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Selected aspects of corporate communication in furniture sector

Odabrani aspekti komunikacija u poduzećima drvnog sektora

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ABSTRACT • *This paper deals with three basic forms of corporate mission that can be used by firms in the branch of furniture production and trade. These three basic missions take into account different ways of human ecological considerations. Furniture companies should be highly ranked among those who use ideas of common responsibility, particularly those related to responsibility to nature, in communication with their target groups. Corporate communication is created for the communication with target groups. Corporate communication is a tool for strategic management. Corporate communication has its external aspect (promotion) and internal aspect.*

Key words: *corporate mission, corporate communication, mission in furniture production, promotion in furniture sector, internal communication*

SAŽETAK • *Rad obrađuje tri osnovna oblika naloga koji se mogu koristiti u poduzećima za proizvodnju i prodaju namještaja. Ta tri osnovna oblika naloga uzimaju u obzir različite načine humanoga ekološkog promišljanja. U komunikaciji sa svojim ciljnim skupinama poduzeća za proizvodnju namještaja trebala bi biti pozicionirana vrlo visoko među onima koji se koriste različitim idejama o skupnoj odgovornosti, posebice onoj za očuvanje okoliša. Komunikacija u poduzeću kreira se radi bolje komunikacije s ciljnim skupinama. Ta je komunikacija alat koji je potreban u području strateškog managementa, a dijeli se na vanjske (promocijske) i interne komunikacije.*

Ključne riječi: *nalog u poduzeću, komunikacija u poduzeću, nalog u proizvodnji namještaja, promocija u proizvodnji namještaja, interna komunikacija*

1 INTRODUCTION

1 UVOD

Nowadays it is obvious that products are not only sold on the market because of their facilities, but also because of the mission that is the basis at the beginning of production. The sale of products on the market is provided by a high-quality corporate communication. Corporate communication

tries to transfer the chosen corporate mission to the commercial field, and hence to devolve the company heritage upon external target groups, but also upon internal target groups within the corporation (Drličková, 1997).

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2 GROUPS OF CORPORATE MISSION IN FURNITURE SECTOR
2 SKUPINE NALOGA U PODUZEČU ZA PROIZVODNJU NAMJEŠTAJA

This article presents corporate mission in the companies dealing with wooden furniture production (and later trade). The basic groups of wooden furniture can be divided as follows:

- Furniture made of native (massive) wood.
- Veneer furniture.
- Furniture made of wood imitations.

Our interest has mainly been focused on the group "Furniture made of native (massive) wood", and the expression „native wood" means that it is natural wood. The word "native" implies that the natural state is unchanged. The expression "native" is mostly used in specialised and scientific literature. In practice the word „massive" is used more often. Further to the facts stated above, 3 groups of corporate mission can be identified:

Group 1 - corresponds to the philosophy of natural habitation based on native wood furniture production. It emphasizes the microenvironment, so as to say, it brings nature or forest into the flat and habitation.

Group 2 - corresponds to the philosophy based on unimitated beauty of native wood and emphasizes its rational use by applying veneer, and thus saving valuable and precious wood material.

Group 3 - corresponds to the philosophy "...we produce artificial front surfaces (Kunstfronten in German language) by use of several drops of oil, and we save forests by imitation of wood". This philosophy emphasizes macroenvironment. This philosophy is mostly used by producers of decorative foils.

Let us focus our interest on groups 1 and 3. As a matter of fact, they have different missions. If we consider them seriously, however, we can find out that these missions have something in common. The thing is that they emphasize the significance of the environment. So both movements markedly take into account the ecological aspect and human behaviour. These movements gain people's trust for their mission and thereby for the sale of their products (Nemec, 1991).

Corporate mission should not answer the question „What to produce?", but rather find the answer to the question „Why to produce?".

So we get to the conclusion that the production and business activities related to wooden furniture have a lot in common

with ecological, social and ethical aspects.

The business community should start applying social and ethical aspects in their marketing practice. Applying these aspects would bring to the harmonisation of, however contradictory, interests of producers and consumers: on the one hand the profit maximisation, and on the other public benefit, depending on culture and media that create needs and values. Nevertheless, it is possible to harmonise these contradictory tendencies gradually (Pavlů, 2003).

