

Navigating new communications challenges



Introduction

As communicators, you are more than likely being tasked with protecting your companies' reputations. This, combined with ensuring your story gets heard by a complex web of stakeholders, across a plethora of channels, devices, systems and tools, all within the same amount of time, budget and resource, can result in a big communications challenge.

In this “post-truth” world, it is important, now more than ever, that you are able to clearly define and articulate what it is you want to say about your organisation and its culture, along with knowing how you want to demonstrate it. In parallel, you must ensure that the ever increasing minefield of national, international and industrial regulations are easily found and appropriately checked off.

At Design Portfolio, we believe this should be an easy process. This communications whitepaper will focus on how you can break down your communications challenges into bite-size chunks to identify the opportunities within them and improve your communications.



There are three core pillars that we believe form the foundation of a good communication programme:

1

_Educate

A digital channel will likely be the starting point for anyone wanting to learn more about your company and, unlike restrictive regulatory guidelines, digital gives you the opportunity to say what you want to say, rather than what you have to say.

➤ See p3–p8

2

_Engage

Once you have achieved step one of introducing yourselves to your audience, the question is how to reinforce what you want them to take away. Immersive content techniques can be used to produce a more engaging and informative insight into the business and can help you effectively communicate your story.

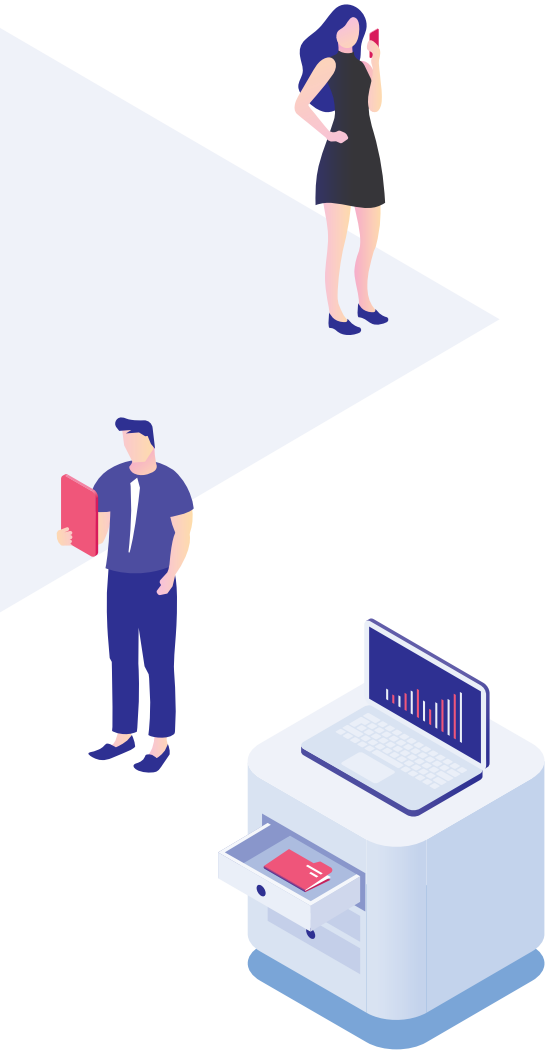
➤ See p9–p11

3

_Evaluate

With the right monitoring tools and systems in place, it is now possible to gauge how successful (or not) your messaging has been. This can lead to a better understanding of key criteria, such as who has used the website, what information they looked for or interacted with, how they found the website and whether it was a successful visit. Doing this right ultimately allows for a more effective refinement and evolution of the communication programme.

➤ See p12–p13



1_Educate

The role of the website and content

According to a 2017 study by YouGov – looking at a group of 50 fund managers – 90% said that they visit the corporate website of a company they are invested in at least once a month, and over 50% visit a website at least once a week.

In addition to this, 76% said visiting a company's corporate site was an important part of their fund's due diligence process before investing, and 90% said that they would look at the corporate website of an organisation they are thinking of investing in at least once.

These statistics show the clear role your company website can have in terms of keeping current major shareholders happy and encouraging potential shareholders to invest.

This is why we believe education is so important. Your corporate website is the first port of call for information and it should be used to educate an investor, or any other stakeholder, on who you are, what you do and how you do it better than the rest. The beauty of the corporate website is that the information is not governed by regulations like the annual report and it does not have to be as stat heavy as an investor presentation. You can decide to focus on the specific things your company does well and communicate them in an engaging way.

The educational role of a corporate website is something that has become increasingly important in the face of MiFID II, and this is where we see the opportunity.



