PEOPLE

Communication strategies to engage a variety of stakeholders

Introduction

Enterprise Rent-A-Car is the UK's leading car rental company. The company offers daily and weekend car rental for private and business use. It also offers replacement vehicles following an accident. Enterprise has over 370 locations throughout the UK and over 90% of the UK population are within 10 miles of an Enterprise branch.

Enterprise in the UK is part of a multinational company with 8,200 rental offices in seven countries including the United States, Canada, Ireland, Germany, France and Spain. Branches are managed in a decentralised way. This means that managers make decisions at an individual branch level to suit the needs of its customers.

Founded in 1957, by entrepreneur Jack Taylor, Enterprise is a privately-owned business. It is committed to providing excellent customer service in all it does. This is dependent upon the Taylor family's commitment to its skilled employees. Enterprise's philosophy is simple – *'Take care of our customers and employees and profits will take care of themselves.'* Its dedication to its employees is demonstrated by the fact that 99% of all vacancies are filled internally. All staff have access to training and most begin in the Graduate Management Training programme to help career development. This helps progression from management assistant to assistant manager, branch manager and area manager.

Effective communication is fundamental to every aspect of a business. Enterprise has used a number of communication strategies to ensure its messages are received by a variety of stakeholders. These are both internal and external to the business. Its messages are tailored to suit the target audience to increase effectiveness. The challenge for Enterprise is to ensure it uses the best methods and channels of communication for each audience. These vary for its operational brand messages and its recruitment messages. For example, key messages for Enterprise include:
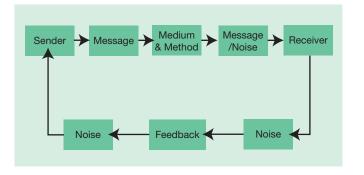
- communicating the brand values and culture
- informing customers or potential customers about the company and its services, for example, its unique pick-up service
- communicating company news, procedures and processes to employees
- creating awareness of the career opportunities available at Enterprise.

This case study will demonstrate how Enterprise Rent-A-Car uses a variety of communication strategies to create brand awareness amongst key stakeholders and ensure operational excellence.

The communication process

The process of communication involves a sender transmitting information in an appropriate form to ensure the message is understood by the receiver. The sender must also consider potential 'noise' or barriers to the communication being received. Effective communication depends on:

- clearly defining the objective of the message
- taking account of the needs of the receiver
- selecting the best medium and method for communication
- being aware of how 'noise' can distort the message
- ensuring opportunity for feedback is given to clarify understanding of the message.

Sender → Message → Medium & Method → Message /Noise → Receiver

Noise ← Feedback ← Noise ← Receiver

Enterprise's communications vary depending on the message and the target audience. For example, when creating awareness of the career opportunities available at Enterprise it must consider:

- the message it wants to send (Enterprise is a great place to work)
- the intended receivers (school leavers, graduates, people looking for a new opportunity)
- the best channels to use (Enterprise's Come Alive recruitment website, careers fair)
- methods to reduce potential barriers to communication (clear instructions, multi-channel approach)
- evaluating the effectiveness of communications (number and quality of applicants).

Communication channels can be formal or informal. Formal communication channels are those approved by employers. These include a letter sent to an employee from the HR department or copy on an organisation's website. Informal communication happens through non-approved channels. An example is when two employees have a discussion whilst sat at their desks. These tend to lack a specific order, structure or traceability. Effective communication requires both formal and informal communication channels. Service organisations like Enterprise recognise the importance of informal communication channels. Often the company will deliver formal communications to encourage and prompt informal discussions. This helps build strong relationships between employees and customers to better understand customers' needs.

Communication can be split into two main forms: verbal and non-verbal communication. Verbal communication involves conveying information using words. It can be either written or oral. Both types of communication can be formal or informal. These include:

Written communication	Oral communication
Letter	Face-to-face
E-mail	Team meeting or group discussion
Copy on a website or company intranet	Telephone call
A newspaper or magazine advert	A TV or radio advert

Non-verbal communication involves transferring information through signals such as facial expressions, body-language and tone of voice. It also includes how we dress and position ourselves within groups.

