself is not an end but it is a crucial condition to build a commercial basis. It has several benefits; the most important is that a customer who does not have a direct experience with the company's product can be guided in his purchasing

decision through recommendations from a trustful associate (Sequeira et al., 2015). According to Weigelt and Camerer (1988) reputation is built when customers do not have access to full information about the product features, as B2B brands are often in the situation where sending information is important to build trust and authenticity. As Kapferer (2012) reminds, B2B customers are not buying the company's products but their trust.

Therefore, storytelling is used to build reputation in B2B companies. In the current business environment, corporations are looking for unique ways to present themselves and changing the perception of their stakeholders toward a competitive advantage, in order to develop a strong corporate brand (Simões, Singh and Perin, 2015). Choosing a strategic partner for the story needs to be taken into consideration, which is key to maintain a consistent brand image (Brown et al., 2006 & Campbell et al., 2010).

Using the corporate's story and history in their marketing communication is not novel and has been widely investigated. However, it was found that little research has been done on how documenting the consumer's experience with the product and using it as generated content marketing through storytelling can help build a corporate reputation. Therefore, this thesis is focusing on investigating a corporate case study where they used customer stories to build reputation and trust in the B2B environment.

1. Literature Review

1.1. Building Brand Reputation for B2B

1.1.1 Understanding the Company's Reputation Concept

A company's reputation is a signal of its capabilities and reliability. It is an important factor in the customer's choice of supplier for products or services (Thanning Vendelø, 1998). Fombrun (1996) has defined reputation as "a perceptual representation of a company's past actions and future prospects that describe the firm's overall appeal to all its key constituents when compared to other leading rivals" (p.72). In other words, it signalizes the quality of the products and future performances that the customer might expect (Thanning Vendelø, 1998), especially in situations where the customers are not and cannot be fully informed about all the assets of the product or service (Weigelt & Camerer, 1988). Further, corporate reputation can be described as the mental association held by the stakeholders about the firm (Brown et al., 2006).

According to Dowling (2006), a corporate reputation is an asset that depreciates over the years if it is not refreshed and restored by good deeds and communication. It is also a key success factor for any organization (Money et al., 2010), but to build it you first need to develop programs to improve its corporate citizenship and communicate this program internally and externally (Dowling, 2006).

Furthermore, the outcomes of a good reputation can be expressed in supportive behavior such as loyalty, lower levels of subversion of stakeholders and high customer satisfaction (Money et al. 2010; Walsh et al., 2015). The use of narrative communication, such as explaining the behavior of the company through their mission and morality, will help build an

emotional bond with stakeholders (Dowling, 2006). Therefore, reputation must be seen as an intangible asset that needs to be built and managed carefully (Thanning Vendelø 1998).

1.1.2 The Importance of Track Record in Building Trust and Reputation

For B2B companies, being able to be seen as trustworthy is essential, due to the fact that their customers mainly buy trust, not just products or services (Kapferer, 2012). A track record is a company's demonstrated performance, a proof of their delivering of value and promises to customers (Urde, 2007). Track record can be used to evaluate a corporation's continuity of offerings (Urde, 2009).

The reputation of a company, influenced by its track record, might, as concluded above, affect whether or not a customer chooses to buy from this company. If they do, they will not always rely on the supplier's reputation in the evaluation of products and services. Over time they will acquire their own experiences of quality and thus, satisfaction (Thanning Vendelø, 1998; Mason et al., 2001).

Another aspect of trust relates to the corporation's communication to its stakeholders. Business-to-Business companies are seeking sources of sustainable competitive advantages, such as trying to form a unique presentation of their corporation in the stakeholder's mind. This can be achieved through corporate branding, which is a key strategic asset and instrument to differentiate the company from competitors (Simões, Singh & Perin, 2015).

Corporate communication with stakeholders and partners raise the understanding, awareness and appreciation of the corporation's values, which is an essential part of building trust. Further, asking someone to trust a brand or a

company is not convincing, but communication can help the corporation defend and explain its actions (Dowling, 2006).

1.2. Building the Brand Reputation through Customer Storytelling

1.2.1 Perception of Stories by Corporations and Consumers

Corporate storytelling is usually used to change people's minds and activate emotions. Stories are a natural medium to show the company's good deeds, as they are more believable and memorable than corporate plans and annual reports (Dowling, 2006). Storytelling is a method that companies might use to increase their brand recollection and to strengthen their reputation. It has also been proved that there exists a strong relation between the building of engagement through storytelling and reputation (Gill, 2011). Hence, it is a phenomenon where narratives are used as an effective form of communicating with individuals and groups (Kearney, 2002). The stories can add value in a way that statistics alone cannot achieve due to the personal components of a story, which can add extra understandings and connections (Hansen, 2008).

The communication strategy tells a story about the company that reflects the company's position to impress the customer about what she is good at. But, companies who use storytelling must choose the content of the message very carefully: a content that can help build their reputation. These stories can further improve trust and support for the corporation, as they explain its mission and morality (Dowling, 2006).

Furthermore, a corporation's storytelling expresses for example how the corporation has been affected by events, as certain events can affect the balance of the corporation, and

storytelling can be used to explain how the company successfully restored balance. Stories can provide consumers with knowledge about the company, in a way that not just states the facts about a product, but moving away from traditional way to communicate information (Dowling, 2006).