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Source: YouGov, 2017

76%

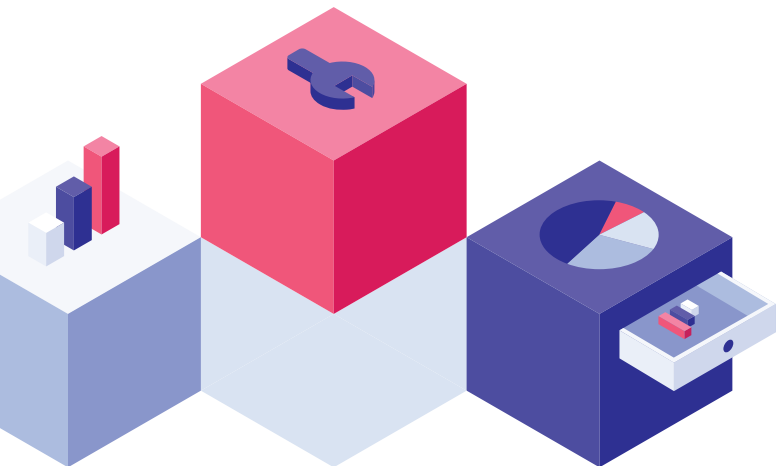
of fund managers said visiting a company's corporate site was an important part of their fund's due diligence process before investing.

Source: YouGov, 2017

The opportunity in MiFID II

One of the key changes introduced through MiFID II is the unbundling of sell-side fees. This means that research, which was previously received for free by the trading counterparties of investment banks, will now have to be paid for separately. Regulators saw the research market as creating an inducement to trade with a counterparty when their own rules require asset managers to demonstrate they are getting the best execution for their clients when they trade.

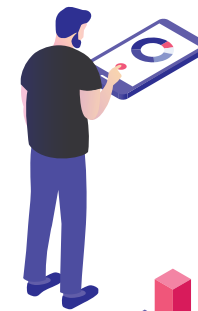
The knock-on effect of this change is additional contracts in the research industry, meaning that companies may find that they are no longer receiving the breadth or quality of sell-side coverage they are accustomed to.



Companies that traditionally relied upon sell-side channels to keep investors informed must now get savvier with best practice engagement.

Update your first port of call – say what you want to say

In a study presented by Informed Magazine, 70% of analysts said that they will need to use corporate websites more often if MiFID II leads to less research. With this being the case, companies must ensure that their equity story and latest business developments are communicated effectively and consistently throughout.



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What should go on the corporate website?

- Investment case – p5
- Business model and strategy – p6
- Governance and risk – p7
- Investor information – p8

Investment case

Why?

An investment case offers potential investors a one-stop-shop of information and reasoning for investing in your business. This will be fed by your company values, business model, market opportunities, strategy and key differentiators. Providing a top-level overview of the business, backed up by statistics and drivers to further reading will create a clear set of reasons to invest.

How?

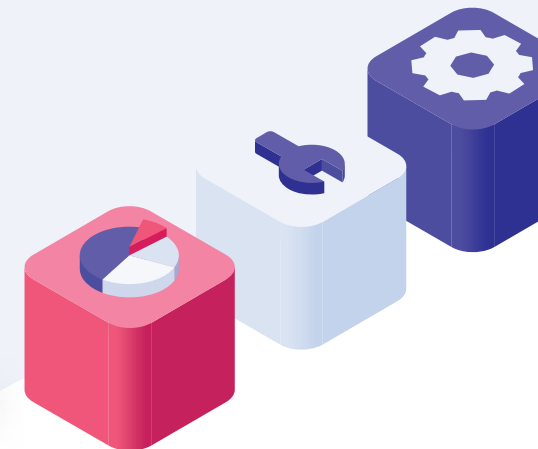
- Keep it concise and clear
- Use supporting quotes from the CEO
- Explain the future potential
- Communicate what makes you different
- Use video to demonstrate advantages in action
- Support with hard facts and performance
- Provide links to material on how to invest and how to contact the IR team



Example > Ferguson

Ferguson has provided an investment case, owned by the CEO, with four distinct reasons to invest. Each reason is supported with a video, explaining the business in more detail.

