



How Does a Company Communicate Through Storytelling?

A study of the storytelling techniques used in two
companies

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Foreword

When using stories as a communication tool, you can broaden your company's perspective. If the story is compelling enough, it will do the work for you effortlessly as a living and breathing entity of its own, travelling from person to person, and packed with emotions that will make people remember you and your company. Using stories is an effortless way of conveying who you are, what you stand for and what you are offering in terms of company values and products.

The value of a good story is priceless.

Abstract

Storytelling, an important part of human communication, is being increasingly used by companies to communicate their values and build trust and connection with employees and customers. A good story can create emotions and feelings among the audience, can simplify and transmit complex messages. In contrast to the conventional informative and lecture-style of communication, which are likely to evoke counter arguments; storytelling is more likely to inspire people to take independent actions. However, storytelling is not flawless. There are downfalls to storytelling, such as stories told from a single point of view, which companies need to be aware of when using this technique.

The purpose of this study is to explore how storytelling is used in two companies internally and externally, and by doing so, to enable a deeper understanding of the storytelling concept and explore the subject further.

The results show that giving different factors, such as target audiences, the company that uses storytelling internally, considers the authenticity of the stories to be of great importance. This view does not apply to the company that uses storytelling externally. On the other hand, the latter company's external and internal core message or values go hand in hand to a great extent. In contrast, the former company uses different values to its customers compared to the ones it uses to communicate with its employees.

The contribution of this thesis can be found in the model of different dimensions of storytelling, presented in the theoretical framework. These dimensions enable a deeper understanding of storytelling as well as facilitates as a guide when exploring the subject, both externally and internally. Students wanting to research the area as well as companies wanting to use storytelling as a marketing or communication tool can benefit from using the dimensions of storytelling derived from this thesis.

Keywords: *Marketing Communication, Internal Corporate Communication, Storytelling, Branding*

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Enjoy!

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Chapter 1

Introduction

This chapter introduces the idea of and defines storytelling as it is used in this thesis. The purpose of the thesis is stated in a clear manner as well as the research question and contribution to the area of research. Lastly, the limitations of the study are presented.

1.1 Background

Companies today face increasingly difficult tasks when it comes to making an imprint in the minds of their customers. There is not much that will have a lasting effect on the consumer because the demands of the same have become greater than ever. Shankar, Elliott and Goulding (2001), argue that there is a new order emerging that is characteristic of the 21st century consumer, according to the authors, “consumption is now being conceptualized as part of, an on-going, productive and creative process” (p. 430). The modern consumer is well equipped when it comes to understanding the media; he or she typically has great access to several different channels of information which can be used for marketing purposes by companies on a global scale. Why then is it not easy for companies to “reach” their customers if this is held to be true *i.e.* if the consumer is so well aware of and familiar with the different channels, and the companies have these assets at their disposal?

One of the problems with communicating your message, that many companies now face, is how to break through all the noise and disturbances created by their competitors and reach their target group in a real and concrete way. Differentiation has become even more important than before and the margins within which the companies are able to do this even smaller. This because the consumers are so used to being bombarded with information and competition between companies often is fierce. These modern target groups who are more likely to disregard commercials, protect their mail from spam, and turn a blind eye to advertisements on every third street corner they pass, are proving difficult to sway. How do you as a company influence these groups of potential consumers?

The circumstances at hand have given rise to a situation that compels companies to think outside the box in order to reach their target groups.

Stories are a big part of the human race. From conceptualizing the birth of our race, nagging our parents to tell bedtime stories, to describing how we felt when the boss had a go at us for being late on the job one Friday the thirteenth. It is truly in human nature to tell stories and narrate in order to bring more or less significant aspects of our lives to life in the eyes of others as well as ourselves. Shankar *et al.* (2001) discusses how “stories and storytelling help us make sense of our lives” (p. 429) and that “[a]s soon as we enter the world our parents begin to tell us stories and so we become socially and culturally conditioned into understanding the narrative form” (*ibid.* p. 431). With the intellect blessed upon us humans, we are able to bring our listeners into a specific setting by tapping into our audiences’ emotions. Through describing colorfully how truly happy you felt being surprised by your co-workers with cake on your birthday, that dim and rainy day in November, you can convey a feeling of togetherness and emotional connection with your fellow humans. This is not a secret; this is something that has been used since the dawn of man. We all know it and we can all relate to stories in one way or another.

Storytelling is a method that has been progressively used by companies as a tool to attempt to lessen the gap between consumer and company or employee and company and create a bridge of longevity, loyalty, mutual understanding, connection and trust. Using stories when conveying a message is a way of triggering what is already latent in all of us. This is held to be true according to psychologists researching the Jungian and the cognitive approach, “stories are a fundamental part of human intelligence and imagination” (McLellan, 2006, p. 17). Storytelling is a way of ensuring that the company is working towards the same goals and that the same values are shared within the organization as well as conveying messages to potential customers so that they buy your product. Both these perspectives, the internal and the external, are important to bear in mind and consider when creating a good story. Good stories can create a feeling of satisfaction of the experience you have just been through (McLellan, 2006). In this context, how to communicate a good story that will serve the objectives that

almost all modern companies want to achieve, long and fruitful relationships with both consumers and employees.

1.2 Defining the Concept of Storytelling

Corporate storytelling, often referred to as the narrative technique, holds a spectrum of definitions. Denning (2006), referring to storytelling as narrative, states that using a narrative approach is what helps make information tangible and that it creates and evokes memories in the audience. According to Shankar *et al.* (2001), it is also important that a narrative “has a sequence, or a beginning, middle and an end” (p.433). Corporate storytelling can be said to be that added abstract value that a customer is more than happy to pay a premium for, when focusing on the external perspective. Internally it is a tool to ensure that company values and goals are shared among the employees. The technique itself is built on a basis of pedagogical and psychological techniques used to create a lasting memory with a spectator or a listener. This is made by creating a context around the main message that the conveyer wants to communicate or as McLellan (2006) describes it, as a way of “framing information so that it is understandable, meaningful, and memorable” (p.19). In this way an abstract value can be created and the listener’s or spectator’s own emotions are evoked by mere association and this can, among other things, have a positive effect on creating solid customer relationships and spreading the organization’s values among employees.

In the context of defining the concept of storytelling it should be mentioned that the word “storytelling” is used throughout this thesis instead of “corporate storytelling” this because “storytelling” is more commonly used when referring to the concept.

1.3 Purpose and Contribution

The purpose of this study is to take a deeper look at two companies and the storytelling techniques used in each case, and by doing so, to investigate the communication conducted through storytelling from the internal as well as the external perspective of the concept.

The contribution of this thesis, to the research area of storytelling, can be found in the concept of different dimensions of storytelling, presented in the theoretical framework. Here a general outline is given which isolates certain factors of great relevance when addressing the concept at an initial stage. This specific contribution enables a deeper understanding of storytelling as well as facilitates as a guide when exploring the subject, both externally and internally. Compared to Stephen Denning's (2006) eight narrative patterns, which in detail describe different ways of telling the right story depending on your initial objective; the dimensions in this study give a more general frame of information about the subject. Fog, Budtz and Yakaboylu (2005) have in their book "Storytelling – Branding in practice" given a more or less detailed outline of the concept. In this case, the authors want to give clarity to the "confusion as to what the term actually means when it comes to its practical implications" (Fog *et al.* 2005, p.9). However, there is room for an even more general outline that can be used as a guide when taking those initial and trembling steps when closing in on the subject matter. This is what the dimensions presented in this thesis attempt to contribute with.

From a company's point of view, the dimensions presented in this thesis can be used to identify which initial move toward storytelling that can be considered for each specific case concerning the company. The dimensions give the company an opportunity of recognizing which area of the storytelling concept that is applicable to their starting point. Henceforth, which factors that at a later stage, should be considered when wanting to use storytelling in order to communicate, internally or externally, within or through their company. The practical implications given by both Denning (2006) and Fog *et al.* (2005) can more easily be applied to the concept of storytelling after being guided by the dimensions presented in this study.

1.4 Research Question and Objective

Saunders, Lewis and Thornhill strongly emphasize that research questions should be clearly defined and stated. This will be crucial for the outcome of the research itself, since the clarity of the conclusions drawn will depend solely on this fact (Saunders *et al.* 2007).

The research question that will guide and fulfill the purpose of this study is:

- *How does a company communicate through storytelling?*

Saunders *et al.* (2007) depict that a more general research question can serve as a base for the later creation of a research objective. According to the authors, research objectives “are likely to lead to greater specificity than research or investigative questions” (p. 32). Based on this, a research objective has been created, developed from the main research question. This is done in order to facilitate further clarity of the purpose of the thesis.

The objective is:

To explore the storytelling techniques used as a communication tool in two companies, externally as well as internally.

1.5 Limitations

In every study, several theoretical limitations are necessary in order to give the right focus of the research and enhance the value of the findings presented. The description of the limitations of this study is to serve as a basis for deeper understanding and reflection as well as a way to convey and construe the results given in the right context. These are the main limitations of this study:

- Company perspective, internal and external
- Product driven companies
- Storytelling used in marketing communication, internal corporate communication and branding
- The dimensions of storytelling
- The Core Story

1.5.1 Company Perspective, Internal and External

This study focuses on the company's perspective when analyzing storytelling. All the dimensions presented as well as the angle of the theoretical framework depict the same viewpoint. This limitation is important to account for since the study only refers to the "sender's" point of view. Even though internal storytelling can be based on the stories told by the employees, the company using this technique in this study utilizes these stories as part of its internal organizational communication. From the external perspective, the company using this technique in this study uses it to communicate directly to its customers.