In contrast to corporate stories, stories told by customers can show how consumers can utilize the same product in different ways (Jean Conti, 2006). The importance of customer stories is, that it tells potential customers how others have benefited from using the product. They explain to potential buyers the diverse offerings they can get in a more personal way. This can increase sales and be considered as a win-win situation (Shaw, 2012).

Storytelling, when properly used, can increase the power of the corporation through different aspects like sales, relationship building and branding. Further, it can enhance the customer and corporation connection, as well as increase customer values through self-interpretation, which in turn results in satisfaction (Huang, 2014). For a corporation's reputation story to be successful, it is essential that the brands mission, morality and behavior are aligned. The stories must have some truth in them (Dowling, 2006).

1.2.2 Building a Successful Story

According to Huang (2014), nowadays the traditional ways of B2B communication fail to build a strong brand as the emotional bond and symbolic strategies do (Dowling, 2006). Advertisements and journals are no longer used as a primary channel to tell the company's story. Instead, social media and crowdsourcing channels are becoming a more popular form of communication (Hemsley, 2016). Storytelling fits in well with these new channels such as using augmented reality to increase the stories

and make them more real (Hemsley, 2016). A successful story might cause stakeholders to perceive the company as more authentic, sincere and likeable. This in turn might affect the company's overall reputation in a positive way (Dowling, 2006). Moreover, as mentioned by Hemsley (2016), stories need to be authentic, contain special events and be credible to give the target audience reason to believe in it. A good story can change the customer's perception and make people take action (Woodside, Sood, & Miller, 2008).

Nonetheless, storytelling is considered to be a non-media content creation, as its purpose is not only to make a profit, but to attract and retain customers. Thus, organizations are keen to hire journalists and editors, who have a strong storytelling background. They have the ability to fine tune the content and create an aligned story for the customer (Pulizzi, 2012). Notable, the way a customer perceives a company is subjective and might be affected by the so called 'Halo effect'. That means, the customer interprets the company as better than it actually is, and being more forgiving to its flaws or mistakes (Kapferer, 2012).

1.2.3. Effect of Storytelling on Customer Perception

Mancuso and Stuth (2014) have argued that 80% of user generated content on social media was a result of a consumer's immediate experience with the product or service. Rise of snapchat and other channels is already showing this shift (Baer, 2016). Consumers tell more about themselves in the stories making them more narrative and thus also helping the company. As discussed previously, storytelling makes people take action, but it also helps companies understand the consumer's psychology. Consumers usually tend to think narratively instead of argumentatively. Clarity and repeating the company's stories can help in

achieving more recognition. It was also proven, that stories which encourage consumer action with the brand helped achieve a deeper level of consumer satisfaction and level of sense (Mancuso & Stuth, 2014).

Consumers relate stories to themselves by assigning roles and actions, and thus creating a better relationship with the brand (Woodside, Sood, & Miller, 2008). The story's effect can touch the consumer implicit in their emotions and explicit in their actions, making them more aware of the brand (Woodside, 2010). According to Trappe (2014), people always want to relate to real people, who they trust and believe.

Narratives for future performances of companies in young market could increase reputation where they have very few opportunities to build it (Thanning Vendelø, 1998). And so, to build a successful story, first the company needs to show not only what it can do but also showing them that you know what you are doing and that there is knowledge and more behind this product. Customers are not interested in promises and excellence commitments that cannot be achieved. They rather want to know what the company truly knows. Secondly, visuals should be used because the human brain can remember, recall and react better to what they see, than what they read. A study showed that a story triggers same area in our brain, than when a person experiences an event (Marzec, 2015; Trappe, 2014; Odell, 2016). Third, when creating a story, it needs to be authentic and relate to customer's business goals to help solve their problems and build trust (Trappe, 2014). Finally, less is more when creating a story; one should include less unnecessary details and more essential ones (Odell, 2016).

Having looked at the literature, it is clear that nowadays storytelling is a crucial part of every corporate marketing strategy, however, the content of the story has always been generated by the corporate relating to its history and products with no given attention to the end user experience. Therefore, the aim of this paper is to investigate the generating of stories using the consumer's experience with the product and its effect on building or enhancing the corporate reputation, when using storytelling as a main marketing strategy. The proposed research question is: How the use of the customer stories can help build a company's trust and reputation in a B2B environment?

2. Methodology

Because this research is of exploratory nature, aiming to gain knowledge and understanding of a phenomenon which has not been studied before, an inductive approach needed to be used (Eisenhardt, 1989; Yin 1994, Ghauri & Grønhaug, 2005). The research design is of qualitative nature as this approach allows openness and flexibility. Moreover, it allows "new or unanticipated issues to be explored rather than using a fixed or standardized research protocol" (Green & Thorogood 2004, cited in Draper 2004). The researchers' aim was to study successful business-to-business organization's marketing communications and identify, if storytelling could help build a company's trust and reputation.