[View online](#)

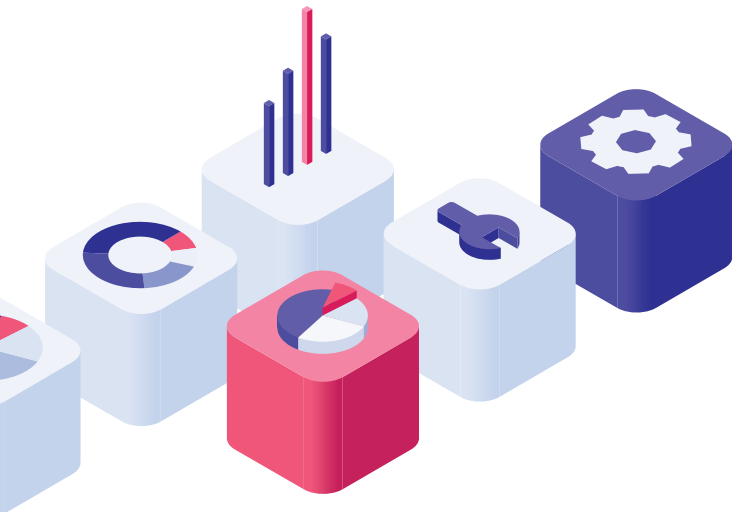


Business model and strategy

Why?

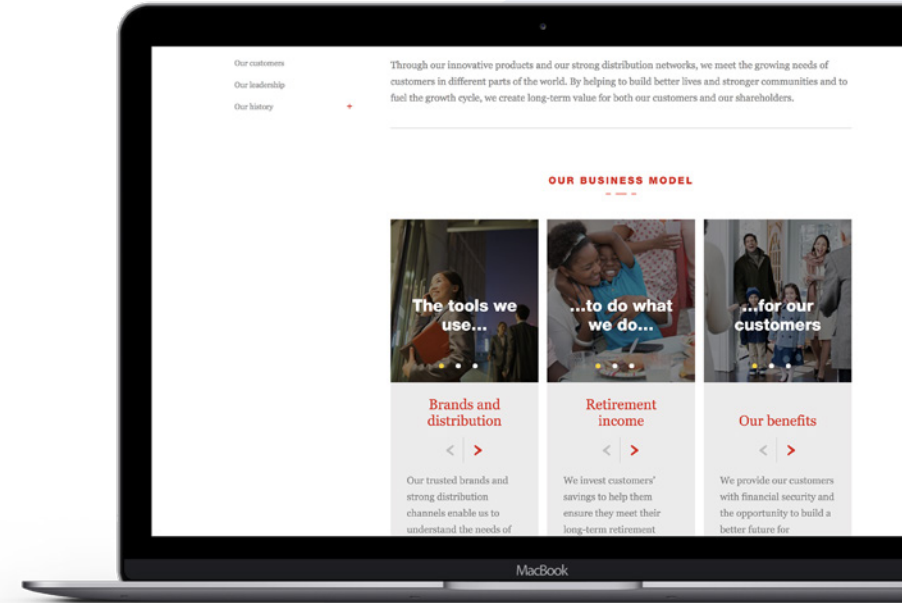
Investors need to have a clear understanding of your business model in order to appreciate how the company creates value, remains resilient to change, ensures quality and sustainability and achieves long-term performance.

In the current climate, communicating a clear strategy that supports corporate objectives is more important than ever. Investors need to know that your company is moving in a purposeful direction, to increase growth and profitability, as well as encourage long termism.



How?

- Ensure consistency between the annual report, investor presentations and corporate website
- Use the business model to identify key resources and relationships required to enable your value chain and demonstrate how your company creates wider value for stakeholders
- Use interactivity to ensure content within the business model is not cluttered and can be brought to life
- Provide a focused list of strategic priorities to make it easier for external stakeholders to assess what matters most to the company
- Provide a concise explanation of what each strategic priority means and how it will be measured and achieved

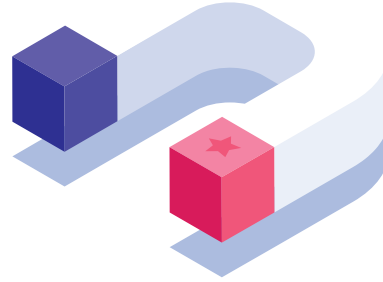


Example > Prudential

Prudential has an interactive business model that demonstrates how it creates value for its key stakeholders.