1.5.2 Product Driven Companies

The theory of this thesis focuses on companies that are mainly product driven. There is therefore no room for any generalization about service driven companies based on the results presented in this thesis. Product driven companies are, in the context of storytelling, interesting to explore. Fog *et al.* (2005) discusses how the future will become increasingly difficult for product driven companies only used to compete through price and product. The authors mean that the arguments sought after by the product driven companies no longer are a given when it comes to differentiating your company from another (*ibid.* 2005). Furthermore, products today are easily imitated and "a quality product at an affordable price is no longer a decisive factor or advantage" (*ibid.* 2005, p. 19). To avoid confusion it should be said that storytelling, or the narrative technique, can be used when it comes to service driven companies, but these kinds of companies will not be addressed in this thesis.

1.5.3 Storytelling used in Marketing Communication, Internal Corporate Communication and Branding

Storytelling as a concept is not isolated solely to marketing in any way. This is a word used to describe how to teach children, how to narrate in a good way as a public speaker, how to "become" a storyteller as a profession, among other things. In this thesis focus is put on storytelling in the context of external marketing and internal organizational communication. Branding, which can be considered the goal with storytelling, is also addressed to give clarity to the relationship between the two concepts that are intimately connected to each other.

1.5.4 *The Dimensions of Storytelling*

The dimensions of storytelling presented in the theoretical framework, delimits the concept to an extent. We are aware that the model itself does not cover the entire spectrum and area of storytelling. Other dimensions are sure to be discovered. However, the dimensions presented here give a clearer picture of the concept, which is the general intent and purpose of the model.

1.5.5 *The Core Story*

In this thesis we have purposely chosen to delimit the theoretical framework to discussions about the core story, as it is referred to by Fog *et al.* (2005). There are several distinctions that can be made when it comes to establishing what the story is and what it holds. However, the manner in which Fog *et al.* (2005) refers to the core story, covers every aspect of the different stories created in and surrounding a company. Therefore, this definition has been chosen for this thesis. Fog *et al.* (2005) refers to the core story within the corporation as the story that holds the foundation of the company's values and images, the one story that all the other, internal or external, stories should originate its values from. According to Fog *et al.* (2005) the communication conducted, both internally and externally, should be guided by the values that the core story holds. Furthermore, the core story is identified and created by the developing of a "shared mental image of the company's reason for being" (*ibid.* p. 60) and it is important that this image clearly shows the intentions and direction of the company.

Chapter 2

Theoretical Framework

This chapter presents the theoretical framework upon which this thesis is built. First, the significance of storytelling in a broad perspective as a communication tool is introduced, followed by how storytelling is used in marketing. Thereafter branding through storytelling and the technique of how to create good storytelling is addressed. Finally, a model of the dimensions of storytelling is presented. This model conceptualizes the phenomenon of storytelling and is to serve as an additional guide to in depth understanding of the concept.

2.1 Marketing Communication

According to Kotler *et al.* (2005), modern marketing requires more than just developing good products, designing pricing strategies and making those products available to target customers; companies must also communicate with current and potential customers. Varey (2001) describes the foundation of marketing communication as being the same, comparing to other communications among human beings. Just as good communication is important in building and maintaining relationships, marketing communication is crucial for companies in order for them to build customer relationships (Kotler *et al.* 2005). Pickton and Broderick (2001) define marketing communication as activities that aim at making products and services visible in the marketplace; it involves communicating the right messages to target audiences with specific channels. However, to communicate with customers and make products and services visible are becoming increasingly difficult, as a company today has to manage complex marketing communications systems. Kotler *et al.* (2005) point out that the company first has to communicate with its intermediaries, consumers and other various publics, followed by its intermediaries communicating with their customers and publics; consumers also have word-of-mouth communication with one another and with other publics.

2.1.1 Communication Process

To communicate effectively, companies first need to understand how communication works. Kotler *et al.* (2005) argue that rather than focusing on immediate awareness, image or preference problems in the target market, which is a rather shortsighted approach to communication, marketers should view communication as a way of managing customer relationships in the long run. They further define the communication process into nine elements (see Figure 2.1 below): sender, encoding, message, media, decoding, receiver, response, feedback and noise, among which sender and receiver are the major parties in a communication.

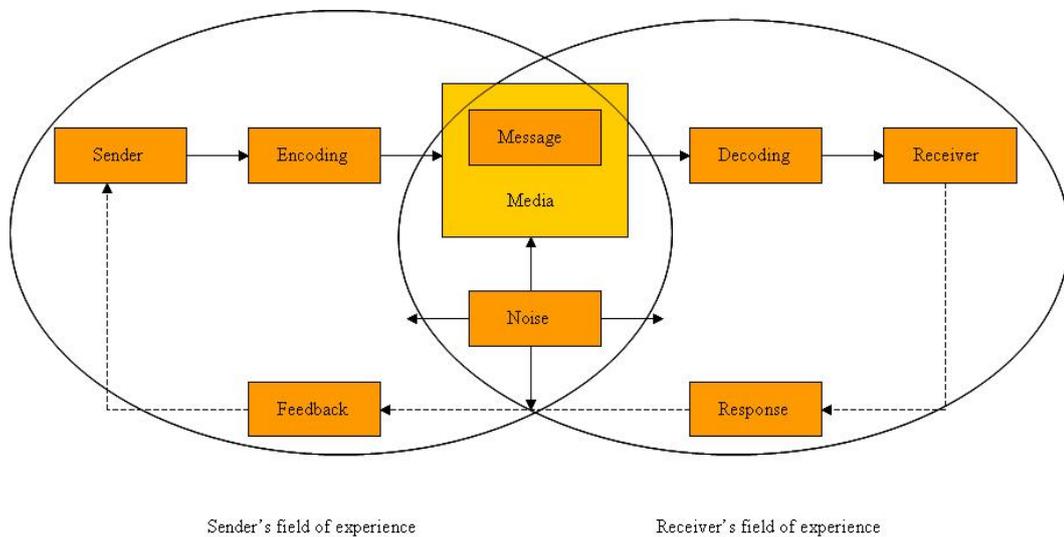


Figure 2.1. Elements in the communication process (Kotler *et al.* 2005, p.729)

“Sender” refers to the party who sends messages to another party, while “receiver”, or the consumer or business customer, is the party receiving messages sent by another party. Kotler *et al.* (2005) claim that for a message to be effective, the sender’s encoding process must go hand in hand with the receiver’s decoding process. To make sure of this, the sender must understand the receiver or consumer’s field of experience, as the more the receiver is familiar with the sender’s messages, the more effective the messages are likely to be.

2.1.2 Marketing Tools

To communicate well and pursue marketing objectives, companies often use several tools simultaneously, also known as communication mix or promotion mix, consisting of a specific mix of marketing tools: advertising, personal selling, sales promotion, public relations and direct marketing tools (Kotler *et al.* 2005).

Advertising refers to any paid form of non-personal presentation and promotions of ideas, products and services by an identified sponsor through specific media channels.

Personal selling requires personal presentation by a sales person, or several, for the purpose of making sales and building customer relationships.

Sales promotion is short-term incentives to encourage the purchase of a product or services. These incentives are distributed through discounts, samples and/or loyalty bonuses.

Public relations concern building good relations with the company's various publics and building up a good image in the market. It also deals with and head off unfavourable rumors, stories and events.

Direct marketing is to deliver information of products and services to carefully targeted consumers, to obtain immediate responses and to create lasting relationships. However, it is costly and arguably considered as intrusive.

2.1.3 Integrated Marketing Communications

Kotler *et al.* (2005), state that in the complicated market communication environment, companies are increasingly adopting the concept of integrated marketing communications to deliver a clear, consistent, compelling message about the organizations and their products. Under such concept, companies carefully integrate and coordinate various communication channels and promotion tools to unify and reinforce all the company's messages, images, positioning and identity. Similarly, Schultz *et al.* (1993) also argue that an integrated marketing communication approach is crucial in today's market. This is because information and messages about a product or service are delivered to customers from various sources and media channels; the message sent about an organization and its products and services must match the message stored in the consumer's mind

from earlier experiences. Kotler *et al.* (2005) further argue that by unifying the company's image, integrated marketing communications can only produce better communication consistency, but also create greater sales impact; they lead to a marketing communication strategy aimed at clearly showing the customers how the company and its products can help solve their problems. They also emphasize that for a company to integrate its external communications effectively, it must first integrate its internal communication activities.

2.2 The Importance of Storytelling as a Communication Tool

Several researchers claim that storytelling is a powerful communication tool; it is a fundamental part of human intelligence and imagination, and an integral and persuasive aspect of all human (McLellan, 2006; Shankar, Elliot, and Goulding, 2001); we use storytelling to illustrate points, to remember things, to engage audiences, just to name a few. The power of storytelling lies in the fact that it requires active listening, and provides mechanisms to emphasize meaning and feeling, which are not always possible with other communication methods (McLellan, 2006). Furthermore, McLellan (2006) claims that some of the key functions of stories are: empowering a speaker, creating bonds between individuals and negotiating differences. Shankar *et al.* (2001) put storytelling into a wider perspective, as they argue that storytelling is crucial for consumers to make sense of their consumption experience and even part of their lives. Having said that storytelling is a common and powerful communication tool, it is increasingly adopted by companies as a corporate management tool and a marketing tool. According to McLellan (2006), storytelling, when used internally, can help increase the understanding of corporate values and culture; when used externally it can create added value to products and build trust and loyalty with consumers.

