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**KAREN FOLEY:** Welcome back to the student hub live induction event for the Open University Law School and the Open University Business School. Well, we've been having a fantastic afternoon. I'm talking about all things relevant for new students to the Open University. We've been talking about what skills companies are looking for, following our career session that we just had. Which transitions us very nicely to looking at how some of us might impact on content. So this is our first business section discussion that we're going to do. We're going to look at communication and enterprise in this section.

So I'm joined by Hayder and Michael and Prithvi. And what we're going to do is explore the innovative ways that businesses are developing relationships and how they're building trust both with consumers and employees. So we're going to take a look at communication skills and why they're relevant. And also about whether this just relates to big businesses, or is it very important for small businesses?

Now some of you might have a genuine interest in this. Some of you might have a small business of your own. So any sort of contribution that you're going to make to the chat is going to be very, very relevant here. But we have some widgets that we'd like to know your thoughts on. We'd like to know whether or not you're personally interested in enterprise. This is because it might be something you're starting. I mean we know for example, we've had students here doing B327, LB170, B207, and of course, W101. So we've had lots of students from different pathways coming into this chat. But let us know if enterprise is something that you're personally interested in.

Also we'd like to know whether or not you have experiences of small businesses and the issues they face. Again, this might be from a personal perspective, maybe a friend of yours has got one, or it might be that you're studying it. And then we've also got a word cloud. So some of the issues for small businesses are. Now as you know, you need to put three things into these. Otherwise the results don't submit. So if you can only think of one or two, that's fine. Just put a full stop at the end of that.

So we have a range of different perspectives on this. And I wanted to just, Haider, with you first thinking about this idea about communication being important for securing, buying from

consumers. I mean is that that case? We know marketing is phenomenally influential in terms of the tactics. But where does communication fit into how influencing consumers to buy products?

**HAIDER ALI:** Yes, because the primary contact that consumers often have are the communications that organisations send out. And often people forget that these can be things like the contact they have with a salesperson, but also when they see a brand on a bus, that's communication. When they see advertising, when they see newspaper coverage, that's communication as well. So communication can take a whole plethora of ways. And these are often called in the jargon, "brand contact points." And they can happen everywhere and anywhere.

**KAREN FOLEY:** How coordinated are some of these communications? Do people think a lot about how maybe, briefing people in terms of what is on brand?

**HAIDER ALI:** Yes. And this is a very key area that we cover in a variety of OU courses, which has to do with what's referred to as integrated marketing communications. What communications work best when your public relations strategy says the same thing as your branding strategy, as your advertising campaign. And the issue here is, which is becoming more and more relevant to marketers, is that with the advent of digital media consumers can get into the act as it were and say their own thing. And managing that integration now is becoming ever more challenging for marketers because so many other people can have their say.

**KAREN FOLEY:** I used to work in marketing and we used to have all of these channels. And it was always a case of you've got your print channel, your digital channel. And we'd try and coordinate them. But nowadays because of, as you say, consumers having this input, things have to be a lot more streamlined. And so this whole idea of communication, which is a very, very soft skill and area can become really, really hard to incorporate, especially if there are changes that can be out of the organisation's control. What are some of the things that people need to manage in terms of trying to tie that in?

**HAIDER ALI:** Sure. Yeah, this issue of control is a really challenging one. Because the more a brand tries to control communications, sometimes the less authentic the message can appear to be. On the other hand, where consumers are taking part, they're putting together YouTube videos of themselves using a product, giving their opinions about it, and so on. You have a great rise in authenticity and credibility and engagement with a brand. But by the same definition, the brand is losing a bit of control over how the message is communicated. So it's a balancing act

between control and authenticity.

**KAREN FOLEY:** It's a tricky one. I remember when people started having Twitter accounts. And all of a sudden, you had this individual voice that could be a brand. And it was this whole thing of, don't talk to me like that Coca-Cola, because I know that you're a big multimedia organisation. So how can you have this individual voice? And it was this whole thing as people are trying to get this tailor-made way of incorporating this idea.

I wonder Prithvi, you're smiling about this idea. And I know that communications is very important in terms of the areas you wanted to cover as well. But what are some of the challenges you think and see in terms of how this communication is organised?

**PRITHVI**  
**SHRESTHA:** Thank you. I'm just going back to- I had this reference to a raft of communication channels that are used for advertising brands or marketing any product. As always, there are I think two channels basically. I mean external and internal. I mean internal, that is obviously within the company or within the organisation. But when it comes to external, I mean there can be any range of possibilities.