[View online](#)

Governance and risk

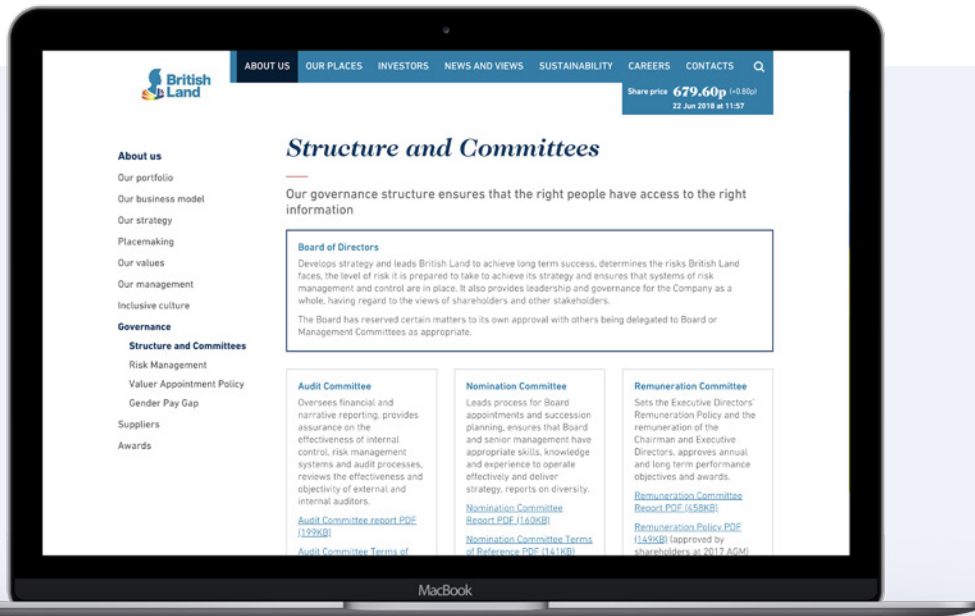


Why?

Communicating your company's robust corporate governance framework will enhance trust and build investor confidence, and can even lower the cost of capital. An organisation that is seen to be stable, reliable and able to mitigate potential risks will be able to borrow funds at a lower rate than those with weak or no governance systems. Furthermore, research has shown a link between good governance variables and performance.

How?

- Unlike the annual report, there are no requirements to present governance information online, other than any particular codes the company is using, so there is an opportunity to clearly communicate the key aspects of your governance processes without being bogged down by compliance
- Diagrams and tables should be included as an engaging way of showcasing information
- Board biographies should be used to demonstrate specific skills
- Remuneration policies should be addressed online but detailed remuneration outcomes can be left to the annual report
- Quick links to the annual report should be provided for more information
- The assessment and management of the principal risks should be an ongoing process



Example: British Land

British Land has addressed the role of the board and its committees and has provided links to further information.



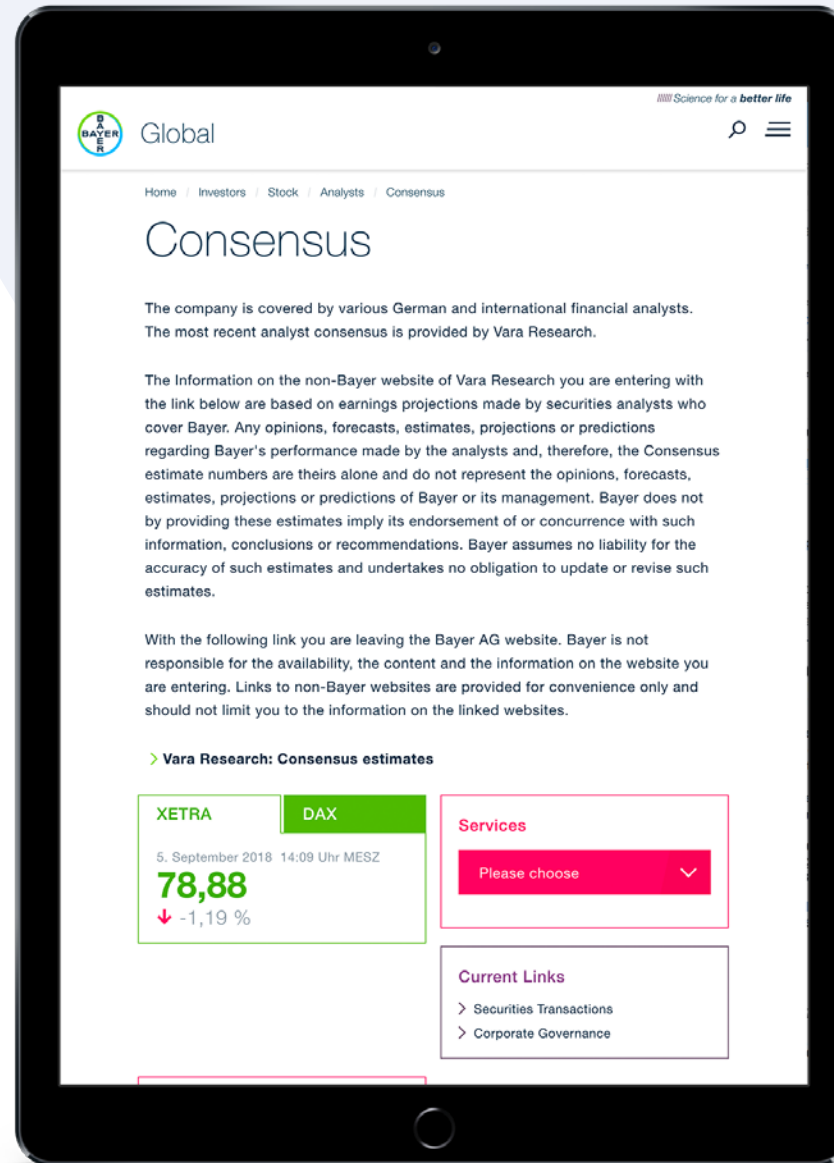
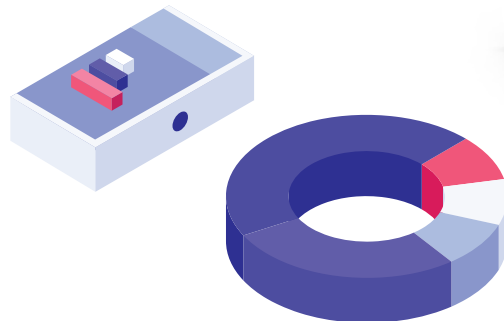
Investor information