The key messages that Enterprise seeks to communicate relate to the values and culture of the organisation. Values are the things that a company is passionate about. An organisation's culture is 'the way we do things around here'. For Enterprise these include high levels of customer service, looking after its employees and behaving ethically and responsibly. Enterprise's culture is set out clearly in its 'cultural compass'.

Internal communications

Internal communication takes place within an organisation, for example, communication between employees. The purpose of internal communication includes:

- giving information
- gathering information
- clarifying issues and points
- influencing action.

Oral communication is a common form of internal communication, for example in a group or one-to-one meeting. Nowadays, electronic communication is growing in importance. This can involve written communication, such as an e-mail, text or tweet, or oral communication via video conferencing. Enterprise uses a variety of communication methods. For example, employees are introduced to the company's values and systems through induction events, company meetings, posters (visual reminders of values), the company website and its intranet.

This multi-channel approach enables Enterprise to communicate its core values to its employees. These messages include:

- 'Our brand is the most valuable thing we own. Our reputation and the powerful brands we build together are our most precious assets.

- Personal honesty and integrity are the foundation of our success – our employees accept responsibility for demonstrating our true commitment to the highest ethical standards.
- Customer service is our way of life.
- We work hard and reward hard work.
- Great things happen when we listen – to our customers and to each other.'

Enterprise has recently developed a new intranet system called 'The Hub'. This replaced a purely information based system. The Hub enables input from employees at Enterprise's locations across Western Europe and North America. This channel of communication supports Enterprise's core value – 'great things happen when we listen'. The benefits of The Hub are that it enables:

- Enterprise to transmit company news and information easily to employees
- employees to share best practice through discussions, meeting notes or ideas
- employees to collaborate on projects in groups without using convoluted e-mail communication
- a reduction in the number of announcement e-mails that have to be sent out to the employee base.

Another internal communications strategy at Enterprise is its 'onboarding' programme for new employees. As well as a company induction, new recruits receive a personal congratulatory welcome letter from the managing director. Letters are also sent to their parents and partners to congratulate them on their child or spouse's success. This re-enforces the family-orientated culture at Enterprise. Importantly, this also begins to build a foundation of cultural understanding. This continues to be re-inforced through further internal communications as employees develop their careers.

Enterprise is one of the largest graduate employers in the UK and Ireland. It employs over 700 new management trainees each year. The graduate scheme's success is based on the quality of internal communication strategies at Enterprise. Each employee is trained how to run their own business. This includes being taught about finance, marketing and sales. By sharing good practice, the business has enjoyed growing success in terms of sales growth and market share.

External communications

External communication strategies underpin how a business connects with stakeholders outside of the organisation. These messages influence external stakeholder's opinions about a brand and its products or services. Enterprise's external communication strategies are focused on its customers, potential customers, potential recruits and local communities.

Enterprise's customer base can be divided into business-to-business (B2B) and business-to-consumer (B2C) customers. B2B customers require rental vehicles for employees whereas B2C customers have individual vehicle hire needs. Enterprise uses a different communication strategy for B2C (communication with retail customers) compared to B2B customers (communication with other businesses).

Retail is one of Enterprise's fastest growing sectors. Enterprise focuses its messages for retail customers on its key differentiators. These include its commitment to the customer experience, its extensive branch network and its unique pick-up service. Examples of communication channels for this audience include:

- TV and press adverts to raise awareness of the brand and its services
- marketing e-mails to existing customers giving them details of services and special offers
- point of sale display advertising to promote cross-selling opportunities
- public relations to help raise awareness of the brand and how it is different.