2.2.1 Branding through Storytelling

Storytelling is a form of branding, or a means to achieve a strong brand. Figure 2.2 displays the cyclic relationship between branding, storytelling and target group when using storytelling to communicate through and in your company. The brand can become strong if the story succeeds in conveying the correct mindset to the target group. According to Fog *et al.* (2005) using storytelling when

conveying a message, is a way of communicating “values in a way that we can all understand” (p.22). A story is also something that evokes emotional bonds between the receiver and sender of the message. The brand is, according to Fog *et al.* (2005), strong if it is built on an “emotional connection with the consumer” (p.16). Furthermore, for the brand to have great impact, it should be constructed on clear values, those values that are imbedded in the core of the company. When it comes to the target groups, such as customers and employees, they are at the receiving end of the cycle. However, they can also constitute as a means for branding through telling stories about the company, becoming storytellers by their own force. The factor just explained, is one that we find very important to mention in this context, since the strategic outlook of the company may have to accommodate these storytellers. The common denominator in this model by Fog *et al.* (2005) is the emotional bond that is created between brand, story and target group. The brand creates an “emotional connection with the consumer”, the “story speaks to our emotions” and “the target group emphasizes with the company” (*ibid.* p. 22).

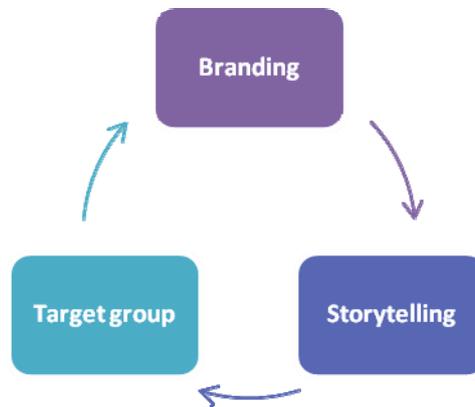


Figure 2.2 Branding is the Goal – Storytelling is the Means (Fog *et al.* 2005, p. 22)

2.2.2 The Importance of Storytelling as a Corporate Management Tool

Denning (2006), states that one of the most difficult challenges leaders face on a corporate level is getting stakeholders and employees to believe in a different way of doing things, such as a new business model, a change in culture, or a strategic shift. While a conventional command-and-control approach could work, it is difficult to inspire and encourage people to take independent and constructive actions in support of a corporate goal. Storytelling on the other hand can

communicate complex ideas in a positive tone and springs people into action (Denning, 2006). Leaders not only use storytelling to spark actions, but also to create bonds among employees and gain new insights into the organization by listening to employees share their stories. As McLellan (2006) states when employees share stories about their experience with the company, it builds a sense of belonging; and the culture of a business is reflected in the stories told by employees.

2.2.3 The Significance of Storytelling in Marketing Communication

According to Simmons (2006), storytelling gives personality and meaning to products and brands and, therefore, companies can use storytelling to create and maintain images they would like to portray. This could be particularly useful for multinational national companies, as maintaining the same product and brand image across countries and channels simply through conventional marketing communication could be challenging. Fog *et al.* (2005) also emphasise that today's strong brands are built on clear values and emotional connections with consumers; this is where storytelling comes to use to incorporate brand values into stories, develop emotional bonds with consumers and create consistent brand images. Shankar *et al.* (2001) seem to agree with this point of view by suggesting that brands can be given stories or narratives; for example, brands in a marketplace can be conceived as 'romantic', 'tragedic', 'heroic' or 'satirical' brands. Moreover, they believe that a company's positioning strategies should take into account the narratives of brands within a marketplace, such as can a market or market segment accommodate more than one heroic brand (Shankar *et al.* 2001).

Storytelling as a marketing tool is becoming increasingly important. Some argue that customer buying decisions in the future will be strongly influenced by invisible factors, such as the stories about the company (Mossberg & Nissen-Johansen, 2006). Jensen (1999) discusses this point of view further by stating that, although there will still be demand for products with practical values, their functionalities will not be as important as it used to be. Rather, it is the story part of the product that will play an important role in consumers' mind when deciding to make a specific purchase. He continues to argue that today's consumers tend to

purchase products and services to experience the stories, which represent lifestyles; they value that stories about the products they purchase subsequently create added value for them. Shankar *et al.* (2001) support this view by stating that storytelling is crucial for consumers to make sense of their consumption experience and even of their lives.

2.2.4 Techniques used to Create Good Stories

Simmons (2005; cited in Erkas and Baron, 2007) states that “[i]f the story is good enough, people – of their own free will – will come to the conclusion that they can trust you and the message you bring” (p.5). Thus the question is how to create good stories. Shankar *et al.* (2001) believe that to create good stories companies need to adopt classical narrative forms. Simmons (2005; cited in Erkas and Baron, 2007) seems to agree with this, that it is important to tell stories in classical narrative forms, by claiming that a story needs to have characters that all have specific roles to play. It also needs a plot and a timeline with a beginning, middle and an end. Moreover, he points out that a good story also needs a conflict, without the conflict the story is not interesting enough. Denning (2006) also argues that the primary tick to successfully using narrative pattern lies in telling the story in a minimalist fashion, as the story that is told is much less important than the new stories listeners imagine for themselves. This goes hand in hand with Shankar *et al.*’s (2001) point of view as they state that companies need to leave gaps in their stories so that the audience can construct parts of stories themselves in order to maximize their explanatory power. The reason for this is that consumers use stories to make sense of their consumption experiences and even part of their lives; moreover, they receive identities from stories and become a character in the stories.

Several researchers also emphasize that to make sure the stories are good companies need to create different types of stories based on different purposes and objectives (Denning, 2006; Simmons, 2005; cited in Erkas and Baron, 2007). Denning (2006) divides stories into different categories, such as stories that spark actions, communicate who you are, transmit values, communicate who the firm is, foster collaborations, tame the grapevine, share knowledge, and stories that lead people into the future. Each of the stories has its own characteristics and is told

differently depending on the company or the teller’s purposes. For example, a story that communicates a new corporate goal and intends to spring people into action, needs to be told in a positive tone; it is usually very brief and talks about a change that has already happened. In contrast, telling a story in a traditional form, that is, a story with a beginning, middle and an end, a hero, a plot and a turning point, and a large context, is unlikely to inspire listeners to take independent action in support of a new corporate goal.

2.3 The Dimensions of Storytelling

There are several different dimensions to be considered in the context of communicating effectively through storytelling. These dimensions are here used as a guide to explore, and also capture, the essence of the concept. The model below will be described in detail, starting with the dimension in the middle, “Externally versus internally directed” storytelling.



Figure 2.3 The Dimensions of Storytelling (own model)

After describing this initial view, each dimension, within each of the circles, will be explained in a clockwise manner starting with “Corporate versus product level”. There is no correlation between how important the dimensions are to be considered and the order in which they are addressed. Although, the initial dimension discussed “Externally versus internally directed” storytelling, is to serve as a basis for the further explanation of the other dimensions presented in the model. Furthermore, the dimensions should not be seen as separate entities, they are meant to be considered as parts of a whole when addressing the concept.

2.3.1 *Externally versus Internally Directed Storytelling*

The externally directed perspective of storytelling is intimately connected with the term “branding”. Fog *et al.* (2005) depict that “storytelling becomes an effective tool for creating an entire brand concept: one that stays with us, because it touches our emotions” (p.48). Stephen Denning (2006) refers to it as “[c]ommunicating who the firm is” (p.43) and that it “is usually told by the product or service itself, or by customer word-of-mouth or by a credible third party” (*ibid.* p.45). Denning (2005) also speaks of how a brand is not to be defined as tangible or intangible or described as emotions or as certain perceptions, it should instead be regarded as a relationship. This relationship can exist between the customer and the company or the customer and the company’s products or services (Denning, 2005). A strong brand can be extended to all of the company’s marketing devices used, such as the image of the firm, slogans, as well as rumors surrounding the company (*ibid.*). According to Fog *et al.* (2005) this is created from within, “[a] strong brand always starts from within, with its employees, if it is to have a long-term effect externally” (p. 61). This gives reason to believe that Denning’s point of view can be taken even further. Because, even though the external perspective of storytelling mostly addresses external parties, according to Fog *et al.* (2005), the process seems to start from the inside out.

Denning (2006) quotes Douglas Holt, the L’Oreal Chair of Marketing at Oxford University when he states that “[c]onsumers buy the products to experience (the) stories” (p.45). In this context, the story can be buried deep within the core of the company. Fog *et al.* (2005) addresses the issue by describing the core story as intimately connected to the values imbedded in the company’s corporate brand. Moreover, the core story is, according to the authors, “the fundamental theme, or, the central nervous system that ties all the company’s brand communication together” (pp. 48-49). McLellan (2006) agrees and says that “stories provide a powerful tool for stating and sharing your company’s vision and purpose” (p.19). According to Fog *et al.* (2005) the communication conducted, both internally and externally, should be guided by the values that the core story holds. The core story is identified and created by the developing of a “shared mental image of the company’s reason for being” (*ibid.* p. 60) and it is important that this image clearly shows the intentions and direction of the company. When it comes both

the external and internal perspective of storytelling, companies have to consider the message that is sent, for example, to the consumer or the employee. It is of great importance that the message, sent through *e.g.* branding, coincides with the message that the firm wants to convey, and that it also serves as a promise to be held to the consumer. Denning (2006) refers to this as that you have to “[b]e sure that the firm is actually delivering on the brand promise” (p. 43). Furthermore, Mark Morris (2003; cited in Denning, 2005) says that the promise made through your company brand is very important to keep; otherwise a gap will be created between “the desired perception of the company and the actual perceptions” (p. 107).