In social sciences, management, business and organizational studies (Yin, 1994; Daymon & Holloway 2012) case study research is often used. The case study approach is relevant for this topic as it consists of "multiple sources and multiple viewpoints, provides a holistic view of relationships and connections, and are useful for theory building and testing" (Daymon & Holloway 2002). For this purpose, an

instrumental case study approach was chosen. The researchers decided for this, because it provides insights into an issue or phenomenon and can provide generalizations (Langley & Royer, 2006; Hutchinson et al., 2006). Instrumental case studies can further aid in theory building (Eisenhardt, 1989; Yin 2003), theory testing (Yin, 2003) or understanding different realities (Lincoln & Cuba, 1994). Thus, this research is based on an in-depth case study of SAP, a German software company.

Further, Mayring's (2002) approach to qualitative content analysis was adopted. This approach uses a system of categories which allows a "systematic, theory-guided approach to text analysis" (cited in, Kohlbacher 2006, p. 12). Materials used for qualitative content analysis, according to Mayring (2002), can be "any kind of recorded communication, i.e. transcripts, of interviews/discourse, protocols of observation, video tapes, written documents in general etc. (p. 26, cited in Kohlbacher 2006). In this study relevant company information, such as advertising of SAP was analysed.

Additionally, in-depth interviews can provide further information needed for this inductive and exploratory research study (Palmer & Quinn, 2005, 2007). For this research it was decided to conduct two interviews. One with the former CEO of the advertising agency Hilanders, Ulf Strömqvist, who has worked with many different B2B companies in Sweden and the second with Judith Magyar, director for strategic content development at SAP. Both interviews were chosen, because the researchers thought that they would be able to provide insights into the experiences and views of the interviewees on the research topic (Turner, 2011).

Ulf Strömquist was chosen, because it was thought that interviewing him could provide insights into how storytelling is used by different B2B companies. Further, because of his background in advertising and marketing, his experience could give the research more depth.

Judith Magyar was thought to be a good choice because she is a member of SAP's global content team and is responsible for developing as well as producing corporate content using a disruptive, digital approach to Communication. The reason for choosing to do an interview with her was, that being on the global content she could provide in-depth information about how SAP uses storytelling as well as produces the content. Further, it adds to the content analysis of of SAP. In order to analyse the data the interviews were recorded and then transcribed.

3. Analysis and Discussion

3.1 About SAP

SAP, a German software company, is the market leader in enterprise applications. It has a 44-year history of success and has built a track record of innovation over time (SAP, 2016). SAP has been motivated by the same pioneering spirit which has inspired its founders to constantly transform the IT industry (SAP, 2016). In 1975 SAP's trademark began to emerge – which is integrating all of the company's applications into one system. Making the working processes of companies easier. Their mission is to help the world run better and improve people's lives (SAP, 2016), which is apparent in their marketing communications.

3.2 About Ulf Strömquist - Hilanders

Hilanders, a Swedish advertising company, was for several years one of the leading

advertising agencies in Sweden. It was founded in 1995 by Ulf Strömquist together with Lars Hilton and Anders Engström. Hilanders received several prizes, such as 100-wattaren, Cannes Lions and the prize for Sweden's number one advertising agency by Resumés. In 2008 the agency was sold, but Strömquist, who had been operating as the CEO, did not leave this position until 2011. During his time at Hilanders he was involved in several B2B marketing campaigns. Strömquist has remarkable experience in this field, but today he is no longer active in the business.

4. Findings

New technology and media channels, as well as a change in customer behaviour, as identified by SAP, forces companies to rethink their marketing mix. *“Every company, industry, is trying to use storytelling. The question is which is the best approach. Also, a lot of companies would like to use storytelling, but do not know how to start”* (Magyar, 2016). This was apparent at the European Communications Director Summit in Brussels 2016, where Mrs Magyar held a breakout session on the topic of storytelling and SAP's approach. Many communication professionals attended the session and wanted to learn more about storytelling (Magyar, 2016; Communications Director, 2016a).

4.1 Using Customers as Part of Marketing Campaigns

SAP has been using the marketing campaign 'Run Better' for many years. It is a pure marketing based campaign to generate sales. In 2012 SAP introduced a new campaign "RUN like never before" and with this campaign SAP took a business-to-customer (B2C) approach for a B2B marketing campaign (Dostal, 2012; Maddox, 2012). This campaign focused more on the person that used the solution than trying

to reach the business as a whole. What is unique about the Run campaign is its close link to SAP's reference program, meaning customers that are using SAP solutions, are able and willing to speak on behalf of SAP. These reference customers can be used in other communications too, or are invited to speak at SAP events. The reason for this is that potential customers can see which companies are using SAP solutions and how this has helped them run their business better (Magyar, 2016). This makes the communication more credible, as it is not SAP promoting its solution but a customer, who is satisfied with the product. Not only SAP uses reference customers, the interview with Strömqvist has shown similar results. When using customer references in marketing, it creates a higher trustworthiness and authenticity than if the company itself communicates the same facts to the customers (Strömqvist, 2016).