Why?

43% of IROs feel that consensus estimates will be more inaccurate on the aggregator sites due to research being behind a paywall, 45% felt that small and mid-cap companies will have an insufficient following to generate a consensus and, in a recent IR Society IRO MiFID II survey, 50% agreed they felt the same. Misaligned expectations can lead to reputational issues and unnecessary stock price volatility.

How?

- Host a reliable consensus on your site
- Considerations: liability risks and gaming guidance
- Solutions: third-party providers, code of conduct and disclaimers
- Show investors who follows your stock
- Research can be hosted and automatically updated as published on your site



Example: Bayer

Bayer has a consensus page on its website which provides information about its earnings estimates.



2_Engage

The role of immersive content

“A picture is worth a thousand words” – in the social media-led world that communicators operate in, this saying is truer now than ever before.

Research conducted by Microsoft found that the average attention span decreased from twelve seconds in 2000 to just eight seconds in 2015. As attention spans continue to decrease, the opportunity to engage audiences increases.

Immersive content, such as striking visuals underpinned by complex content and engaging infographics, is becoming increasingly important. Once you have grabbed the audience’s attention, you can then supplement with more detailed content and editorial as you see fit.

You had
8 seconds
to engage – this is
decreasing each year.

The benefits of immersive content

There is no better way to bring a company’s story to life than through video – in a study by Hubspot, 59% of executives said that they would much rather watch a video than read text on the same topic, and it has been shown to increase session time too, indicating that video is able to generate a greater interest in company content.

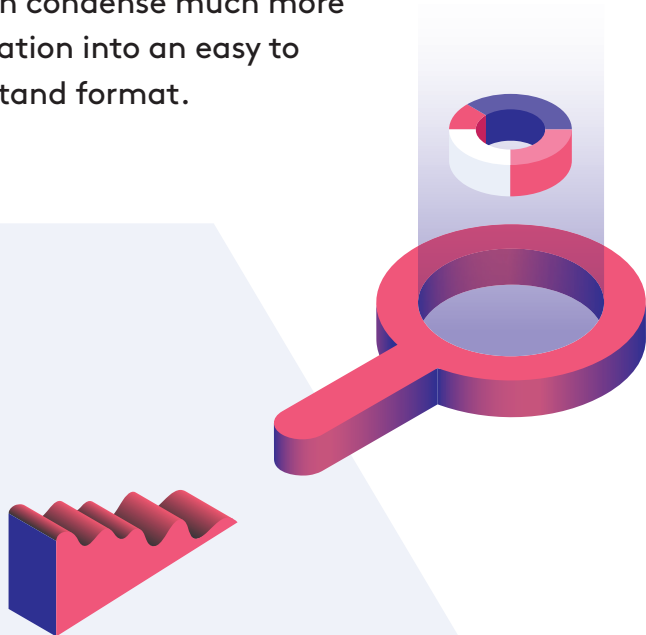
Beyond videos, infographics can also improve user experience, by providing easier access to content and information. Combining visualisations and infographics can be a great opportunity for companies to be creative and show their expertise on a topic, whilst improving communication with key stakeholders and investors by providing a more personal feel and extra transparency. The additional benefit of visualisations and infographics is that they can be utilised across more than one specific audience group – should this be necessary.