Internally directed storytelling is, among other things, a way of ensuring that the employees are striving for and understand the values and goals that the company stands for and is working hard to achieve. Fog *et al.* (2005) believes that it is important that the employees can identify with the company’s core story. The authors argue that if the employees can do this, “they will also proudly share that story” (*ibid.* p. 61) and so the values of the core story are spread throughout the organization. Internal storytelling can also be used as a way of sharing knowledge within the organization. According to Denning (2006), such stories are often about obstacles or difficulties and how these are to be overcome.

According to Fog *et al.* (2005), the employees of a company are not only important in order to keep up business as usual, but since they are so intimately connected to the company, they “are the single most important ambassadors that a company brand has” (p. 61). The employees have the stories worth telling and they know what the company stands for because they have experienced it themselves. Mark Morris (2003; cited by Denning, 2005) says that the single most effective and important way of comprehending a company, which in this case also builds the reputation and strengthens the brand image, is through the stories surrounding it. He goes on saying that this is true not only when it comes to the employees but also to those who work in close relationships with the company, *e.g.* suppliers and customers alike. Stories within a corporation can also spark action; communicate who you are as a manager of the firm and they can also be used to lead people into the future (Denning, 2006).

The model below shows a simple view of the external and internal perspective of branding through storytelling, using the company’s core story as the foundation of the dimensions explained in the previous text.

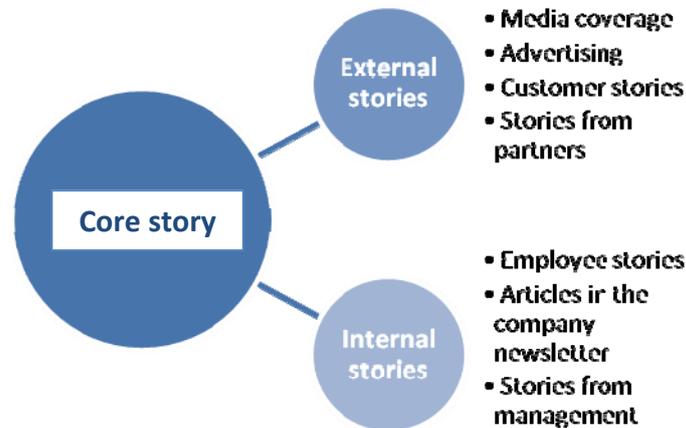


Figure 2.4 Core Story Connection, inspired by “The Brand Tree” (Fog *et al.* 2005, p. 55)

The Core Story Connection, inspired by Fog *et al.* (2005)’s model “The Brand Tree”, displays how the core story makes up the foundation of the company’s brand. Fog *et al.* (2005) suggest that “[a]ll the stories being told in and around the company should stem from this one core story” (p. 55). The model at hand also gives examples of how and where the different dimensions can be displayed. There is one small alteration made to Fog *et al.* (2005)’s model here. They speak of “[s]tories about the company’s product” as being solely within the internal perspective. We do not share this view and therefore this example has been removed from “internal stories”. The examples not addressed in the previous text above will be discussed further on in this chapter.

2.3.2 Corporate versus Product Level

Storytelling can be used on both company and/or product level. According to Fog *et al.* (2005) it, however, becomes crucial that the company “keeps a firm eye on its long-term brand strategy” (p. 49) in order not to lose close contact with its core story when using storytelling in the organization. Marketing your product has become more and more intertwined with the marketing of your company. Hatch and Schultz (2003) advocate that, “[d]ifferentiation requires positioning, not [of the] products, but [of] the whole corporation” (p.1041). According to Fog *et al.*

(2005), stories are now being created or utilized by companies that surround their whole concept, not just one product or service. The company's story "becomes the driving force behind [its] brand values, separating them from the grey masses" (Fog *et al.* 2005, p. 152). This offers the company an opportunity of using "the vision and culture of the company as part of its unique selling proposition" (Hatch *et al.* 2003, p. 1042). According to the authors, a strong corporate brand can facilitate the creation of company images which become based in its customers as well as in its other stakeholders (Hatch *et al.* 2003). This can be related to what Fog *et al.* (2005) refers to as the core story within the corporation; the story that holds the foundation of the company's values and images, the one story that all the other, internal or external, stories should originate its values from.

When it comes to storytelling on the corporate level, seen through the eyes of branding, according to Hatch *et al.* (2003), the corporation becomes more transparent. This is so because "organizational behavior, even at the level of everyday employee interactions, becomes visible" (Hatch *et al.* 2003, p. 1044). Fog *et al.* (2005) agree with this view when they say that since the modern day consumer is so in tuned with various media channels and the Internet it becomes hard to hide your company and its values from its surrounding environment. According to Hatch *et al.* (2003) "[a] story is a very good device for creating emotional [...] connections between diverse groups" (p. 1060), the groups referred to here are *e.g.* employees, customers and suppliers. However, the authors also state that it is not enough, just to have a good story about your corporation, even though there always is a story to be told about every brand. According to the authors it is important to understand that it is the "acts of storytelling that bring benefits to the company" (p. 1060). By this they mean that the stories used have to be relatable, for example through stories about the employees and how they have contributed to the development of a new product (Hatch *et al.* 2003), instead of just launching the new product on the market as it is.

Corporate brands can, however, exist separate from product brands and *vice versa*. According to Fog *et al.* (2005) product brands can exist independently when their own identities are clearly defined. The authors give as an example the company Procter & Gamble, who is the owner of brands like Pampers and Pringles. In this

case the challenge for the company is to “create strong core stories for each of its product brands” (p. 50). The authors emphasize that this will have to be done in a clear manner that does not create rivalry or conflict between the brands. Another approach is where the product is so intimately linked with the corporation that it speaks both through and for it. Storytelling on a product level can become so intimately connected with the corporation that it is hard to see if there exists any distinction between the two. Here, Fog *et al.* (2005) discuss Nike as a good example of when the product and the corporation share the same story. In the case with Nike, they say, that the products “support the overall Nike corporate brand [...] the essence of what makes Nike, Nike” (p. 50).

2.3.2.1 Newly Started Companies

As differentiation has become even more important in order to reach your consumers, this is very much so especially for newly started companies. The newly started company quickly has to make an imprint on the market in order for the business to take off and for the company to survive. Dennisdotter and Axenbrant (2008)¹ mean that the newly started company, facing the problems that it does, quickly has to attract attention to what makes it different and special in order for it to succeed. In this context it is not enough to just speak of the product and tell everyone how fabulous it is. For this reason, the authors state that newly started companies can increase their attractiveness on the market by using a good story. However, the company should not have to create stories around itself or its products in an attempt to persuade the consumer that there is a demand for what it is offering or that the product is all that and then some (Dennisdotter *et al.* 2008). Denning (2005) agrees on this point of view when he compares the attempt to persuade or beautify a company or product by using an elaborate story, with trying to add “cosmetics to a so-so product [...] isn’t going to solve the problem” (p. 104).

¹ Texts and quotes from this source have been translated from Swedish to English throughout the thesis.

2.3.3 Target Audience

The main target audience when using externally directed storytelling is the consumer, however, also other stakeholders are of great importance to this dimension. Internally, the employees become the main audience of focus. Denning (2005), who refers to the brand and storytelling as a relationship, says that all the stakeholders, such as “employees, partners, suppliers, regulators, and investors” (p. 105) are part of the ongoing relationship with the company. If the brand is weak, the relationship becomes weak (Denning, 2005). Hatch *et al.* (2003) share this opinion and state that when a brand is strong, it attracts the attention of and “orients relevant audiences, stakeholders [...] around the recognizable values and symbols that differentiate the organization” (p. 1046). This can also be related back to the importance of the core story that Fog *et al.* (2005) refers to as the heart of all communication of the organization. The communication process must be associated with conveying the “right core story”, or the kind of values that are in line with the company’s ideals that it wants to transmit to its target audience.

It is important for the company to localize its target audience in order for it to direct its messages in the correct manner. In this context companies can establish a communication that is interactive, that will serve the company’s purposes and through it gain valuable information. Externally directed storytelling has become increasingly interactive, not only because of the demands of the modern consumer, but also as a result of media like the Internet. Consumers are invited to join in on chat rooms and websites offered by their favorite company, or indirectly, through their favorite company product or through a membership in their favorite store. The stories are no longer told by the companies and according to Fog *et al.* (2005), this development is forcing companies “to pay attention to what their customers are saying, whether they like what they hear or not” (p. 176). The authors go even further and stress that the “companies are losing control over the information exchange and opinion forming that creates their brands” (p. 177). Therefore, inviting the consumers to participate and be part of the stories surrounding the company can become a way of encountering this problem. By the consumers telling their own stories about your company or product, the communication channels becomes broader and companies are able to display and

market themselves in further ways than before. According to Fog *et al.* (2005) the Internet gives rise to a completely new approach to storytelling. Online, anyone can become an avid storyteller and consumers have the ability to mobilize in great numbers on a global scale. There is strength in numbers but also in the fact that the online media gets your message across instantly. Fog *et al.* (2005) say that “[t]his means that brands can be created and destroyed in the blink of an eye” (p. 177).

