

## **The role of storytelling in co-creating a corporate brand with employees**

### **Purpose of paper**

This paper investigates the role of stories in corporate brand management, specifically how storytelling can enable the co-creation of a brand with employees.

### *Significance of corporate brand management*

Organizations are increasingly realizing the strategic importance of corporate branding. Corporate brand management is important to ensure that the reality of a brand experience lives up to brand communication and meets stakeholders' expectations. It is important to recognize that corporate brands cannot be solely controlled by managers. Instead, brands are co-created through interactions between an organization and its stakeholders, and stakeholders' experiences with the brand (Cooper, Schembri, & Miller, 2010; Hulberg, 2006; Iglesias & Bonet, 2012; Melewar, Gotsi, & Andriopoulos, 2012).

Corporate brand management needs to consider multiple stakeholders (Hawabhay, Abratt, & Peters, 2009; Iglesias & Bonet, 2012; Stuart & Jones, 2004). This paper focuses on an organization's internal stakeholders, as employees are directly affected by corporate branding activity and also influence other stakeholders' relationship with a corporate brand and the assignment of brand meaning (Abratt & Kleyn, 2012; Iglesias & Bonet, 2012). A key element of corporate brand management then is to ensure that employees are ready to deliver on the brand promise, both attitudinally and behaviorally. In particular, internal communication is important to build understanding and support for the brand (Abratt & Kleyn, 2012; Hawabhay et al. 2009; Iglesias & Bonet, 2012; Punjaisri, Wilson, & Evanschitzky, 2008).

### *Corporate stories in internal communication*

Stories are increasingly acknowledged to be important in corporate communication (including by Herskovitz & Crystal, 2010, Otubanjo, 2013, and van Riel & Fombrun, 2007). Previous studies indicate potential benefits of using stories as part of corporate brand management. Stories can help maintain employees' loyalty and engage employees with corporate brand values (de Chernatony, Cottam, & Segal-Horn, 2006; Gill, 2011). Stories offer opportunities for brand co-creation, as storytelling involves an active exchange between the storyteller and audience, and audiences can co-produce stories (Boje, 1991; Boje, Luhman, & Baack, 1999; Marzec, 2007). However, this has not been explored in the context of corporate brand co-creation with employees. Despite the potential benefits of stories, it is suggested that many leaders find storytelling "unfamiliar" or "uncomfortable" (Marshall & Adamic, 2010: 22). Researchers have subsequently been called to investigate to what extent stories are utilized effectively by managers (Dolan & Bao, 2012).

Based on these gaps in the literature, this study investigates the role of stories in co-creating a corporate brand with employees, in order to provide guidance for managers in the use of stories as part of corporate brand management.

### *Narrative theory approach to investigating stories*

Previous empirical studies have used narrative theory in investigating stories in internal and external corporate communication, including Boje (1991), Heugens (2002), O'Connor (2002), and Smith and Keyton (2001). Narrative theory focuses on examining and understanding the structure and content of stories (Stanzel, 1979/1984; Woodside,

2010). This offers potential insight into the role of stories in corporate brand co-creation, and narrative theory is therefore adopted as a theoretical approach in this study.

## **Methodology**

Case studies were conducted on two organizations in the UK energy industry. The research focused on the energy industry due to the poor brand image of many energy companies and the increasing focus on brand management in this industry (Joseph, 2013; Owens, 2013; Shakespeare, 2013). The case study organizations were selected from the six electricity and gas suppliers and seven distribution network operators (DNOs) who are the major companies in the industry (“Electricity distribution”, n.d.; “Networks”, n.d.). Case studies were subsequently conducted with one supplier and one DNO, referred to here as Energy One and PowerOn, involving semi-structured interviews, documentary research, and observation research. The study explored stories from the perspective of employees in the organizations, as employees are critical in delivering the brand and will impact external stakeholders’ brand experience.

### *Data collection and analysis*

69 interviews were conducted with employees in corporate, customer service, and operational areas of the organizations, in front line (non-managerial), middle manager, and senior manager roles. Interviewees were selected using a judgement sampling technique, to gain a range of perspectives on stories in the organizations. Interviewees were asked to recount stories they had told or heard within or about their organization. Interviewees were also asked how stories were conveyed in the organization and how stories affected them. 45 documents were collected in the documentary research, including nine company newspapers/magazines from the six months prior to the research.

Observations of communication materials around buildings were recorded at 16 locations.