And going back to the digital ways of communicating, I think there are consumers or users of the product creating an image of that particular product. For example, in the reviews of a product. People often go there to see positive and negative things said about the product. Also, I mean whether you do it real time in terms of the communication with the users or it's not real time, asynchronous. Like advertising on the bus like Haider said earlier. Or it could be anywhere, even on Twitter. Or it could be Facebook. Or anywhere.

But I think it's really important to see how much, as a consumer or as a user of the product, how much truth there is as well. How much reliable that information is, I mean as part of understanding the communication involved about the product.

**KAREN FOLEY:** It's a very interesting thing. I mean we're talking about a number of things here. We're talking about the various channels that we've got for communication, the way that we can get these communications together. But there's also this issue that we started opening with and that I'd like to pick up on now, is about large organisations and small organisations. And this whole idea of enterprise and what we mean by that. Would you like to give us some sort of idea of a definition, Michael, maybe of how we might construct enterprise and this context?

**MICHAEL** Yes, thank you very much. The way we look at enterprise from two perspectives, both

**NGOASONG:** enterprise in terms of people being entrepreneurial or innovative within the organisation. But also enterprise in terms of the organisation itself. So that could be a commercial enterprise, that could be a social or not for profit enterprise. And that is important because the way an organisation defines itself in terms of how enterprising it is and in terms of what type of enterprise it is. It's important for the kind of message they're putting out to consumers.

**KAREN FOLEY:** So it's about how innovative, to some extent, that that organisation wants to be perceived, is it? As well as what people are doing within that organisation that may not be perceived as innovative. So there's two aspects going on here both internally within the company and then in terms of the image that is produced.

**MICHAEL**  
**NGOASONG:** Yes. And that is very important in relation to the point that Haider and Prithvi have been talking about in terms of communication. Because with the current world where people are looking for what information to trust, then that is very important for every enterprise in terms of how they are able to secure by internally within their staff. To make sure that everyone understands what information they're putting out, whether that information has been validated, and is substantiated enough to represent what the enterprise stands for. But also then, what sort of different channels that information has to go through to put through the kind of message that the enterprise wants?

**KAREN FOLEY:** Yeah. And is that this issue then with all of this being streamlined through, about credibility, about who to trust, and at what point? For organisations, I mean, Haider, I'm particularly thinking of examples around things like eBay and Amazon. And some of the ways that they're trying to have credibility so that they can assert that view on things that people may be talking about in different contexts, how they're controlling that communication channel.

**HAIDER ALI:** Yes, I mean this is a great one that we see more and more nowadays. Where consumers will often, when they go onto a site like Amazon or eBay, will look at the product, will look at the claims that the seller is making. But at the same time, they'll attach a great deal of value to what previous buyers are saying in terms of the stars that they're giving, in terms of their qualitative comments, and so on.

And more and more, the more sophisticated buyers are looking into the idea that if somebody has left a comment about a particular hotel, then that person leaving that comment, how many other hotels have they reviewed? Because this notion of fake news, which is in the news more and more these days, obviously clearly applies to marketing. And you've had so many cases in

the news recently where people who might have visited a particular hotel or restaurant, and only ever written one review and that's a really bad one, because they want to damage the reputation of the hotel or restaurant.

And those then business owners take up the issue with the relevant website. But also savvy consumers realise that if they want an honest opinion, they look at a range of different reviews and also look at how many other reviews has this reviewer written. And are they somebody who is really well-traveled or are they simply out there to cause mischief?

**KAREN FOLEY:** So there's this whole thing of credibility of source of the person, the rating, and the rank that that person will have in terms of how they're feeding back. But then also something like eBay and Amazon have a responsibility to control some of that and protect both sides, really.

**HAIDER ALI:** Yes, and you can see that people like, say TripAdvisor for example, have a lag between the time that you write the review and when it comes online. Because clearly somebody is vetting what is being said. And that there are other measures they have in place. Because what is really important in this issue is the credibility of the website itself. That if, for example, somebody like TripAdvisor or Bookings.com is seen as a repository for false information, then consumers, future consumers, will avoid it. So it's actually in their own self-interest to make sure that there is some policing taking place. Because otherwise, people will go elsewhere where they feel they can get more credible and honest opinions.

**KAREN FOLEY:** We've seen such an increase in this consumer-generated content from things like Wikipedia, to the way that we're reviewing things. It begs this question about the rank of experts I guess, in terms of who is doing that anymore. Now it seems like popular consensus has an awful lot of sway. Which can be very damaging to small businesses, especially if they've got issues that mean that things are out of their control.

I went to a cafe the other day for lunch. And it just changed hands. And it was somewhere I really used to love. They hadn't got an idea about the traffic and I had to wait 15 minutes for avocado on toast. But it was one of these things where you thought, gosh, if this small business- and I thought, if I didn't go on TripAdvisor, which I didn't. But you could really. Everyone was really unhappy waiting for their avocado and things.