How to use immersive content

There are endless possibilities for the use of immersive content, all of which can help raise awareness and knowledge of the company and its products/services. It is also an efficient way to stand out and differentiate the company from its competitors. Videos tend to resonate with people much better than text and can condense much more information into an easy to understand format.

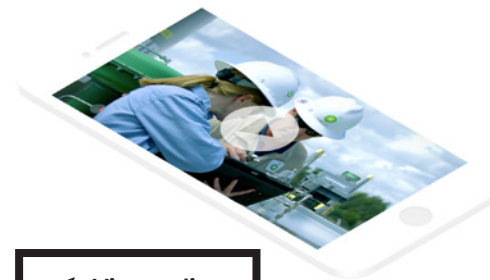
Some of the examples that we have shared can be used as part of press kits for journalists, or as research tools for prospective employees who want to find out more about the organisation. Additionally, they can be used to let employees know how the past year has gone.



Introductory

Companies often use video as a way of explaining in a simple way what the company is, what they create and how they do it. These are often found on the “what we do”/“who we are”/“about us” page of the website. BP, for example, uses a video to explain what its overall mission is and how its values guide it towards achieving this. Similarly, Pearson uses its “about us” video to demonstrate its mission and how it aims to help people around the world through access to better learning. Mace, the construction company, features an introductory video as the first thing you see on the home page of its website, which gives investors a quick overview of the company before they delve deeper into individual pages.

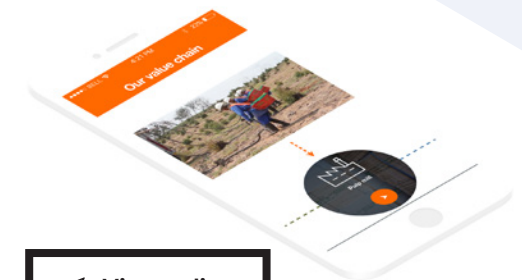
McDonald’s provides a different approach, using a simple infographic to demonstrate the impact of its first-year partnership with UberEats.



[View online](#)

Opportunity

Some companies use videos to clearly demonstrate their strategy to investors and stakeholders. Mondi describes each stage of its value chain with the help of a video showing exactly what the process is. The first video shows its method of sourcing wood and how this is transported to the factory. Another video will then show the next stage and so on, with the last video showing the end product.



[View online](#)

2_Engage

Accountability

Corporate videos are often used to put a face to the name; they help viewers relate to what it is that the company does. Having the CEO or the head of the company lead a video will make the communication more personal and credible in the eyes of investors and stakeholders. A good example of a company implementing this is GKN, which features an interview with its chief executive and finance director where they discuss details of their new strategy and transformation plan. Other companies use videos with their chief executives to report on their quarterly or annual results. For example, [Great Portland Estates](#) regularly uploads Q&A format videos to engage viewers as it reflects on its financial results, whereas [GSK](#) uses a more presentational style to discuss this.



➤ View online

Performance

Annual reports can be tough. As regulation develops and page numbers increase, investors can struggle to see the wood for the trees when it comes to performance reporting. This is another area where immersive content can be so useful. [Kingfisher](#), for example, summarises its whole year in a short infographic which includes data for market outlook, financial performance, digital developments, employee commitments and more.

Alternatively, [Renew Holdings](#) uses video to provide a snapshot of the company's preliminary results, whilst also giving shareholders an insight into its key sites and operations, ultimately providing a much more engaging and informative experience to the results announcements.



➤ View online

Responsibility

Companies like [Shell](#) use video to talk about their approach to sustainability and how they are managing their social and environmental impact. This is a useful way of demonstrating a company's commitment to wider issues by giving visual examples and case studies of the projects they have set up and what the results have been.

In a different sense of responsibility, [CGI](#) has developed an infographic to demonstrate its governance in action. The infographic highlights some key findings of CGI's cyber security in the boardroom. This is a great example of making the complex simple whilst inspiring confidence in your business and its governance procedures.



➤ View online

Employment

Video is increasingly being used as part of the careers section on corporate websites to offer an inside look into the company, the types of roles on offer and the application process. Examples of this can be seen on [Just Eat](#), [Vodafone](#), [Barclays](#) and [ASOS](#). They give applicants a good idea of the culture, the work environment and the people, helping to attract new employees.