Another aspect concerning the authenticity, according to Strömqvist (2016), is the fact that the customer references should not be paid for, for being part of the marketing campaign, in order for it to be really apprehended as true. He further explains that in B2B affairs, that sometimes might be quite big, it actually happens that potential customers contact the references to ask more questions. It is therefore important to have references who the company trust, that stick to the story told in the marketing in other situations as well (Strömqvist, 2016). Further, the number of references used in a campaign, according to Strömqvist (2016), depends on what kind of company is doing the campaign and its budget. For a bigger company with a bigger budget usually 10-12 references per campaign were used at Hilanders. Smaller companies had neither the resources nor opportunity to use as many; they usually ended up with half-a-dozen instead. Strömqvist stressed that when using customer references

for marketing purposes, it is important that the references are representatively selected, so there is a consensus in their way of apprehending the company. Moreover, Strömqvist (2016) argues that when only one or two 'Happy Users' exists, these should not be used as customer references, due to the fact that the small number would increase the suspicions of potential customers, rather than create trust.

While working at Hilanders, Strömqvist said that the main goal with the use of customer references was to start building a relation and creating interest about the brand among potential customers. Their experience was that this was necessary, to successfully communicate the more rational facts about the product later. Strömqvist argued that even in B2B the decisions were taken by humans and that the emotional interest created a door to more rational facts (Strömqvist, 2016). This links to why SAP started the Run campaign. The reason being to 'humanize' the brand, because for them, being a technology company, it was difficult to communicate and make customers understand their products. The campaign was created together with the changing of SAP as a whole. They realized that SAP had to move from a very traditional, closed and conservative company to an open, innovative and accessible one (Quint, n.d.). This change process was built on SAP's "five pillars of transformation"; humanize the brand, develop pull marketing, simplify marketing, tighten links to business and invest in people (SAP, 2016; Quint, n.d.). A company's communication, according to Strömqvist, must be based on the company's brand platform. The philosophy at Hilanders was to always build a fundament, containing aspects such as strategy, core values and value propositions, on which the company's communication was then based on. Through experience Strömqvist has noticed that less successful marketing campaigns,

usually within smaller companies, were based on poorly formulated brand platforms. A clear view of what the company wants to communicate is key (Strömqvist, 2016).

SAP has a similar view on this topic, so as part of SAP's marketing strategy a few years ago, they started to use more and more stories of their customer's to explain their solutions. SAP changed its approach from a traditional marketing approach, where product information was created and pushed out through the various channels, to a more customer focused one. This was part of the whole business transformation of SAP. Stories were now told about how their solutions can improve businesses, and how it can help people run their business better and more efficiently (Magyar, 2016). Telling stories helped SAP change the perception people had of SAP. It made it easier for "normal people", who do not understand all the technical aspects, to see how SAP solutions can improve their lives (Magyar, 2016). Further, it did not only help customers understand the products better but also employees who themselves did not understand how the solutions worked. Thinking about telling the human part of the stories is how SAP started to tell stories from the customer's problems point of view. Showing how they solve some of their problems as well as problems of their customers and how they produce better services that allows people to work better and to live better. According to Magyar (2016), one needs to *"tell it [story] in a way that gets people excited or concerned or that they understand [...] what the impact of technology has on their lives. That's the way we started doing it and we are just learning to do this. It is not so simple."* (Magyar, 2016 l. 114-116).

4.2 Channels

Strömqvist (2016) refers to a company's marketing mix and the choice of channels used as something that depends on the kind of business but most of all on the company's budget. At Hilanders, generally bigger companies with a larger budget to spend on marketing tended to use a broader marketing mix, containing several different channels for communication. For SAP, the social media-channels are very important for communicating their message. They use both their own branded channels and others, such as Facebook, Twitter, YouTube and Google+. There has been a move to use a larger amount of video-material and they try to reduce the printed content. Working with video is very beneficial as the story can be told in a very compelling, interesting and graphic way. Despite the fact that it is exciting to work with videos, it is also very expensive. Writing a story is easy and does not cost anything, but producing a video and getting it to the audience is a challenge (Magyar, 2016; SAP, 2016). Strömqvist (2016) agrees with this, arguing that moving material, such as videos, are great for creating feelings and emotions.

SAP uses a multi-channel approach, to get their story out, by using video as well as social media, print or infographics to explain their product and the complex topic of technology. Magyar (2016) has argued that *"soon, 80% of the world's internet traffic will be video. That's because the average human attention span has deteriorated to eight seconds, and most people tend to multitask while consuming information"* (Communication Director, 2015, no l. number). Therefore, it is crucial to find interesting ways to tell the story. SAP realized that the traditional marketing approach used so far did not work any more, especially with millennials, as they are more social minded and worry more about the future (Magyar, 2016; SAP, 2016). Further, one needs to consider how stories need

to be positioned and communicated, because saying “we have a great product” does not work any more (Magyar, 2016).

One challenge SAP is facing, as other companies do too, is how to manage the vast amount of content generated. Firms need to figure out who their audience are and how they can reach them. Therefore, one can often use the same content for different purposes. So, SAP realized that instead of producing different content for internal and external channels, they can create one story and then position it differently for employees and customers (Magyar, 2016). This way the amount of content produced can be reduced and used more purposefully.

To cope with this challenge, a separate content team was created just for storytelling purposes. This team develops the stories and then positions them in different channels. This is more efficient, and one can make better use of the content (Magyar, 2016).