The audience within the company can also be invited to participate in interactive communication through storytelling. Employees are strongly connected to the everyday life of the company. They are familiar with how business is done, not just in theory, but in practice. They are very knowledgeable about the company with their personal experiences and daily encounters with the living, breathing, practical element of the company. Also, they know details about the company that the owners and managers rarely come in contact with.

Fog *et al.* (2005) say that there are two reasons for using storytelling in the organization for managerial purposes. The first one is “[to] strengthen the company’s values in tangible ways that employees can easily understand” (p. 127). In this instance, according to the authors, stories can be used to make sense of the core story that resides in the company; this is done because often it is hard for the employees to fully comprehend the values that the company stands for. Values are often displayed on the company webpage and so on; however, it is not evident that these abstract words are useful when it comes to transmitting and understanding them to the full extent (Fog *et al.* 2005). If the company instead explains these values through stories told by the employees, “those abstract values become tangible [...] [and the] complex becomes concrete” (Fog *et al.* 2005, p. 127). In this context it is, according to Denning (2005), important to distinguish between personal and corporate values. The author states that there may be a discrepancy between these values because the employees have not “understood or accepted the values the corporation is pursuing” (p. 131). The second reason for using storytelling internally as a form of management, according to Fog *et al.* (2005), is to show “the employees how they should behave in certain situations in order to uphold company values” (p. 127). Denning (2005) also speaks of this and

says that it is important that managers and “leaders establish values through action” (p. 135). They should, so to speak, guide the employees by showing them what kind of behavior that goes hand in hand with the company’s ideals. Furthermore, Denning (2005) stresses that it, in this context, becomes crucial that the leaders of the company live these values themselves as well on a day to day basis. They cannot say one thing and act another because this asymmetry will soon be discovered by the employees. According to the author, “[w]ork can be dictated, but behavior only influenced” (Denning, 2005, p. 137) it is therefore important for the manager not to become too moralizing and command compliance of the employees. Storytelling can facilitate this, according to Denning (2005). An effective way, says Denning (2005), for managers to influence behavior is to let the employees “see the point for themselves in a narrative” (p. 137).

2.3.4 *Arena for Communication*

There are different arenas on which storytelling can occur. Externally directed stories can be portrayed *e.g.* through the media or advertisements. Internally they are often communicated through more or less formalized internal newsletters or as part of the internal communication process in some way *e.g.* through the company intranet. When it comes to the externally directed dimension of storytelling, Shankar *et al.* (2001), say that companies have to consider their positioning strategy in a larger context. They imply that since stories are built on the age-old premise of having “a beginning, a middle and an end; a valued end point [...] [a] goal [...] and an order of events” (p. 446), they can be interpreted according to certain attributes such as *e.g.* “romantic, tragic, heroic or satirical” (p. 447) and so on. The authors state that since this is so, companies have to consider that the result of the story, when it comes to branding, can be that the market only can hold one heroic brand. The arena for communication therefore becomes more complicated when the purpose is to use storytelling to position your company and differentiate it from others. In advertising, such as television, radio, billboards and the Internet, companies are, and have always used storytelling as a given when wanting to market themselves (Fog *et al.* 2005). However, according to the authors, today, companies are producing “commercials using storytelling in its purest form” (p. 152). This development has become prominent on a market

where companies are fighting to stand out from each other “while giving their consumers an added-value experience that transcends the actual products” (Fog *et al.* 2005, p. 152).

Denning (2005) refers to advertising through storytelling electronically as “Digital storytelling”. Today every company has its own website where it displays its products and stories surrounding it. However, Denning (2005) states that even though this media is quick and has a global reach there are a few downfalls to using this arena for communicating your message. The most important issue in this case is that storytelling, among other things, is a way of creating a long lasting relationship with your customer. This, according to Denning (2005), gets lost when using this type of media since “people being reached by digital advertising don’t know who is speaking or whether they can rely on the source [or not]” (p. 104). Denning (2005) strongly criticizes this modern media when conveying messages through the art of storytelling when he says that it is not credible to the listener. He states that it is too easily imitated, it takes place in a context that is fostered by “thin [and] anonymous relationships” (p. 105) and he claims that “digital storytelling [is not] interactive” (*ibid.*). He bases this statement on that there is no “face-to-face relationship” (*ibid.*) and therefore the teller cannot adjust the story according to the reactions of the audience.

Using the media can, however, also enhance the credibility of your company story. Fog *et al.* (2005) mean that “a story [...] told by a journalist will always be more credible than if you tell it yourself” (p. 196). The authors also state that the kind of advertising your company gets through media exposure would cost a small fortune if you were to finance it yourself. Fog *et al.* (2005) do in this context, not make any distinction between if electronic media is used or not. The authors instead address digital storytelling as “something for everyone” (p. 192) and state that the digital revolution has made it possible for the everyday person to construct his or her own stories to send globally through the use of a computer.

The internal arena for communicating storytelling consists in most part of the culture that exists within the company or organization. It is here the core story plays its most important role in strengthening the company from within. Stories about and from management can on this arena become a great force to be reckoned with when it comes to the internal communication. Strong corporate cultures can be built upon stories that are told from employee to employee about the ‘hero’ or the boss of all bosses, whose endeavors are almost myth-like. A good example of this is Ingvar Kamprad, the founder of IKEA. The myths and legends about this man are several and there is not one Swede alive that does not know who he is and what he stands for. IKEA is well known for its strong corporate culture and “this can be seen as an extension of the spirit and believes that Ingvar Kamprad created during IKEA’s early years” (Bakka *et al.* 2001, p. 109)². The images of Ingvar Kamprad builds the core story and creates the values that make IKEA what it is, even to this day.

2.3.5 *Authenticity versus Fiction*

When it comes to storytelling, the question of whether the story has to be real or not brings up conflicting views. Denning (2001) says, when referring to internally directed storytelling, that for the story to be effective, it does not have to be true. This view can also be adapted to externally directed storytelling. Dennisdotter *et al.* (2008) describe the dimension of authenticity *versus* fiction as two directions dividing the whole concept of storytelling, into those who advocate for the stories always having to be true and those who do not. Those who say that the stories do not have to be true, agree with Denning (2001) in that the perception and the emotional connection of the story are most important. Denning (2001) also stresses that it is “important that the story creates meaning for the audience” (p. 37) and that the listeners can see the meaning in a more personal context, so that it becomes even truer to them. Denning (2001) goes on and says that for the story to be effective, the question will instead be “[d]oes the story ring true?” (p. 38). According to the author, a story that rings true does not in fact have any grounds for being true. In this context, Denning (2001) speaks of the story as being “reasonable and believable” (*ibid.*). Furthermore, when a story rings true, “it

² Texts and quotes from this source have been translated from Swedish to English throughout the thesis.

enables the listeners to generate a new gestalt in their minds” (*ibid.*) and this helps them to receive the main point of the story being told. The connection between the emotion experienced and the story being told, with other words, has to feel real, but that does not mean that the story has to be real. According to Dennisdotter *et al.* (2008), those who advocate for the use of true stories mean that there is no reason for companies to dictate stories that are not real, since every company has a story to tell from its own reality.

2.3.6 Drivers and Barriers

2.3.6.1 The Advantages of using Storytelling as a Marketing Communication Tool

Compared to other marketing styles, such as informative or lecture forms of marketing, which tend to evoke argumentative thinking in consumers, storytelling is more likely to encourage vicarious participation (Woodside, Sood, and Miller, 2008). Erkas and Baron (2007) seem to agree on this point of view, they state that storytelling can captivate consumers’ attention and communicate the values of brands in a straightforward and fascinating way. This is so because stories can create emotions and feelings among consumers, and simplify complex messages and concepts. Storytelling is also a good way of communicating intangible values, such as a company’s reputation (Erkas and Baron, 2007). The power of storytelling is maximized when the audience feels related to the stories or constructs part of the stories themselves (Shankar *et al.* 2001).

Storytelling can also help build consumer-brand relationships (Woodside, Sood, and Miller, 2008). Take the Manchester United football team as an example, the team’s 1958 plane crash in Munich, its ups and downs, those stories have made the team an iconic figure in the football club history and certainly have created a strong bond and loyalty between the team and fans. Another advantage with storytelling is that it is considered to be a very cost efficient way of marketing and strengthening your company and what it stands for. According to Dennisdotter *et al.* (2008), “using storytelling does not have to cost very much”, because “all companies have stories that represent their core values” (p.19). Henceforth, using storytelling in your company, very much comes down to your ability to find the stories and utilize these from within (Dennisdotter *et al.* 2008).

2.3.6.2 Disadvantages of Storytelling

Despite the power of storytelling, it also has some downfalls. According to Sole and Gray-Wilson (1999), there are three major problems related to storytelling: (1) seductiveness, (2) single point of view, and (3) static stories. When a story is overly seductive, the audience could be distracted from its purpose this might cause them to blindly absorb the story instead of skillfully evaluating it. The second risk is that a story is often told from the teller's perspective, which can be an organization or one person. A story told from a single point of view often excludes other interpretations and imaginations, and can even be misleading. Static stories refer to those stories that do not undergo significant changes. The impact of a story also varies depending on how it is delivered, whether through oral, written or other forms.