In accordance with a narrative theory approach, the analysis involved identifying stories in the data, and investigating their structure and content, in order to understand how they played a role in brand co-creation. The stories identified were coded for key themes in their content, using an inductive approach to draw themes from the data itself. The stories were then grouped thematically, which allowed key types of stories to emerge from the data.

### **Findings**

228 stories were identified in the nine company newspapers/magazines and 271 stories in the interview data. These included official stories which had been conveyed through planned communication channels (including verbal, print, and digital channels) and unofficial stories which had been conveyed in unplanned communication. Unofficial stories tended to be shared verbally, and employees also posted stories to blogs and forums on the intranet. Employees were encouraged to share stories around some of the brand values, often in response to stories in planned communication or stories told by other employees. This varied however between the organizations and between different business areas. Employees often repeated official and unofficial stories to other organization members, and nine stories in the interview data were recounted by at least two interviewees.

The stories were analyzed thematically, based on the story content, and eight key themes emerged. These themes indicated the main types of story which were told in the organizations, specifically safety, service, history, cost-cutting/efficiency, performance,

community/charity, management, and team stories. The analysis showed that stories could be positive, negative, or neutral. Negative stories, unsurprisingly, were mainly evident in unofficial storytelling amongst employees, whereas official stories tended to be positive.

### **Theoretical implications**

The findings illustrate how stories play a key role in the co-creation of a corporate brand with employees. Official and unofficial stories about safety and service reinforced corporate brand values, and helped employees remember and understand the values. Positive stories about how the company had helped customers or communities encouraged emotional engagement with the corporate brand by positively influencing employees' feelings. These findings support the benefits of stories suggested in conceptual papers by Dowling (2006), Gill (2011), and Woodside (2010).

Stories also influenced brand delivery, by illustrating desirable and undesirable behavior by employees. Service stories celebrated positive behavior when interacting with customers, and were perceived to motivate employees to improve service delivery. Safety and performance stories were perceived to help employees learn from past problems and change their behavior to avoid problems in the future, as suggested by Chen (2012) and Dailey and Browning (2014).

However, negative stories were also evident in the organizations, such as stories about poor performance or customer service. These had a detrimental impact on the corporate brand by negatively influencing employees' feelings, and leading employees to assign conflicting or damaging meanings to the brand, as noted by Leitch and Motion (2007) and Merrilees and Miller (2009).

Employees acted as co-producers of corporate stories by reinterpreting and repeating stories to other organization members, which supports previous studies by Boje (1991) and Boje et al. (1999). This meant that stories spread beyond their initial audience, which widened the impact of stories on the corporate brand, both positive and negative.

Previous studies have questioned to what extent stories are understood and utilized in corporate communication, such as Barker and Gower (2010), Marshall and Adamic (2010), and Yang (2013). The findings in this study support the lack of appreciation for stories in organizations, particularly by middle and senior managers. This is concerning, as the findings also indicated that it was important for managers to tell official stories, and to encourage employees to share stories, in order to enhance the role of stories in corporate brand co-creation.

### **Practical implications**

The findings have implications for organizations in using stories as part of corporate brand management. Managers and corporate communication teams should use stories in planned communication, and should encourage employees to share their own stories.

However, the limited awareness of stories in the organizations indicates a need for organizations to train managers in the use of stories. Training should emphasize how stories can be used to reinforce the corporate brand values, increase brand engagement, and influence employees' behavior in delivering the brand.

It is also important for managers to track the stories that circulate within an organization, in order to determine whether stories shared by employees are likely to have a beneficial or detrimental impact on the corporate brand. Stories that undermine and conflict with

desired brand meaning indicate where there are problems within an organization that need to be addressed as part of corporate brand management.

### **Limitations**

This paper discusses the use of stories in co-creating a corporate brand with employees. However the data indicated that stories are also used in communication with external audiences. Further research should investigate the use of stories in external communication and their role in brand co-creation with other stakeholder groups. Corporate storytelling should also be explored in other industry and organizational contexts in order to increase the generalizability of the findings.

### **Originality/value**

The study provides insight into the role of stories in co-creating a corporate brand with employees, by reinforcing brand values, increasing engagement with the brand, and influencing brand delivery. The findings support previous studies with empirical evidence regarding the lack of appreciation for stories in corporate brand management. The findings also bring new insight into the types of story told within organizations, and their influence on employees. This has implications for corporate brand management by illustrating how stories can both reinforce and undermine desired corporate brand meaning.

### **Keywords**

Corporate brand, stories, narrative theory

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