4.3 Benefits and Examples of Storytelling

At Hilanders, they measured the outcome of every marketing campaign, for example brand awareness and acceptance, and it was well ensured that the communication was successful. Marketing campaigns based on customer references could create strong emotions and they saw a correlation between performed marketing campaigns and brand reputation. Their clients actual market share was of course affected by other aspects as well, and not just by the advertisement, and to be able to produce and evaluate good campaigns they always had to look at every company’s individual preconditions (Strömquist, 2016).

Based upon experience, Strömquist (2016) argues that when a company uses customer references, the references can help strengthen

the company’s reputation. This in turn can result in a so called ‘Halo effect’, meaning that the customers perceive the company as something bigger and better than it actually is. The effect can, as Strömquist (2016) explains, be the other way around and result in negative associations, if the customer reference has a bad reputation.

For SAP the benefits of campaign and storytelling are huge. The Run campaign alone had a huge impact on the general public. Seeing the posters around airports, bus stops and other places, affected people and increased awareness (Magyar, 2016). Another benefit of the campaign was, and still is, the huge social media push it creates. One example is a campaign done with a customer from Brazil, where the video was created and distributed through the branded channels developed for the campaign in Brazil. This was a huge success and received huge coverage. Had SAP published the video just in their own channels it would not have received such a huge coverage. This shows how crucial it is to work with partners, like agencies, to get the stories out to consumers (Magyar, 2016).

SAP has one overarching theme for their marketing and communications campaign, namely Run. It started with Run, followed by Run Better, Run Simple and now the newest one is Run Live. This shows that SAP is very consistent in its communication to customers, which makes it easy to recognize and recall after seeing it (SAP, 2016, Magyar, 2016). However, every campaign uses different customer’s to tell the story. This is in line with Strömquist (2016), who argues that a company cannot use too many customer references, if it does several campaigns based upon the same successful communication theme. For the marketing of Sydkraft, which they did at Hilanders, the same customer reference theme

was used for several years, with new customer references in every unique campaign. This resulted in a big reference base, that showed the consistency in the work of Sydkraft.

5. Discussion

5.1 Reputation

As discussed in the literature review a company's reputation might be used as a way of signaling the quality of the products or services, especially in situations where the customers are not and cannot be fully informed about all the assets of the product or service (Weigelt & Camerer, 1988). This was evident in the findings as this was one of the reasons for SAP to start the Run campaign and use storytelling. Telling stories from a customer's perspective allowed them to 'humanize' the brand. For a technology company, it was especially difficult to communicate and make customers understand their products. With the Run campaign and others, which use storytelling, SAP was able to build its reputation and credibility (SAP, 2016; Magyar, 2016) in a way that were easy and understandable for customers.

Further, as Dowling (2006) has argued, the use of narrative communication, such as explaining the behavior of the company through their mission and morality, will help build an emotional bond with stakeholders. This in turn will help build trust to better understand and appreciate the corporate and social responsibility. This is also clearly visible in the research findings, where the usage of customer's stories as part of the marketing campaign, created higher trustworthiness and authenticity than if the company itself communicates the same facts to the customers (Strömqvist, 2016). This in turn helps strengthen the corporation's reputation. Moreover, telling stories helped SAP change

the perception people had of them. It made it easier for normal people, who do not understand all the technical aspects, to see how SAP solutions can improve their lives (Magyar, 2016), and thereby increasing their reputation again.

5.2 Track record

By communicating through customers, companies can also show their track record, as explained earlier is a company's demonstrated performance (Urde, 2007). This can be seen in SAP, who in a 44-year history of success has been able to build a track record of innovation over time (SAP, 2016). SAP has been motivated by the same pioneering spirit which has inspired its founders to constantly transform the IT industry and is still doing so today (SAP, 2016). Further, Strömqvist (2016) argued that a big base of customer references is a way for the company to show its consistency in the delivering of its value proposition. Showing the track record through customer references, as they are regarded more trustworthy, is a way for a company to show in an authentic way what they actually can and its products perform.

5.3 Storytelling

Storytelling is a method that companies might use to increase their brand recollection and to strengthen their brand reputation. There exists a strong relation between the building of engagement through storytelling and reputation (Gill, 2011). At Hilanders, the outcome of every marketing campaign was measured, for example based on brand awareness and acceptance, and it was ensured that the communication was successful. Marketing campaigns using storytelling based on customer references can create strong emotions and they saw a correlation between performed marketing campaigns and brand reputation,

which goes in line with the findings of Gill (2011).

Further, the stories can add value in a way that statistics alone cannot achieve, due to the personal components in a story, which can add extra understandings and connections (Hansen, 2008). Strömquist argued that even in B2B decisions were taken by people and that the emotional interest created a door to the more rational facts (Strömquist, 2016), why the added value by stories are important. This was also the case for SAP, as their marketing campaigns, which incorporated storytelling, helped create knowledge and awareness by humanizing the brand, in a way that their earlier more rational marketing could not achieve.

Earlier research have shown that companies, who use storytelling, must choose the content of its message very carefully, in order for it to help build their reputation. These stories can also help improve trust and support for the corporation, as they explain its mission and morality (Dowling, 2006). As video material is considered expensive, SAP found a way to use the same stories and the same material both external and internal. This enabled a reduced amount of content produced and it was able to be used in a more purposefully way (Magyar, 2016). Using the same stories both external and internal is seen building a more coherent reputation, as it conjoin the internal and external view.