And do you think that could have really crushed that small business? The issue was they just haven't sorted out how much bread and avocado to buy and how many waitresses and chefs they needed in the kitchen. So there was this difference I guess, for small businesses where

this voice of the consumer could really crush them at a very early stage.

**HAIDER ALI:**

Yeah. So there's a whole stream of literature and marketing referred to as service recovery, which deals with these issues. That often firms will have problems in terms of the service that they've provided and how can they best recover from this? And people have looked at such things as the organisation coming clean to the consumer and saying look, we have a problem, sorry. And admitting that the mistake has been made. Perhaps highlighting how they would make amends to the customer.

And research has sometimes found that people's opinions of an organisation can actually improve as a result of the service failure when the recovery process is actually well-managed. So especially when it comes to smaller organisations that you're referring to, people recognise that this is a small business, that they're not dealing with a large, multinational very developed and efficient processes for delivery. And so the fact that it's a small organisation can actually work in the businesses' favour, that people will perhaps be more forgiving when things go wrong.

**KAREN FOLEY:**

No, absolutely. Well, we asked you at home whether you had experiences of small businesses and the issues that they face. And this is what you had to say. So 54% said no, they don't. And the remainder of you said yes, you do. So some people are very aware of some of the things that are going on here.

But why is this relevant then in terms of this whole idea of the size of the enterprise, in terms of how they communicate? Is it right to say that there's a distinction? This is for small businesses, this matters for communication in small businesses, whereas this is more important for large enterprises.

**MICHAEL**

**NGOASONG:**

For small and medium-sized businesses, there are two things, two issues that we look at a lot in the research that we do. One is for a small business, then the manager is by him or herself. So you are the boss and sometimes you don't always have a team of people that you can bounce information from. So you have to make that decision at that managerial or management level. So that's the first thing.

Then the second thing then is the staff members. And so if you don't have a big management team, which means that you have to manage all this stuff as well in terms of how they digest and what information they are putting out there. That can affect the product and the service and the way consumers receive that, because many small businesses rely on their staff and

what information they are putting out there about the business.

So one of the interesting things from a small business perspective is do you need to keep growing the business to better respond to these issues? The other thing is it can be very costly for a small business because they don't have the huge amount of capital and scale like large businesses. So even to manage these different sources of information, even to be able to channel your information through as many sources as possible, it can be very costly.

So then small businesses have to think of innovative ways of communicating with customers within their means, more so than large organisations. So sometimes it depends on the scale of the operations, the extent to which the business manager is by itself, or if it's co-founded by three or four persons with complementary background. Then they have more opportunities to bounce information among themselves to understand what's going on in the outside world and bring that insight to help channel their consumer relationship better.

**KAREN FOLEY:** So it's about getting information in from the outside, and also an issue of resource. I mean this is one thing our students have been saying, as we asked what some of the issues even for small businesses are. And a lot of it was about competing against the big guys. And things like bookkeeping, resources, managing time, finding the right staff. So there are a lot of things that do seem to tap into this whole idea of money and other resources that are important.

**MICHAEL** Yes. Very, very true. And one of the thing we didn't ask small business is what do you do?

**NGOASONG:** How do you do in the face of all of these issues? And small businesses do a lot of things. And one of them in terms of competing with the big competitors is instead of looking at them as competitors, collaborate with them.

So for example, is small hotel or bed and breakfast talking to larger hotels about where they're sending their customers when they have overflows. And then that establishes a relationship where they have access to the large hotel's databases or external markets in channels, because they didn't position themselves to be that partner of choice when there are excess clients, especially during large events.

So instead of looking at those large businesses as competitors, you have some small businesses having a more innovative view and seeing what better ways of collaborating with them.

**KAREN FOLEY:** I mean innovation is one thing that is synonymous, I guess, with these small businesses and

enterprises. And Haider, I wonder if you could tell us about Kickstarter.com and some of the ways that these small businesses are being innovative.

**HAIDER ALI:** Yes, those sites Kickstarter, Indiegogo, and so on. You mentioned earlier about the crowds. And really this is a crowdfunding type of opportunity, where in the distant past- well, actually not so distant past, people who had to go to the bank or other angel investors if they wanted capital for their venture. But nowadays, you have small, new firms who go onto the internet, who give details of their product and what it can do to potential consumers, customers. And people can place orders for a product way before it's actually come onto the market. And those initial orders can then be used by their marketer, by the entrepreneur, to get the product into production and launch.