In wooden furniture production and business it means that the companies processing wood to furniture and business companies dealing with furniture should use ideas of common responsibility to nature. A tree that used to play its role in the forest, after harvesting comes to play its role in the house. Wood is renewable and a tree, harvested in forest, is easily replaced with another young tree.

Life cycle of wooden furniture can be seen through an ecological aspect of wooden furniture production and business companies dealing with furniture. People usually buy furniture once or twice in their lifetime, so we can also take into consideration strong ecological aspect of furniture use. High-quality furniture can be used for a long time. Therefore we, as consumers, assist in optimal and long-term use of natural wood material.

3 CORPORATE COMMUNICATION IN FURNITURE SECTOR

3 KOMUNIKACIJA U PODUZEČU ZA PROIZVODNJU NAMJEŠTAJA

Corporate communication should be based on corporate mission. If a company already has its set philosophy (answer to the question "Why to produce?"), it should explain the reasons of its activities to target groups at the market.

Corporate communication is created for communication with target groups. Corporate communication is the tool of strategic management. Corporate communication has its external and internal aspects.

External communication is oriented to informing the public about the company, products, changes, attitudes, etc. Internal communication is oriented to the flow of information within the company and its correct location. Internal communication should carry the message featuring the corporate culture. It means that it is „informal" and thereby accessible in comparison with the external communication (Mat'ová and Nusková, 2001).

External communication is directed to target groups that are located outside the company (on the market), internal communication is directed to target groups that are located inside the company (e.g. its own employees). Naturally, it is necessary to achieve harmony between internal and external aspect of corporate communication.

In practice, it means that external as well as internal communication should reflect identical ethic standards, the same values and principles.

Only few furniture companies explain the purpose of their activities on the market. They do not realise that the financial value (price) of furniture is not only created by costs and adequate profit, but also by philosophy - the reasons of mission on the market.

Furniture companies should emphasize the values such as: wooden furniture - natural material, wooden furniture - product of renewable natural source, wooden furniture - long-term usable product, wooden furniture - product renewable after years of use.

Furniture companies, which produce in Slovakia and process domestic timber and trade with wooden furniture made by Slovak manufacturers, should present this fact as considerably significant. The value: wooden furniture - product of domestic natural source.

Primarily in the conditions of globalisation the value of wooden furniture (product of domestic natural source) should be presented with special importance through corporate communication to the Slovak market. This idea is complementary to the philosophy of sustainable development and environmental behaviour of companies. In furniture raw material, that is available in Slovakia, is to be processed. Its transport to the place of processing is of short distances, meaning low distribution costs. The basic idea - in the country (state) of wood exploitation this wood is also processed and used in the same territory. This way the cost for production and distribution are minimised and growth of domestic products consumption is supported (Drličková, 2004).

4 PROMOTION (EXTERNAL COMMUNICATION) IN FURNITURE SECTOR

4 PROMOCIJA (VANJSKA KOMUNIKACIJA) U PROIZVODNJI NAMJEŠTAJA

Promotion is one of the marketing management tools. Within the marketing

mix, the promotion carries first of all the function of communication to the market and target groups in the market. The basic tools of promotion are: Advertising, Sales Promotion, Public Relations, Personal Selling.

Promotion should arise from the values defined within the Corporate Communication and these values should then be transferred to the market through communication. Probably the most important target groups on the market are the actual and prospective customers.

Promotion is financially supplied by furniture companies individually. The furniture companies should define the message based on defined values through communication to target groups in the market. The main idea of the message can be defined in one or two sentences, and later, it can be transferred to all other tools of promotion (promotion mix).

In addition to individual furniture companies supplying promotion, other institutions should also supply promotion - initiators of different campaigns (state, various professional associations and communities: e.g. associations of carpenters, furniture producers).

In Slovakia a campaign has been launched in 2004 aimed at influencing the customers to buy furniture made by Slovak furniture companies. In these cases it is necessary to establish the cooperation between campaign initiator and individual furniture companies. The campaign by furniture companies has to be supported by an obvious visible mark of furniture identification proving that the furniture has been made in Slovakia. Such identification, however, must not damage the furniture, its appearance or surface, and must not bother the customer by making him/her remove such identification.