Further, stories told by the customer can show how they utilize the same product in different ways (Jean Conti, 2006). The importance of customer stories is that it tells potential customers how others have benefited from using the product (Shaw, 2012). The reason for this is that potential customers can see which companies are using SAP solutions and how this has helped them run their business better

(Magyar, 2016). This makes the communication more credible, as it is not SAP promoting its solution but a customer, who is satisfied with the product. Strömquist (2016) agrees upon this, meaning that when using customer references in marketing, it creates a higher trustworthiness and authenticity than if the company itself communicates the same facts to the customers. Successful storytelling might cause stakeholders to perceive the company as more authentic, sincere and likeable, which in turn might affect the overall reputation in a positive way (Dowling, 2006). This is also in line with the findings where Communication Director (2016a) argues that, “you want the narrative to be an authentic, informed and humanised story about the company. You also want it to be consistent and relevant for a good while. So you need to know what you’re talking about; have a holistic view” (Communication Director, 2016b). Thus, there is a consistent view that customer references makes the communication more authentic, which has positive outcomes on the company’s reputation.

5.4 New theme

One aspect that emerged from the research findings and was mentioned in the literature review was that, visuals should be used more, because the human brain can remember, recall and react better to what they see, than what they read. A study showed that a story triggers same area in our brain, than when a person experiences an event (Marzec, 2015; Trappe, 2014; Odell, 2016). The interview findings showed that there has been a move to use a larger amount of video-material and to try to reduce print content, even though, as Strömquist (2016) explains, it is important that the used channels fit the kind of business. Working with video is very beneficial as the story can be told in a very compelling,

interesting and graphic way (Magyar, 2016). Strömqvist (2016) agrees with this, arguing that moving material, such as videos, are great for creating feelings and emotions. But, as Magyar (2016) explains, writing a story is easy and does not cost anything, but producing a video and getting it to the audience is a challenge.

5.5 Create Feelings of Importance

Additionally, generally bigger companies with a larger amount of money to spend on marketing tended to use a broader marketing mix, containing several different channels for communication (Strömqvist, 2016). Similarly SAP uses a multi-channel approach, to get their story out, by using video as well as social media, print or infographics to explain their product and the complex topic of technology. Magyar (2016), has argued that *“soon, 80% of the world’s internet traffic will be video. That is because the average human attention span has deteriorated to eight seconds, and most people tend to multitask while consuming information”* (Communication Director, 2015, no 1. number). Therefore, it is crucial to find interesting ways to tell the story.

Social media-channels are a very important tool for SAP to communicate their message. Both their own branded channels and others, such as Facebook, Twitter, YouTube and Google+, are used to distribute stories to consumers. But what is crucial in good storytelling is having a good social media program in place, as these two go hand-in-hand (Magyar, 2016). If you do not have a good story you will never have a good social media program and if you do have a good story and you do not have a good social media program, then what is the point of a story when no one is hearing it or reading it (Magyar, 2016).

Finally, there has been little discussion in the already existing literature on who should be

used as a references customer. Strömqvist (2016) argues that the customer reference has a big impact on the company and its reputation, since they will share their reputation with each other. For example, when using a well-known customer as reference, the company might create an enlarged feeling of importance.

6. Conclusion

Storytelling as a way to communicate is not a new phenomenon. There is a common understanding, that storytelling is a good way of creating brand awareness. Further, the usage of customer references in a company’s marketing is not something new either. Communication via customer references is regarded as trustworthy and more authentic. Our findings agree with this point and strengthen these arguments. But it is further suggested, that using customer references as an essential part of the storytelling is a newer, less understood phenomena. Our findings are a contribution to the growing demand of understanding this subject.

When combining customer references with the company’s storytelling, it is not only a more authentic and trustworthy communication, compared to having the company tell the same story, but it is also a proof of the company’s track record. Our analysis suggest that marketing campaigns, that include customer references and are based upon the same advertising theme, shows a company’s consistency and credibility in delivering its value proposition, which in length strengthen the brand reputation.

Earlier research have already shown that companies using storytelling must carefully choose the content of its message, to help build their reputation. When customer references are used for storytelling purposes, our findings show that the company must choose their

customer references in a careful way. Further, the message must also be told in an exciting way in order to catch the audience's attention, and choosing the right channels are crucial. A multi-media approach today is widely used, but our findings suggest a move toward more moving material such as video. This is due to its ability to create feelings and emotions.

A coherent theme in all our empirical material was that the marketing must evoke emotions and make it easy for customers to understand the brand, before any rational fact-based arguments are involved. It also argues that the base of all communication should lie in the brand platform, and by doing so, the customer reference-storytelling approach is a good way for a company to create attention and build reputation.

7. Limitations and Recommendation for Future Research

This research has some limitations due to its exploratory nature and the short period of time within it has been conducted. Only one in-depth case study and two interviews were done. Although, both provide in-depth information on the current phenomenon of using customer references in storytelling, more research should be done in the topic and how it can help build a company's reputation.

