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How institutional pressures influence corporate data-driven communication

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Track: Digital service communication

Introduction to the research problem

In 2018, Cambridge Analytica dominated news headlines. They harvested big data from the profiles of more than 87 million Facebook users (Hern, 2018), mapped their personality traits based on their likes and used that information to target them with 5.9 million visual ads (Poulsen, 2018) in the '2016 Donald J. Trump for President of the United States' campaign. Algorithms were developed to combine data from Facebook with other sources to create a superior dataset that contained hundreds of individual properties for each person which were used to construct messages and target people with highly personalised advertising. Cambridge Analytica may have influenced the outcome of the 2016 US presidential election (Cadwalladr & Graham-Harrison, 2018).

However, many communication professionals are not aware of the importance of big data and academics argue that communicators need to be conscious of the opportunities and challenges that working with big data will bring to organisations (Holtzhausen, 2016; Wiencierz, 2019; Wiesenberg, Zerfass, & Moreno, 2017). Despite the generally accepted importance of big data in corporate communication, academic research has mostly ignored its potential and challenges (Wiencierz, 2019; Wiencierz & Röttger, 2017; Wiesenberg et al., 2017). Organisations practicing corporate communication, either intentionally or unintentionally, do the same things as other organisations. Their communications tend to be different in detail than in practice (Fredriksson & Pallas, 2015). Like organisations, communicators do the same things because they are obliged to by *coercive*, *normative*, or *mimetic* institutional pressures — regulations, industry norms, or predominant beliefs (Frandsen & Johansen, 2013; Fredriksson & Pallas, 2015). This study examines the institutional pressures that influence data-driven communication in the corporate communication industry and attempts to answer the following research question: What elements of *coercive*, *normative* and *mimetic* institutional pressures influence corporate data-driven communication?

Literature review

Very little research exists on big data in corporate communication (Wiencierz & Röttger, 2017). Despite its generally acknowledged importance for organisations and their communications, academic research has mostly ignored the potential benefits and challenges big data can bring to strategic communication (Wiencierz, 2019; Wiencierz & Röttger, 2017; Wiesenberg et al., 2017). Wiencierz (2019) examined the potential of using social media analytics in personalised strategic communication and is the first study to include an ideal-typical application process model. Due to the complexity with using big data, communicators can only travel at a slow speed on the road towards corporate data-driven communication (Wiencierz, 2019). Wiesenberg, Zerfass and Moreno's (2017) first empirical study on big data in strategic communication is based on a quantitative survey by Zerfass et al. (2016). Based on their study's results, big data is seen by communicators as an overall function of management that has just reached the industry (Wiesenberg et al., 2017). In a systematic literature review on the use of big data in corporate communication, Wiencierz and Röttger (2017) found potential in applying big data to improve marketing communication but do not operationalize the use of big data in corporate communication (Wiencierz & Röttger, 2017).

Proposed theoretical framework/concepts

Neo-institutional theory has been identified by academics as a suitable theory for examining strategic communication (Frandsen & Johansen, 2009; Sandhu, 2009; Wiesenberget al., 2017) and serves as a useful theoretical framework in analysing how organisations use strategic communication to achieve their goals (Kjeldsen, 2013; Macfarlane, Barton-Sweeney, Woodard, & Greenhalgh, 2013; Wilbur, 2017). The theory is also known as Scott's (2008) Three Pillar framework and includes: (1) a *coercive* pillar, that focuses on how institutions constrain and regulate the behaviour of organisations by setting up laws and rules, and introducing monitoring and sanctioning activities; (2) a *normative* pillar, that focuses on *normative* rules which introduce prescriptive, evaluative or obligatory elements in an organisation's life; and (3) a *mimetic* pillar, that focuses on the organisation's shared view of reality and the events through which their perception is influenced (Frandsen & Johansen, 2013; Scott, 2008).

Discussion and implications

Three Pillar framework rejects the notion of formal organisations being rational and effective instruments in achieving specific goals (Frandsen & Johansen, 2013). Neo-institutional theory considers organisations as being actors who are not only searching for effectiveness but are also driven by the need for legitimacy (Deephouse & Suchman, 2008). Each of the institutional pillars provides a basis for an organisation's legitimacy in their environment (Frandsen & Johansen, 2013). This research is important because it examines the under-explored field of corporate data-driven communication by applying the neo-institutional theoretical framework.

Coercive institutional pressures may influence an organisation to behave in a certain manner and often exist when governments establish specific regulations that they must comply with (Dimaggio & Powell, 1983). These types of forces become obvious when powerful organisations force less powerful ones to comply with requests in order to receive legitimacy and its subsequent benefits (Edwards, Mason, & Washington, 2009). Being able to show stakeholders that regulations and norms are being followed provides a basis for their legitimacy and reputation (Fredriksson & Pallas, 2015).

Normative institutional pressures stipulate the morally or socially correct behaviour of organisations. They may create communication policies and strategies that organisations implement and adjust to (Fredriksson & Pallas, 2015). Pressure from over ninety civil rights organisations demanding morally correct behaviour influenced Facebook to establish a civil rights audit to ensure civil rights laws and principles are respected, embraced, and inform their work (Murphy, 2019). Based on the audit's recommendations, Facebook decided to update to their Community Standards policy and ban content related to white nationalism and separatism from social network products (Sandberg, 2019).

Mimetic institutional pressures may also influence organisations to imitate similar organisations to themselves due to uncertainty, a powerful force that exists within their environment. Uncertainty is created in situations where new technologies and advancements are poorly understood and goals are ambiguous (Dimaggio & Powell, 1983). Pressure created by ambiguous new communication technologies and advancements used by Cambridge Analytica may have influenced Facebook to announce the network can sway the outcome of political elections (Biddle, 2018).

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