If there is no harmony between the campaign initiator and individual furniture companies, it brings a lot of problems. The most important problem is inefficient use of financial funds, meaning that funds expended by furniture companies and by campaign initiators will not bring the desired effects.

The effects of such campaigns can be economic and uneconomic. Economic effects are expressed especially by increased demand and by sale of furniture made by domestic producers. Uneconomic effects are expressed e.g. by customers awareness of all-society (environmental) benefits plus factors related to buying furniture made by domestic producers and in future they will probably prefer to buy furniture made by domestic producers.

5 INTERNAL AND INTERPERSONAL COMMUNICATION IN FURNITURE SECTOR

5 INTERNA KOMUNIKACIJA I MEĐULJUDSKA KOMUNIKACIJA U PROIZVODNJI NAMJEŠTAJA

Internal communication is directed to target groups inside the company. Internal communication in the furniture sector should support values (concepts) that are set by the company management in the corporate communication (wooden furniture - natural material, wooden furniture - product of renewable natural source, wooden furniture - long-term usable product, wooden furniture - product renewable after years of use).

In practice, it means that the company management should support the idea that employees work with environmentally friendly raw materials and products.

Internal communication is the communication between senior and subordinate employees, between management and owners, between individual colleagues and organisational departments. The following communication media is used in the internal communication: personal talks, discussions, meetings, phone conversations, enterprise bulletins, notice boards, online communication, questionnaires, dress code in the company, salutation in the company, working conditions and atmosphere in the company, tradition, etc.

Interpersonal (face to face) communication is the most important form of internal communication. Interpersonal communication is in continuous progress in the

internal communication. This form of communication has far the best premises to maximise effectiveness and then come phone talks, standard meetings and written announcements. A disadvantage of interpersonal communication is that it is time-consuming. The research shows that 70 - 80 % of communication between managers is made by interpersonal communication.

Interpersonal communication is a product of social-economic and interpersonal relationships and all together a product of organizational structure of the company (Drličková, 2003).

Interpersonal communication in the company can be:

- Verbal communication (verbal expression, tone of voice);
- Nonverbal communication;
- Communication through decisions and acts.

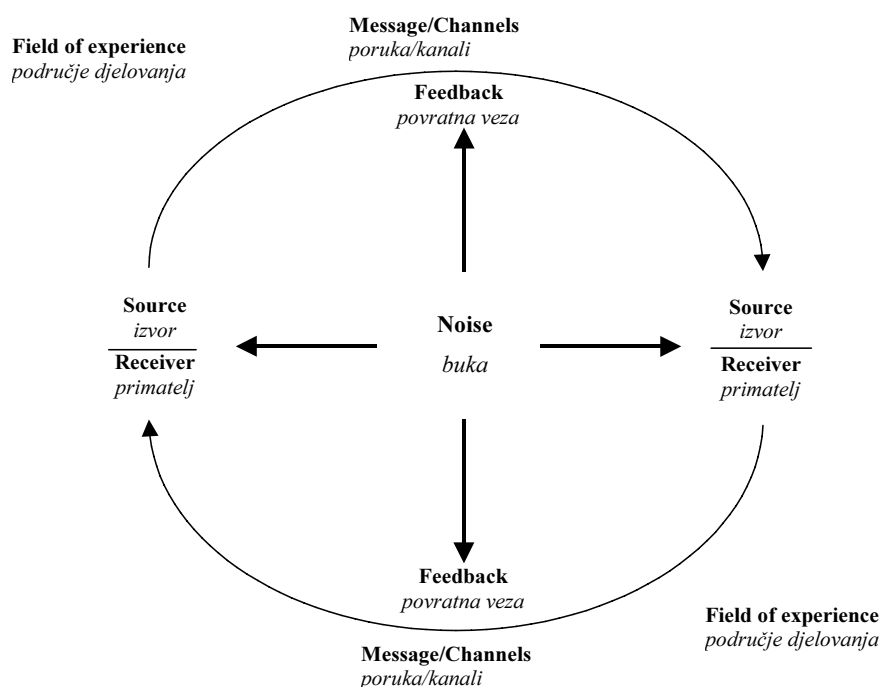
Prejudices are very often the barriers in the development of communication. There are two big prejudices in the furniture sector that make communication more difficult:

- Women are more sensitive and more moody than men.
- Women are not talented for technical disciplines and technology.