As the nature of research conducted was of qualitative nature, it brings some limitation of its own. One being that the interpretations of the content rely very much on the researcher's view of interpretation, thus questioning its validity and reliability (Lincoln & Guba, 1985; Bryman, 2010). Further, subjective, replicability, generalisability and lack of transparency are some of the most common issues of qualitative research (cited in Daymon & Holloway, 2011). All these aspects need to be taken into account, thus to mitigate the

limitations of this research, more research needs to be conducted with B2B companies within the discussed topic.

References

- Baer, J. (2016). Why Brand Stories Must Move From Fiction to Nonfiction. Available Online: <http://www.convinceandconvert.com/content-marketing/why-brand-stories-must-move-from-fiction-to-nonfiction/> [Accessed 05 October 2016]
- Brown, T., Dacin, P., Pratt, M & Whetten, D. (2006). Identity, Intended Image, Construed Image, and Reputation: An Interdisciplinary Framework and Suggested Terminology. *Journal of the Academy of Marketing Science*, vol. 34, no. 2, pp. 99-106.
- Communication Director, (2015). Broadcast journalism meets corporate communications. Available Online: http://www.communication-director.com/issues/broadcast-journalism-meets-corporate-communications#.V_zDv-iLShc [Accessed 05 October 2016]
- Communication Director, (2016a). We need to tell stories differently. Available Online: http://www.communication-director.com/issues/we-need-tell-stories-differently#.V_zF4eiLShc [Accessed 05 October 2016]
- Communication Director, (2016b). Authentic, informed and humanised. Available Online: http://www.communication-director.com/issues/authentic-informed-and-humanised#.V_zJM-iLShc [Accessed 06 October 2016]
- Campbell, D. (1975). Degrees of freedom and the case study. *Comparative Political Studies*, vol 8, pp. 178-185.
- Daymon, C. & Holloway, I. (2002). *Qualitative Research Methods in Public Relations and Marketing Communications*. Routledge, Florence, KY, USA. <http://site.ebrary.com/lib/qmuc/reader.action?docID=5004294&ppg=111>
- Dostal, E. (2012). SAP takes b-to-c approach to b-to-b marketing campaign. Available Online:

- <http://www.dmnews.com/digital-marketing/sap-takes-b-to-c-approach-to-b-to-b-marketing-campaign/article/236956/> [Accessed 05 October 2016]
- Dowling, G.R. (2006). Communicating corporate reputation through stories. *California Management Review*, vol. 49, no. 1, pp.82–100.
- Eisenhardt, K.M. (1989). Building Theories from case study research. *Academy of Management Review*, vol. 14, pp. 532-50.
- Fombrun, C. (1996). Reputation: Realising Value from the Corporate Image. Harvard Business School Press, Harvard, MA.
- Ghauri, P.N. & Grønhaug, K. (2005). Research Methods in Business Studies: A Practical Guide, 3rd, ed., Prentice Hall, London.
- Gill, R. (2011). An integrative review of storytelling: Using corporate stories to strengthen employee engagement and internal and external reputation. *PRISM* 8 (1): <http://www.prismjournal.org/homepage.html> [Accessed 02 October 2016]
- Green, J., & Thorogood, N. (2004), cited in Draper, A. (2004), Workshop on ‘Developing qualitative research method skills: analysing and applying your results’ The principles and application of qualitative research. *Proceedings of the Nutrition Society*, no 63, pp. 641–646
- Guba, E.G., & Lincoln, Y.S. (1994). “Competing paradigms in qualitative research”. In N. K. Denzin & Y. S. Lincoln (Eds.), *Handbook of qualitative research*, pp. 105-117. London: Sage. G.
- Halaweh, M. (2012). Integration of grounded theory and case study: An exemplary application from e-Commerce security perception research. *Journal of information technology theory and application*, vol. 13, no. 1, pp.31-51. Available online: <http://search.proquest.com/pqcentral/docview/1030118161/fulltextPDF/146EE8AA3A404F38PQ/1?accountid=12269> [Accessed 05 December 2016]
- Hansen, K. (2008). Organisational storytelling. *CPA Australia Exchange*, vol. 78, no. 5, pp.42-45.
- Hemsley, S. (2016). Why brand storytelling should be the foundation of a growth strategy, *Marketing Week* [e-journal]. Available Online: LUSEM Library website Eds.b.ebscohost.com [Accessed 05 October 2016]
- Huang, L. (2014). Storytelling as a Success Factor in Chinese B2B Marketing Communication. *International Journal of China Marketing*, vol. 4, no. 2, pp.50-53.
- Jean Conti, D. (2006). Marketing a company by telling customer stories: Real solutions for real problems. *Public relations Tactics*, pp. 22.
- Kapferer, J.N. (2012). *The new Strategic Brand Management*. Fifth edition. London: Kogan Page
- Kearney, R. (2002). On stories. London: Routledge.
- Kolbacher, F. (2006). The Use of Qualitative Content Analysis in Case Study Research. Forum: *Qualitative Social Research*. vol. 7, no. 1, pp.1-31. Available Online: <http://search.proquest.com/pqcentral/docview/869232470/9FF674E97CA74D01PQ/13?accountid=12269> [Accessed 01 October 2016]
- Langley, A. & Roye, I. (2006). Perspectives on Doing Case Study Research in Organizations. *Management*, vol. 9, no. 3, pp.81-94. Available Online: <http://search.proquest.com/pqcentral/docview/1021198365/9FF674E97CA74D01PQ/2?accountid=12269> [Accessed 30 September 2016]
- Maddox, K. (2012). SAP Rolls Out Global Ad Campaign. Available Online: <http://adage.com/article/btob/sap-rolls-global-ad-campaign/286190/> [Accessed 03 October 2016]
- Magyar, J. Interviewed by Magyar, L. & Lindh Nilsson, M. (2016-09-30).
- Mancuso, J. & Stuth, K. (2014). Storytelling and Marketing: The Perfect Pairing? *Marketing Insights*, pp.18.
- Marzec, M. (2015). Storytelling that works. *Journal of Smart business northern California*, pp.7.
- Mason, K., Jensen, T., Burton, S. & Roach, D. (2001). The Accuracy of Brand and Attribute