An additional disadvantage of storytelling is that the same story may not work in every culture, as we are often culturally and socially conditioned into understanding certain form of story (Shankar *et al.* 2001). The meaning of stories may also be subject to interpretations, that is, different audiences could interpret stories differently (Reiter, 1994).

Chapter 3

Methodology

This chapter presents a clear view of how the research methods have been chosen for this thesis. It starts with a discussion of different research approaches, and the ones that are suitable for this study. Data collection is then explained, followed by the data analysis method. Finally, threats to the validity of this study and our efforts to minimize these threats are presented.

3.1 Research Approach

There are three approaches when conducting a research: quantitative, qualitative and mixed methods approach. Robson (2002) states that quantitative approach refers to doing a large amount of pre-specifications, which means that the researcher needs to know exactly what to do and collect all data before analyzing it. Moreover, the quantitative approach often relies on quantitative data and statistical analysis. In contrast, the qualitative approach often results in qualitative data, typically non-numerical. In a qualitative approach, much less pre-specification is made; the research design evolves as the research progresses, and data collection and analysis are intertwined (Robson, 2002).

According to Creswell (2003), one of the main factors that affect the selection of research approach is the research problem, others including the researcher's experience and the audience. If the research problem is about testing a hypothesis, confirmation, identifying factors that influence an outcome, or to draw general conclusions; then a quantitative research approach is preferred (Johnson and Onwuegbuzie, 2004). However, if the research problem is about understanding new concepts in an area with little or no previous research; a qualitative research approach is preferred (Creswell, 2003). Furthermore, a qualitative research approach is suggested if the researcher is the main data collection instrument, such as through observation and/or conducting interviews (Johnson and Onwuegbuzie, 2004), despite the fact that a combination of both quantitative and qualitative approach is considered as more appropriate (Martella *et al.* 1999). Based on the purpose of this study, which is to develop detailed and in-depth

knowledge about how the storytelling technique is used in two companies, a qualitative approach is therefore adopted.

In a qualitative research approach, two knowledge claims can be used, socially constructed or advocacy, also known as participatory (Creswell, 2003). The latter is based on politics and political agendas and therefore does not match the purpose of this study; therefore the first knowledge claim, socially constructed, is applied. Wohlin *et al.* (2002) state that the purpose of socially constructed research is to gather data in order to create a description of the problem based on the participants' views. Moreover, qualitative studies are not experimental (Wohlin *et al.* 2000), which means that there are no dependent or independent variables. Socially constructed research also uses open-ended questions, which allows the participants to express their opinions freely (Crotty, 1998), and such a research approach is often elastic, which means that modifications can be done during the process of conducting the research.

3.1.1 Purpose of Enquiry and Research Strategy

The purpose of the research can then be classified into exploratory, descriptive and explanatory (Robson, 2002). Based on the fact that our study aims at seeking new insights, assessing current phenomena in a new light, and generating ideas and hypotheses for future research, an exploratory approach becomes essential.

Depending on the purpose of the research an appropriate research strategy is chosen among surveys, case studies and experiments. As mentioned earlier, the purpose of this study is to develop detailed and in-depth knowledge of the topic, which is in line with the description of case studies. In addition, a case study focuses on the situation, individual, group, project or organization that the researchers are interested in. A case study is an observational study that is conducted in a real context, and therefore the researchers do not have the same level of control as in an experiment, which is often performed in a laboratory (Robson, 2002). This combination of a qualitative approach, case studies and exploratory seems to be credible, as Robson (2002) states that “case studies are appropriate for exploratory work” and exploratory is “usually, but not necessary, qualitative” (pp.42-43).

3.2 Data Collection

For data collection, a face-to-face interview and a questionnaire has been used for this study. Robson, (2002) claims that one advantage with the data collection method used through interview is its flexibility. This means that the researcher has the opportunity to follow up with ideas, interpret feelings, facial expressions and intonations, which are the exact reasons why a face-to-face interview was chosen as one of the data collection methods in the study. Differing from questionnaire, in which questions must be interpreted by participants on their own, face-to-face interviews, allows the researcher to ask the participants questions; therefore catch more subtle information (Robson, 2002). However, interviews are rather time consuming. It can also be subject to bias, from both interviewers and interviewees.

Different types of interviews can be shown on a scale of structure, from fully-structured interviews, semi-structured interviews, to unstructured interviews (Robson, 2002). In this study, a semi-structured interview with open-ended questions has been used. According to Robson (2002), the semi-structured interview has predetermined questions, however the interviewer can change the order as well as the wording of the questions, and explanations can be given. This allows the researchers to adapt to the situation with a prepared set of questions, and follow the participant's train of thought instead of the order of questions. In order to keep full focus during the interview and avoid missing information, the interview was recorded for later processing. By doing so, the interview became more effective, and we gained additional valuable information. On the other hand, recording the interview may give the interviewees a sense of insecurity and make them feel uncomfortable. The audio recording was later transcribed into a text of eight pages.

A questionnaire, sent via e-mail, has also been used for the data collection. We are aware of the disadvantages of using a questionnaire, as mentioned above; therefore several emails were sent to follow up the respondent's answers and to make sure that the questions were interpreted correctly. However, more subtle information such as the respondent's feelings, facial expressions and intonations are not revealed with the questionnaire.

3.2.1 Population and Sample Selection

The population in this study consists of companies in Sweden that use storytelling as a corporate management tool or a marketing communication device. Samples were selected randomly from a list of companies. We identified the companies that use storytelling internally or externally, and randomly selected companies to contact. This means that any company on the list had an equal chance to be selected. According to Eisenhardt (1989), purposeful selection is arguably preferred in a qualitative case study; however, Babbie (2004) claims that random selection removes the danger of selecting samples that supports the researcher's theory. The participants from each company were selected by the contact person at that specific company. This study uses stratification of the participants; the participants should have knowledge of storytelling as a corporate management tool or as a marketing communication tool.

3.2.2 Research Instrument

Our interview questions (Appendix 2) and questionnaire (Appendix 1) were developed based on the purpose of this study, our research questions and theories from other researchers in the field of marketing, marketing communication, and corporate management. Although the questions for the two companies were mostly the same; due to the fundamental differences of the two companies, slight adjustments had to be made to suit the background of each company and the participants. In order to gain in-depth understanding and new insights in this field, for the most part, open-ended questions were used and leading questions avoided. By doing so, the possibility of giving the participants answers within the questions or leading the participants towards a certain direction that would favor the study was substantially decreased. Due to the nature of semi-structured interviews, the participants were able to speak freely and follow his and hers train of thought; notes were also taken during the interview on emerging issues and ideas. However, the interview questions guided the interview back on the right track. The questionnaire was sent to the participant by email, several follow-up emails were also sent to make sure that the questions were understood correctly. However, the answers were written in Swedish and thereafter translated, which means that certain interpretations of the answers could be lost due to the translation.

3.2.3 Pilot Study

Two pilot studies were completed in order to insure the quality of the interview questions and the questionnaire. The first pilot study was performed by the group conducting this thesis, by re-writing the questions several times to make sure that they reflected the research question and the purposes of the study, that they were clear and scientific, and that they contained no double-barreled or leading questions. In addition to this, we also checked if the questions were interpreted correctly and answered in the intended way.

The second pilot study was performed by two academics. Both participants were aware of the purpose and the interview questions were sent to them via email and presented in person respectively. They helped to check the structure of the questions, if the questions were clear and unambiguous and valid for the purposes, and if they covered all aspects of the cases. As a result, some questions were re-phrased, some more questions were added and some were removed.

3.3 Data Analysis

The content analysis was chosen as the data analysis method in this study, as it is often used for exploratory research (Neuman, 2003). Furthermore, the content analysis in the qualitative approach examines relevant records and documents, with focus on gathering information and generating findings that are useful (Robson, 2002). According to Robson (2002), the content analysis can be used to analyze data collected from existing documents, and also for analyzing the content of interviews and observations. In this study, the content analysis has been used for the latter purpose. The content analysis involves creating categories where interesting parts from the documents, in this case, the interview transcripts, are added and discussed (Robson, 2002). The author then examines the categories from different perspectives.

3.4 Validity

According to Robson (2002), the quality of the qualitative study relies upon the quality of the investigator. The validity issues can be divided into three groups: description, interpretation, and theory. The main threat to providing a valid description of what has been seen or heard is caused by the inaccurate or

incomplete data. This was solved by audio-taping the interview, which was transcribed later on. Furthermore, the interview was carried out by two interviewers, one of whom took extensive notes during the interview.

The main threat to providing a valid interpretation is when researchers impose a framework or meaning on what is happening rather than emerging from what is learned during the involvement in the setting (Robson, 2002). In this study, this particular threat was managed by discussing the interviews and how we as researchers interpreted the interviewees' answers. This was also accomplished by having two interviewers. The main threat to theory validity is when alternative explanations or understandings of the phenomena were not considered; and this can be prevented by actively seeking data that is not consonant with the theory (Robson, 2002). In this study this threat has been avoided by selecting two different types of organizations, which vary in size, age and business types.

Validity can also be discussed in terms of reliability. Robson (2002) points out that in quantitative research, reliability is associated with the use of standardized research instruments, such as formal tests and scales. However, these formal tests and scales cannot be used in qualitative approach; therefore common pitfalls in data collection and transcription need to be avoided. Among others, transcription errors can also cause threat to reliability; and they are difficult to avoid due to misinterpretation and mishearing (Robson, 2002). Moreover, inaccurate punctuation or mistyped words can change the meaning of a sentence; and a transcript does not capture one's intonation, hesitation and pauses in between thoughts. In this study, the chance of having such a threat is reduced by having the transcriber present at the interview and taking notes of the interviewees' answers.