The prejudices like these should be eliminated already in the process of education (especially education of future managers). One of the solutions is the work in student teams for example (Tat'ák and Koukalová, 2004).

The company management is respon-

Figure 1
Basic scheme of interpersonal communication (DeVito, 2001)
Slika 1.
Osnovna shema međuljudske komunikacije (DeVito, 2001)



sible for the quality of interpersonal communication in the company. The management should create the climate of openness and trust. Interpersonal communication between two persons is shown in Figure 1.

According to Figure 1 the most important elements of interpersonal communication are as follows: source and receiver of information, feedback, channels, message and noise, which level is affected by experience of former communication exchanges. However Figure 1 does not display a wider communication environment, like factors, which nevertheless affect the quality of interpersonal communication inside the company.

Therefore we divided the wider communication environment for interpersonal communication into two main groups:

- *Internal environment* - local, we can also call it "interior company communication".
- *External environment* - global, we can also call it "exterior company communication".

External factors within external environment are characterised by specific national economy affecting internal climate of the company from outside (from exterior company communication). Internal factors within the internal environment are characterised by the quality of internal environment in the company (interior company communication). Naturally external and internal factors both affect the quality of interpersonal communication at the same time and also affect each other.

External factors are those that cannot be changed immediately by the company (mainly the management) but which affect the quality of interpersonal communication in the company. Such external factors are as follows:

- *Unemployment rate in national economy* - fear from possible loss of job affects negatively the intensity of feedback, mainly from ordinary employees. With higher unemployment rate there is an increasing tendency of getting false feedback in the company of that country.
- *Unemployment benefit (amount of minimum wages)* - fear from loss of job and possible economic repercussions of unemployment affect the courage to provide the feedback. By low unemployment benefit the employees prefer not to provide the feedback that they are not economically dependent on low unemployment benefits.

- *Social environment and behaviour in national economy* - specific culture and tradition in the state enable to provide the feedback more openly or otherwise not to provide the feedback at all.
- *Influence of globalisation and international trade* - mobility of manpower and international business contacts also enable accepting other ways of providing feedback. So far this has not been characteristic for the national economy of this country. In general the influence of international environment brings higher openness in providing feedback.

On the other hand, the internal factors are those that the company (mainly the management) can immediately change. The internal factors are as follows:

- *Trust or distrust to the management of the company* - trust to the company management brings openness in providing feedback, distrust has a negative affect.
- *Trust or distrust to direct superior* - trust to direct superior gives rise to more active providing of feedback from employees in the company, distrust blocks this process.
- *Global social climate and behaviour in the company* - company management can create consciously the climate of openness and this way can also support the intensity of feedback exploitation.
- *Expert and communication knowledge of company managers* - not just knowledge of a specific field, but the communication style of managers also affects the quality of providing feedback and its openness.
- *Personal characteristic of employees and managers* - people with healthy self-confidence have natural tendency to openness, healthy self-confidence is a question of family background, school education, but also work conditions (Drličková, 2003).

6 CONCLUSION 6 ZAKLJUČAK

Globalisation brings to the market both - positive and negative aspects. One of the positive aspects for the customers is the expansion of supply. One of the main negative aspects for corporations is the accumulation of competition in certain market segment.

Corporate communication, precisely asserted in business practice of furniture corporations is one of the ways to resist more successfully to the pressure of competition.

Responsibility for competitiveness of furniture companies should not only be the concern of specific furniture companies, but also of the state, and some other professional associations. Cooperation between companies, state and professional associations can bring economic and also uneconomic effects in the furniture market.

New approaches to enterprise management, competitive environment, business globalisation, they all affect social climate in companies and of course the corporate culture as well.

Interpersonal (face to face) communication is an important aspect of internal communication and affects not just the quality of the communication process but also the level of employees motivation.

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