For its B2B customers, the key messages focus on efficiency, being a businesses' 'partner' and Enterprise's new products and services. An example is Enterprise Flex-E-Rent – a long term rental solution between 28 days and 3 years. Communication channels to reach these customers include:

- adverts in trade publications
- public relations relating to new products, trends and growth
- event sponsorship such as the Motor Claims Conference for insurance companies or the Bodyshop Awards for dealerships and repair centres
- company newsletter
- account management team to deliver informal communications and support the customers' needs.

Enterprise's dedicated recruitment website 'Come Alive' promotes Enterprise to potential new recruits. The site also shows recent awards that Enterprise has achieved, for example, Enterprise was awarded Graduate Employer of the Year 2013 at the National Graduate Recruitment Awards. To win this award Enterprise demonstrated excellence in attraction, onboarding, development and retention along with providing evidence of satisfaction from a cross section of recent graduate hires. Other communication channels include Facebook, Twitter and LinkedIn sites, all showing current employment opportunities.

Its graduate recruitment programme involves mainly oral communication. Campus brand managers actively promote Enterprise to staff and students at their university.

This is supported by career fairs and written communication strategies such as leaflet and poster distribution which also help create brand awareness.

Enterprise's public relations activities involve mass media coverage. Examples include positive articles in The Guardian and The Times about Enterprise's strong graduate recruitment programmes and the benefits of Enterprise's 'onboarding' programme for new recruits. Its commitment to planting 50 million trees over 50 years as part of its environmental sustainability policy has been widely communicated to stakeholders through its Sustainability Report, YouTube and in the press.

Evaluating strategies and overcoming barriers to communication

For communication to be effective the message must reach and be understood by its receiver. Barriers to communication must be anticipated and avoided. Enterprise seeks to eliminate barriers to its communication through its well thought-out communication strategies. For example, Enterprise recently entered new markets through the acquisitions of Citer (France) and ATESA (Spain). Enterprise anticipated potential language and cultural barriers during the rebranding of these companies to Enterprise Rent-A-Car. To minimise the risk of these potential barriers, and increase the effectiveness of its communication, Enterprise selected media agencies with local knowledge and understanding of those countries' media practices.

Internally, The Hub reduced barriers to communication as it created one central point of access to announcements and information regarding the acquisition for all Enterprise employees.

Through encouraging interaction and discussions on The Hub, the number of confusing or mixed messages reduced.

Evaluating past communication helps a business see where improvements can be made. Enterprise continually monitors the effectiveness of its communication strategies. It uses monthly telephone consumer satisfaction surveys. These allow Enterprise to rank branches based on the percentage of customers who were 'completely satisfied' with their last rental experience. These rankings of locations help to determine the rewards and advancement of employees. It also analyses the impact of press cuttings from mass media coverage to keep up-to-date with how the company brand is perceived and monitors social media activity talking about its brand. These all indicate how feedback enables effective communication to be practiced at Enterprise.

Conclusion

Effective communication enables a company to inform and build relationships with its stakeholders. It is a two-way process enabling stakeholders to interact with the company. This includes employees supplying ideas for improvements and customers providing feedback.

Enterprise uses a multi-channel approach to its communication strategies to increase awareness of its key messages. Using a mix of formal and informal communication helps to improve effectiveness. Its internal communications strategies ensure the company values and culture are maintained. Its 'onboarding' programme and The Hub intranet encourage employee engagement, knowledge and increases motivation.

To maximise effectiveness of its communications strategies, Enterprise tailors its communication messages and channels to each specific audience's needs. This ensures that any barriers to communication are dealt with. Enterprise regularly evaluates its internal and external communications strategies to maintain its focus on high levels of customer service and employee relations.

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1. Describe the key stages in the communication process. *(2 marks)*
2. Explain the main methods that Enterprise uses to overcome potential barriers to its communication strategies. *(4 marks)*
3. Analyse the benefits of Enterprise using a multi-channel approach to communicate its messages. *(6 marks)*
4. Evaluate the effectiveness of Enterprise's internal communications strategies. *(8 marks)*

Exam-style questions