In 2017, [Cisco](#) stated that online videos will account for more than 80% of all consumer internet traffic by 2020. Therefore, if companies are not producing this form of content soon, they will lose out on potential customer and investor traffic. Corporate videos and infographics tell a company's story in a concise way, bringing numerous advantages to the business. They can be an exciting method of showcasing the business, the people who run it and the values and beliefs within. They are an entertaining and interesting alternative to plain text and can take on any format; it is a completely personal representation of the company.



➤ View online

3_Evaluate

The role of analytics and how to measure success

Once you have gone to the effort of ensuring your audience is educated and engaged through your content, the best way to evaluate its success is to track appropriate goals and success criteria to inform and evolve future plans. The variety of metrics and tools available to communicators can seem overwhelming at times but the following steps are a constructive way of understanding your data more clearly.

Define your requirements

Without knowing what you want to measure through your reporting, it is difficult to know how successful you are. Get internal stakeholders on board by understanding what their business or communication objectives are and map what data could be appropriate to help them make more actionable decisions.

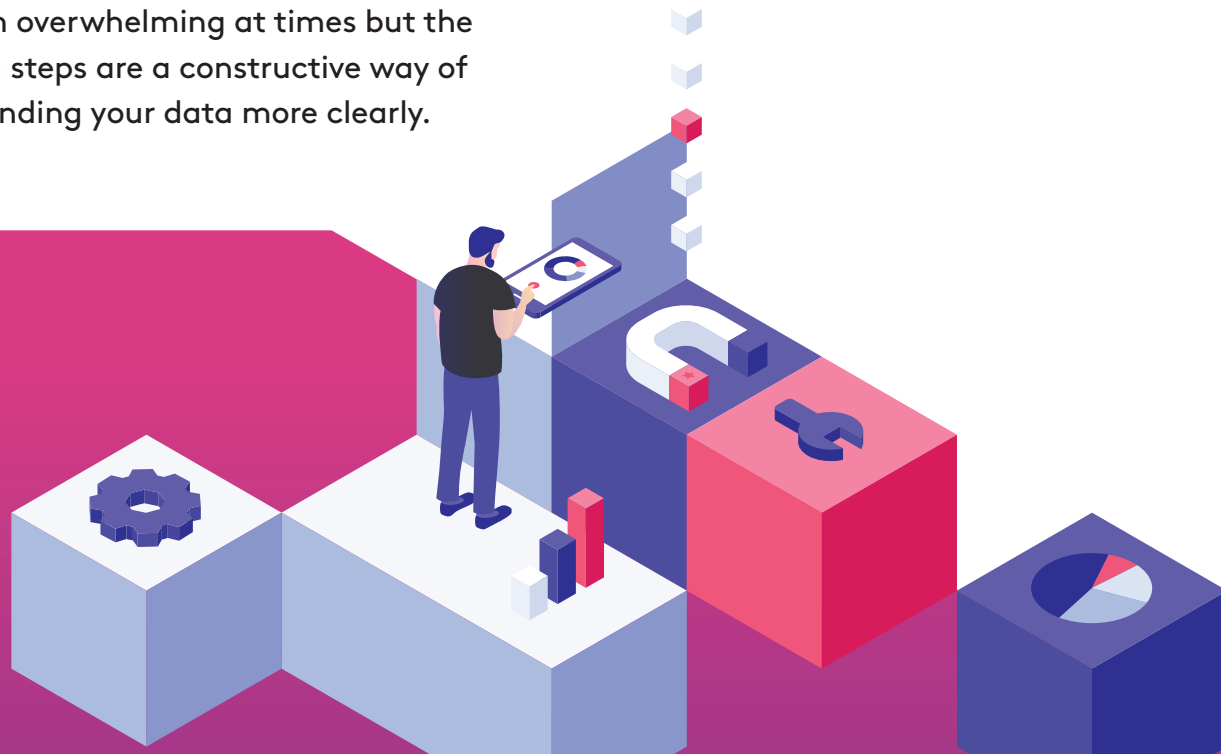
Putting the time in at this stage will vastly improve the value of reporting that comes at the end of the cycle.

Know your audience

Understand who it is that you are trying to reach, what they expect from you and, more importantly, what action you want them to take. Once you understand what a successful interaction might look like for each audience group you can then set about exploring how to improve the quality of each visit.