So you have the consumer now playing a role which historically they'd never played, which is actually a risk taker in the venture. And having been through that process myself as a consumer, you place your order- in this instance, it was a drone. And it's very interesting that as entrepreneurs and this personalised relationship that they can have with the customer, there was this endless stream of emails by this organisation telling me why my order was delayed.

And clearly it's a new venture, things are going wrong. But we talked earlier about service recovery. And the fact that they were in communication, they weren't hiding themselves, and not replying and so on. They were giving regular updates and also sending in photographs of them visiting the factories in China and showing how they'd gotten different types of approval and so on. It all kept the consumer engaged. And I personally as a customer, I never felt worried that something was going wrong.

**KAREN FOLEY:** So it's all about trust, really, for you. And the way that they were communicating to retain and keep your trust.

**MICHAEL  
NGOASONG:** Exactly. And being transparent and being up front. Saying look, there are delays, we have had problems. But the product you'll get to the end will be a better one than we originally conceived. And in the end, the product was delivered and it was really good.

**KAREN FOLEY:** Now you guys have all been very busy working on a lot of new modules. And I wonder if you can bring something in, in terms of some of the content that's in any one of those modules that you've been working on, that relates to this whole idea about the importance of communication in enterprise. Because there are lots of different facets, from level 1 right up to level 3 in the



business area that you've been working on.

Can you give students some sort of academic- and I'm putting you on the spot here, but you have been working very hard on them. [LAUGHING] And give students some idea about one of the things that you think is really exciting in this area that they might learn about in one of the modules.

**MICHAEL**

**NGOASONG:**

Well, I have been involved with B205, exploring enterprise and innovation. And B307, creating features, sustainable enterprise and innovation. And one of the interesting approach that we adopt in these modules is how do businesses think about societal problems and societal challenges even before they start undertaking business activities? As a way of making sure that they have to succeed as a business, but they also have to satisfy or contribute to addressing some of the associated challenges. That includes from dealing with social exclusion and marginalisation issues, climate change. Income generation, both for themselves, for their employees, and for the rest of the other stakeholders that they work with as well.

The other thing that we look at is this combination of being entrepreneurial and innovative at the same time, something which we call entrepreneurial innovation. Because businesses, whether they are for profit or not for profit, it's about creating some value. But you're also taking risk. There's also some risk as to whether you're going to secure in or buy into consumers and other stakeholders, and whether you are going to sustain the activities that you are doing.

So sustainability and ethics is very, very critical in this pathway as well. We look at different dimensions of sustainability, from financial sustainability, organisational sustainability, environmental sustainability, and so on. And then in terms of ethics, we teach small business managers and their employees how to understand the principles of ethics, but also how to develop character. And be as ethical as possible in the way they do business.

**KAREN FOLEY:**

Gosh, so morality in business. Yes, there's a lot going on there. But very important. And I think it's becoming increasingly important that employees and employers are able to demonstrate how they're both adding value to that whole mix instead of it just being one responsibility. Prithvi?

**PRITHVI**

We have a brand new module called LB170, communication skills for business and

**SHRESTHA:** management. And it does cover quite a wide range of topics within business and management and also the role of language in communication. Particularly when talking about the audience you're talking to or communicating with, the context you are communicating in, and also the purpose. These three things are key to communication. And we take students through how language changes as one of these things changes in the process of communication. We hope it'll be a really good place for students to learn about business communication.

**KAREN FOLEY:** Excellent. And Haider, you've already talked quite a lot about various examples, but is there anything that you can relate to a specific module?

**HAIDER ALI:** Yes. I've been chair of the certificate in management, particularly the B629 which deals with accounting and marketing. And in that particular module, we place a great deal of emphasis on using communications as a means of developing relationships with customers. So the idea is that marketers are not just interested in the one off sale, but rather developing a longer term relationship with the customer. Because so many studies have shown that market has really gained when customers keep coming back to them, rather than having to continuously chase after new customers because the existing ones don't want to come back.

**KAREN FOLEY:** Yeah, absolutely. So I guess just from that, we've seen how at a range of levels right from early days. And one studies from level one, level two, and further along the line. This whole issue of communication is really important. But from a variety of different perspectives, and I guess with a variety of different outcomes as well, both for the business enterprise and the consumer.

Prithvi, Michael, and Haider, thank you very much. It's been very interesting. I'm afraid that's all we've got time for right now. And we'll come back to the chat on the hot desk in a minute after we've see a short video, which is where I spoke to Owen Horne who is a senior producer about how he supports the faculty of business and law. Then we're going to have John and Tracy who are OU tutors. That means I have to have a biscuit, because we always have biscuits at tutorials. So I'll see you in five minutes for that session. Bye for now.

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