- Judgements: The Role of Information Relevance, Product Experience, and Attribute- Relationship Schemata, *Journal of the Academy of Marketing Science*, vol. 29, no. 3, pp.307-317
- Mayring, P. (2002). Einführung in die qualitative Sozialforschung, Eine Anleitung zu qualitativem Denken (5th ed.). Weinheim: Beltz.
- Mayring, P. (2003). Qualitative Inhaltsanalyse, Grundlagen und Techniken (8th ed.). Weinheim: Beltz, UTB.
- Money, K., Hillenbrand, C., Day, M. & Mangan, G. (2010). Exploring reputation of B2B partnerships: Extending the study of reputation from the perception of single firms to the perception of inter-firm partnerships. *Journal of Industrial Marketing Management*, vol. 39, pp.761-768.
- Odell, P. (2016). How to Unleash the Power of Storytelling in Marketing. *Promotional Marketing*, pp.1, Available Online: EBSCOhost. [Accessed 15 October 2016]
- Palmer, M. & Quinn, B. (2005). An explanatory Framework for analysing international retail learning, *International Review of Retail Distribution and Consumer research*, vol. 15, no. 11, pp.27-52.
- Palmer, M. & Quinn, B. (2007). The Nature of international Retail divestment: insights from Ahold", *International Marketing Review*, vol. 24, no. 1, pp.26-45.
- Pulizzi, J. (2012). The Rise of Storytelling as the New Marketing. *Springer Science+Business Media [e-journal]*. Accessed through LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 06 October 2016]
- Quint, M. (n.d). Run Marketing as a Business: The Transformation of SAP Marketing (Part II), Available Online: http://www8.gsb.columbia.edu/globalbrands/sites/globalbrands/files/images/Run_Marketing_as_a_Business_SAP_Case_Study_PartII.pdf [accessed 05 October 2016]
- Sequeira, N., Silva, R., Ramos, M. & Alwi, S. (2015). Measuring Corporate Reputation in B2B Markets: The Corporate Personality Adapted Scale. *Journal of Knowledge Management*, vol. 8, no. 3, pp.31-63
- Simões C., Singh J. & Perin M. (2015). Corporate brand expressions in business-to-business companies' websites: Evidence from Brazil and India. *Journal of Industrial Marketing Management*, vol. 51, pp.59-68
- Sinclair, J. (2005). The impact of stories. *The Electronic Journal of Knowledge Management*, vol 3, no. 1, pp.53-64
- Strömqvist, U. Interviewed by Lindh Nilsson, M. (2016-09-28).
- Trappe, C. (2014). Marketing through authentic storytelling. *Corridor Business Journal*, pp.19.
- Urde, M. (2007). Corporate Brands with a Heritage. *Journal of Brand Management*, vol. 15, no. 1, pp.4-19.
- Urde, M. (2009). Uncovering the corporate brand's core value. *Management Decision*, vol. 47, no. 4, pp.616-638
- Walsh, G., Beatty, S. & Holloway, B. (2015). Measuring client-based corporate reputation in B2B professional services: scale development and validation. *Journal of Services Marketing*, vol. 29, no. 3, pp.173-187.
- Walsham, G. (1995). Interpretive case studies in IS research: Nature and method. *European Journal of Information Systems*, vol. 4, no. 2, pp.74-81.
- Weigelt, K. & Camerer, C. (1988). Reputation and corporate strategy: A review of recent theory and applications. *Strategic Management Journal*, vol. 9, pp.443-454.
- Woodside, A., Sood, S. & Miller, K. (2008). When Consumers and Brands Talk: Storytelling Theory and Research in Psychology and Marketing. *Journal of Psychology and marketing*, vol. 25, no. 2, pp.97-103.
- Woodside, A. (2010). Brand-Consumer Storytelling Theory and Research: Introduction to a Psychology & Marketing Special Issue. *Journal of Psychology and marketing*, vol. 27, no. 6, pp.531.

Yin, R.K. (1994). Case Study Research (Applied Social Research Methods Series), 2nd ed., Thousand Oaks: Sage.

Yin, R.K., (2003a). Case study research, design and methods (3rd ed., vol. 5). Thousand Oaks: Sage.

Yin, R. K., (2003b). Applications of case study research (2nd ed., vol. 34). Thousand Oaks: Sage.