Know your channels

Focus on the channels that are important to the organisation and join the dots between social and web traffic to get a clearer picture of the traffic flow through your content. Breaking down these silos can often help to identify new sources of traffic, or audience groups that you had not previously considered but that have an interest in your business.



3_Evaluate

Define your reporting segments

Once you have identified the above, it is important to allocate the right data set to the right audience; for example, bounce rate is something that you should be worried about on pages such as “share price” given that this content is seen as more transactional. Segmental reporting will provide more context and insight to the individual audience group.

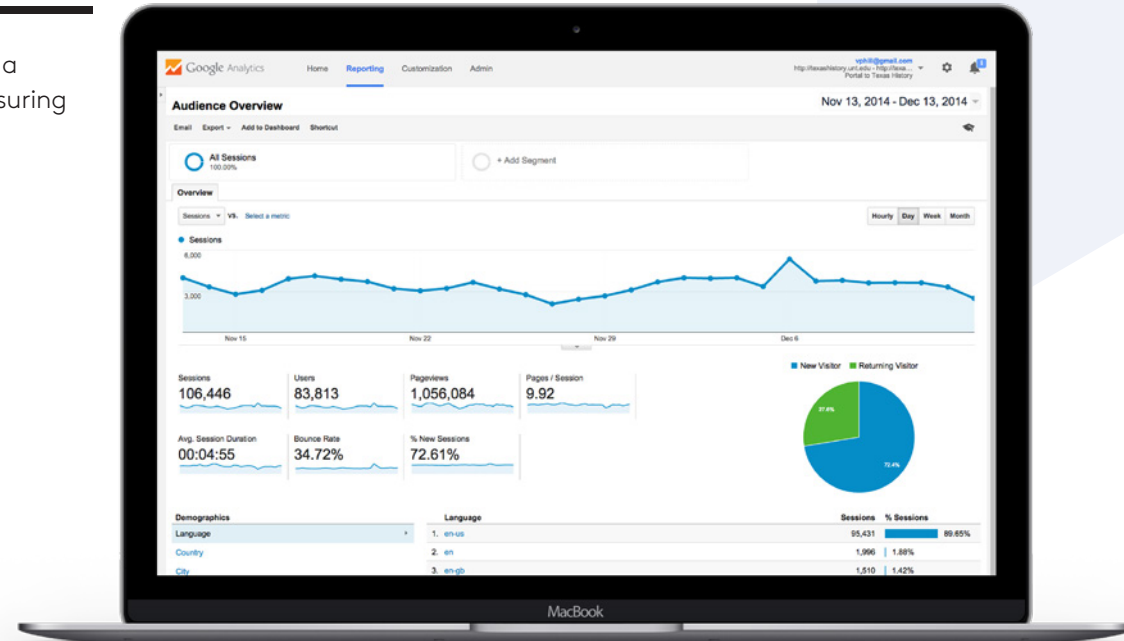
Report and repeat

Before acting too hastily, make sure you allow enough time to pass to give a credible data set to your reporting; we would recommend at least three months to allow for a large enough sample size. This should also enable you to understand how external events (e.g. preliminary results) might affect traffic to the website.

We have listed some useful tools and platforms below that you might find useful:

- [Lead Forensics](#)
- [Analytics Canvas](#)
- [Google Analytics](#)
- [Google Data Studio](#)
- [Tableau](#)

Google Analytics is a useful tool for measuring the success of your online content.





Conclusions

As we have demonstrated here, it need not be a challenge to tell a good story and, in most cases, a lot of the content you need will already exist somewhere else in the organisation – often archived away.

With a structured approach to your digital communications you can not only better inform your key stakeholder groups but ensure that in a crowded and competitive landscape, your content and communications channels are where these stakeholders come for the definitive narrative about your company.

By constructing a clear set of KPIs for you to manage and measure the success of your content, you will always have an understanding of how your efforts are being rewarded.

Remember:

_Educate

_Engage

_Evaluate

We are always interested in good corporate stories and how you tell yours. If we can help, you would like more detail on digital, or perhaps a bespoke review of your communications, please get in touch.

Our team details are overleaf. →

About Design Portfolio

Design Portfolio was founded nearly 30 years ago and supports businesses ranging from the FTSE 350 to AIM, as well as private companies and those new to market across numerous sectors.

We work in print, digital and video and specialise in seven core areas:

- Annual reports
- Investor presentations
- Corporate websites
- Video and animation
- Corporate branding
- Internal communications
- Sustainability communications

Our blend of considered creativity and expert consultancy is delivered by expert teams through a local, personal and hands-on service.

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