Another issue regarding the validity is the possibility of generalizing the results. Generalisability is concerned with drawing conclusions drawn beyond the setting (Robson, 2002), in this case the application of communicating through storytelling techniques to companies other than The Volvo Group or Swedish Hasbeens. According to Robson (2002), qualitative studies rarely attempt to generalize beyond the setting of the study, as these studies are more concerned with characterising, explaining and understanding the phenomena within the study. He

further argues that the nature of qualitative research also makes it almost impossible to replicate, this is so because identical circumstances cannot be re-created. However, the development of a theory or phenomena can help understand other cases in similar situations. Some of the analysis on how a company communicates through stories can, to a certain extent, be generalised for organisations facing the same issues. However, it is not possible to generalize the results from the analysis based on the case studies of the Volvo Group and Swedish Hasbeens, although the concepts and practical implications make it possible for other organisations to adopt such technique.

Chapter 4

An Empirical Study of Two Storytelling Companies

In this chapter, the empirical material gathered for this study is presented. Firstly each of the two companies that were interviewed is introduced. Thereafter, a summary of each of the interviews is offered.

4.1 Swedish Hasbeens

Swedish Hasbeens was founded in October 2007 by Emy Blixt and Cilla Wingård Neuman. The company manufactures wooden shoes, also referred to as “clogs”, and other accessories for the modern woman. The company’s products are inspired by the 70’s and their small hometown in southernmost Sweden. The company is based on “300 pairs of red, white and black beautiful clogs from the 70’s” (Swedish Hasbeens, 2008, “About us” p. 3). These shoes were found in a warehouse basement and purchased by Emy Blixt. She brought them to Stockholm, struck immediate success, and the shoes completely sold out. Swedish Hasbeens now manufacture both traditional 70’s style and modern fashion clogs as the ones they originally bought from the factory basement. The company sell shoes on a relatively large scale in both Sweden and Europe and the owners are, despite of the global financial state, estimating a turnover four times as great in 2009 as the one in 2008 (Swedish Hasbeens, 2008). The founders were also recently awarded “Trendpriset 2008”, an even further acknowledgement of the company and its concept of vintage 70’s shoes (*ibid.*).

4.1.1 Summary of the Interview with Emy Blixt at Swedish Hasbeens

4.1.1.1 Background of the Interviewee

Emy Blixt is Head of Ideas and Design at Swedish Hasbeens. She explains that in her case it means that she is responsible for ideas when it comes to marketing, design of shoes, belts, purses and the production³. A summary of the answers given by her is presented below. The questions can be found in Appendix 1.

³ Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

4.1.1.2 Background Story of Swedish Hasbeens

We started our company , Cilla and I, a year ago in October 2007 because we had bought an old warehouse of unused, original shoes from the 70's, had a good idea, an amazing product, started a well-functioning reproduction and we wanted to meet the demand of our product on the market.

After buying the shoes from the old warehouse it quickly became apparent that this venture was completely right at this point in time. We quit our old jobs and went all out; putting everything we had into the company and started to work fulltime with Swedish Hasbeens. Today we have two other employees, working closely with us. We have a good place to start our company with our product, which we are very fond of ourselves as well, and it is perfect in a time when vintage, leather and wood is so highly appreciated.

4.1.1.3 Storytelling at Swedish Hasbeens

Swedish Hasbeens stated that storytelling is considered a very natural and spontaneous way of communicating with the consumers of the company. The purpose of using this technique to communicate is to show the background, idea, vision and morale of the company. Emy Blixt described that the story of how the company was started came to her on its own. Everyone she told was so surprised, glad and fascinated about the fact that she had bought an old warehouse of 300 pairs of shoes from the 70's, that she had stored in her attic home in Stureby, that the story just started to grow on its own, everyone wanted to hear about why and how this came to be.

The company states that the story of the founding of the company evolved even further as new aspects added along the way. A friend of Emy Blixt's wore a pair of the shoes at an advertising agency where she worked in Stockholm, and soon enough, all of her friends wanted a pair as well. The company saw the opportunity of a possible demand and Emy Blixt went knocking on doors to promote the company and its clogs. On one door in particular, namely "Tjallamalla" (a store)

in the south part of the city of Stockholm, they wanted to sell the shoes in their store immediately and so “the story” was a fact, according to Emy Blixt. She stated that it took approximately a year before everyone wanted the shoes.

4.1.1.4 The Process of Collecting, Selecting and Processing Stories

Emy Blixt explained that it has always been easy for her to tell funny stories and anecdotes from her life and that this is probably what brought forth the story about the founding of Swedish Hasbeens. The intention with using the story from the beginning was to share a funny and different event which leads to something fantastic, but also to give some background of the shoes and their origin, since they have a long history. She stated further that in the case with Swedish Hasbeens, it seemed unnatural not to tell the story. However, the stories do not end with the founding of the company. Stories told by Emy Blixt about Marita the “coolest mom in the village” are presented below.

Since I was little, I had seen those exact clogs, worn by the coolest mom in the village (she was of course extremely cool and dressed how she pleased with high platform shoes and such).

I spent a lot of time at “Marita’s” place (who was quite the opposite to my own mother who was more “knowledgeable and intellectually gifted”) and she clomped around in all of these fantastic plateau shoes of hers (she was quite short and they made her seem taller) and her extremely short and small, bright red jersey sunbathing dresses (with curlers in her hair).

When answering why this character has been chosen as such an important figure in displaying the company’s values, Emy Blixt stated the answer below.

She is an interesting person who feels very different compared to how you “should” be and for a very long period in time, should have been. She was cool because she went her own way; she screamed and cursed, smoked cigarettes and fried fish sticks. Her husband was out to sea all the time and when he came home he spent most of his time on the sofa in front of the TV, waiting to be served his fish sticks. It was probably not always fun to be in

her shoes, but she was unpretentious, straight forward and honest and I loved spending my time there, and of course, she had those fantastic plateau clogs in red and white.

4.1.1.5 The Criteria of a Good Story

According to Emy Blixt, a good story tells what is interesting to hear. It has to be real and simple yet bring up something important, interesting and meaningful. In the case with Swedish Hasbeens, she considers it interesting for others to hear that you from what was considered as “garbage” can create a successful company. It is, according to her, meaningful to be able to create something out of your idea. She also stated that the shoes and purses are in fact old “Hasbeens” from the 70’s. This is something that the company is proud of and likes to speak of as important. Emy Blixt also considers it to be a factor of strength in itself that the concept fits in with the existing trend of vintage and the importance of recycling for environmental reasons. Furthermore, the company also wants to convey the story because they “want to show that a Hasbeen, that once was loved and appreciated, will be appreciated again since it never discontinues being good”. Or as Emy Blixt said, “A Hasbeen never goes out of style”.

Emy Blixt stated that a genuine and stabile story is good and effective because you can always go back and relate to it since it describes the company’s concept. She declared that the story, in their case, is a good description of the company which exists on that story’s very foundation.

When asked about the authenticity of the story, Emy Blixt stated that their story feels strong because it is real. Furthermore, a story should, according to her, visualize and strengthen what you want to convey, tell something important and meaningful. However, she does not see any problem with using fictional stories as long as they convey something important.

4.1.1.6 The Outcome of the Story

In the interview, Emy Blixt stated that the purpose of the story should, through creating a historical background and a natural context, make the company’s products feel natural, real and personal. Furthermore, the story should also

manifest the company's vision, what it stands for and strives to become. Considering the outcome, Emy Blixt stated that a story is something that the business environment and customer relates to and identifies with. The story at Swedish Hasbeens is part of their product and company, it influences everything they do and create. The story, which, according to her, spread like fire through a burning house through Sweden, gained the company an extreme amount of attention, both from customers and the press. Emy Blixt further stated that they use their story in the company catalogue, when they sell to stores and on their webpage. The story describes who they are as a company and why it exists. Or as Emy Blixt also stated, "it puts us and our products in a larger context".

4.1.1.7 The Benefits and Challenges of Storytelling for Swedish Hasbeens

Emy Blixt stated that the difficulties with using a story are that it to some extent delimits you as a company because not everyone will be able to identify themselves with the story. Furthermore, the story invites those who like it, but at the same time, shuts those who do not like it or who cannot relate to it, out. According to her, the benefits are several, especially if the story is good. However, tastes and preferences differ, but in this context she stated that, the more truthful a story is the more meaningful and important it will be. Henceforth, the basis or the conditions for the story being able to generate a positive outcome will also be increased if the story is good. Emy Blixt further stated that in their case the story is true but, as she stated before, she cannot see any issues with using fictional stories for the company. The important thing, according to her, is that the stories feel meaningful and interesting. In this context she stated that it probably will be hard to construct those kinds of stories. The company has some plans of using fictional stories about different models, but, as Emy Blixt stated, creating them will demand some thought.

4.1.1.8 Target Audiences of Swedish Hasbeens's stories

Emy Blixt explained that with their products, they mainly target women between 30 and 40 who recognize their mothers in their stories about the 70's. However, they also see their company as interesting for those who were young during the 70's, who think that the products are fresh, fun and different because, according to her, girls are crazy about shoes. Swedish Hasbeens's design is, according to her,

simple, fun and natural, yet feminine. Emy Blixt of Swedish Hasbeens stated that the story of the company also speaks to the employees in the way that it “strengthens the feeling of togetherness in the company”. She also stated that the story “makes it easier for everyone to clearly see the common vision shared, the concept and who we really are”.

4.2 The Volvo Group

The first Volvo car was finished in 1927, on the island of Hisingen in Gothenburg. The manufacturing company evolved from this local industry to become “one of the world’s largest manufacturers of heavy trucks, buses and construction equipment, with more than 100,000 employees” (The Volvo Group Global, 2008). The Volvo Group is an international corporation and has customers in 180 different countries worldwide. It consists of a range of companies; Volvo Trucks, Mack, Renault Trucks, Nissan Diesel, Volvo Buses, Volvo Construction Equipment, Volvo Penta, Volvo Aero and Volvo Financial Services. The company’s “crown jewel”, Volvo cars, was sold to the Ford Motor Company in 1999. The decisions in the corporation are, for the most part, made through a decentralized type of management. Focus is put on reaching long term objectives and strategies. In order to facilitate this type of management, the company considers it very important that everyone engages themselves and participates in an active way. The Volvo Group states on the homepage that the “corporate culture [is viewed] as a unique asset, since it is difficult for competitors to copy” (*ibid*). The mission is to create value for the customers and in doing so, also offer the shareholders additional value. The company’s corporate values are based on aspects such as “quality, safety and environmental care”. The Volvo Group also has a vision, which is “to be valued as the world’s leading supplier of commercial transport solutions” (*ibid.*).

4.2.1 The Volvo Way Stories

“The Volvo Way Stories” are the stories told by employees from different companies within the Volvo Group in Gothenburg Sweden, Lyon France, Greensboro USA, Curitiba Brazil and Shanghai China. 107 employees told the stories based on eleven key values of the organization’s corporate culture. These stories are the employees’ own experiences of working in Volvo; these stories

therefore reflect Volvo's people, values and itself as an organization. 35 stories have been edited and translated, which will soon to be released internally through DVDs and books. The idea of "The Volvo Way Stories" is to support the organization's corporate values and objectives, "The Volvo Way", and to inspire people to transcend these values and goals into actions.

Giving the fact that "the Volvo Group is a multicultural company, which has evolved into a multi-brand organization" (The Volvo Way), the organization is facing the challenge of integrating different companies. "The Volvo Way Stories" is therefore also a tool of unifying the organization, and creating a common culture and shared values among different companies. Moreover, it is a written dialogue and reference point for employees and leaders to discuss issues and areas needs to be improved. "The Volvo Way Stories" is about real people telling real stories; there are no cuts of the stories in order to keep their authenticity.

4.2.2 Summary of the interview with Charlie Nordblom and Eva Kuylenstierna

4.2.2.1 Background of Interviewees

Eva Kuylenstierna is the project manager for The Volvo Way Stories. She used to work in corporate finance and media relations before working in internal communication.

Charlie Nordblom, Vice President and Head of Strategic Internal Communication

4.2.2.2 Background of storytelling at the Volvo Group

In this section we present the result in relation the questions in Appendix 2.

Charlie Nordblom stated that the old Volvo corporate philosophy focused on brand and was also used for Volvo Cars, the new corporate philosophy, the Volvo Way, describes culture, strategy, and organization, with focus on values. The idea of using storytelling came from a seminar where topics such as how to build a common culture across countries were discussed; Volvo was inspired by IKEA's stories and realized that this is the way to communication its corporate values and objectives. Word Café is another project related to storytelling that was carried

out (last year) to encourage employees to talk about their experiences of working in the Volvo group. Given the fact that Volvo Group Global acquires companies around the world, one of the challenges it is facing is how to integrate different companies and build a common culture and shared values. Having seen people's hugely positive reactions to IKEA's stories in the seminar, Volvo Group realized the significance of storytelling as a way of communicating their values and building a common culture. Stories were collected from different locations and companies within Volvo Group, and published on internal DVD, books, and will be possibly published on intranet and even internet for public view in the future.

4.2.2.3 The Process of Collecting, Selecting and Processing Stories

To collect the stories, the team firstly decided on what are the values of the stories that are worth telling and people can relate to. They then decided that the stories should be collected from different locations, in particular, Sweden, France, the US and China, in order to reflect different companies and variety of cultures within the Volvo Group. They also chose to go to plants with strong Volvo culture, as there is more potential of getting good stories. The team then went out to find employees who were willing to share their stories, which was challenging initially; because people were not familiar with the storytelling concept and therefore suspicious of how their stories would be used. After explaining the purpose of this storytelling project, the team eventually filmed 107 people from different locations, and 108 stories as some people have more than one story. Based on their understanding of the issues and how employees talk about their different experiences, the team then selected stories based on diversity, change, leadership and teamwork.

In terms of how the stories were shot and directed, Eva Kuylenstierna pointed out that they had consciously chosen to have only a white background and shot the tellers' upper bodies with focus on their faces; the idea is to have all the focus on the tellers' eyes and facial expressions when they told the stories, nothing distracting. A professional production team was also hired in order to achieve the best result. A relaxed atmosphere was also created to make sure that the tellers feel comfortable, and they were informed that it was totally acceptable if they stumbled on the words, or lost the tract and needed time to think for a while

before continued to talk. Importantly, the director guided the tellers to expand on the actual stories, and asked them when and what was it and how they felt. Nordblom emphasized that it is the actual story that people will resonate and feel related to, not the background of or the comments on the story. The director also encouraged tellers to tell more stories, and discovered that many people had prepared more than one story. However, people often had sort of planned out for themselves how they were going to tell the stories, had he knew it, and commented that the best stories were often those that were spontaneous and unplanned. After shooting the stories, the team categorized the stories based on diversity, change, leadership and teamwork, and selected the ones that they felt could really resonate among the audiences. In the case of stories that were told in foreign languages, such as in Chinese and French, interpreters were also present in facilitating the selection of stories.

4.2.2.4 The Criteria of a Good Story

Nordblom and Kuylenstierna both stated that the Volvo Way Stories is about real people telling and sharing their own experiences. It is therefore very important to catch the authenticity by showing people stumbling on the words, repeating and correcting themselves; as this gave credibility to the stories. “Giving people a script will not work, even when some employees brought their own script does not work. It has to be authentic, that is the key word. Otherwise it is PR”⁴ Kuylenstierna stressed. This is also why the team consciously did not invite corporate spoke persons to tell stories. Nordblom emphasized that these stories are told by normal employees about their own personal experiences, not corporate theories; more importantly, people feel that they can relate to these employees and their stories. However, the Volvo Group’s corporate values and goals certainly have transcended from most of these stories; except that they are more acceptable and real, and have resonated within more people. They further explained that good stories should create some kind of emotions in the audience; that is the key and what people will go for. People should be able to feel they can relate to the stories.

⁴ Eva Kuylenstierna, project leader for “The Volvo Way Stories”, The Volvo Group, interview 5 November 2008

Naturally, not all stories were captured on screen. The stories that did not work in front of camera due to the fact that the tellers were nervous or did not represent “The Volvo Way” were saved for later or had to be dropped. However, some of these stories can be read from internal books; yet some stories when read can still connect with people. Nordblom stressed that some stories that were kept may not work for now, but will work at some point; and those stories are timeless. An example Nordblom gave was that a respected person, who is now retired from Volvo Group, told a story about his experience of having to close down a plant and letting 700 hundred people go. He talked about how hard it was to face employees and tell them that they had to leave; he talked about his fears and how uncomfortable he was. Although the story happened ten years ago, his emotions and feeling of letting some people down still came through. Nordblom continued that they now have it as a special story, which they are going to show to the leaders. Because this story is an extremely good example of things leaders, who may have to go through the same time in the near future during this credit-crunched time, need to discuss. As the listeners, we clearly had got the point, and understood the importance of real stories and how compelling they can be.

4.2.2.5 The Outcome of Stories

When we asked about the outcome these stories and that if they were expected or unexpected, Kuylenstierna claimed that she found respect for individuals is a strong value in the Volvo Group. Therefore there is an overall presentation of stories on this particular value, and “that is really central in Volvo group and (shown) in all the things we do”⁵. It was also a confirmation from those stories that there is a strong sense of belonging and a sense of feeling like a family and welcomed in those cases, despite the fact that in some other cases people do not feel the same way. For Nordblom, there was also a pleasant discovery that the organization has some strong values that are not emphasized in the Volvo Way, such as integrity referring to the ethic aspect of how people in the Volvo Group do business. However, this value together with many others have come across clearly in the stories, making people realize that the Volvo Group is an organization with

⁵ Eva Kuylenstierna, project leader for “The Volvo Way Stories”, The Volvo Group, interview 5 November 2008

very strong values. Nordblom added that some people are even surprised by these stories and by the fact that these values are alive.

However, Nordblom and Kuylenstierna both stressed that the stories had also made people realize areas that need to be improved. One story that was told by an employee in Greensboro, US, and it was about how supportive the company was when one of his family members was hospitalized. Colleagues did not call and ask about work progress; the only calls they made was to ask how they were. This is something in the American culture, Kuylenstierna said; while in Sweden, people would probably take it for granted and still call and ask about work progress. However, it says a lot about a company when its employee is in trouble and how Volvo Group treats the employees will differentiate itself from other companies.

4.2.2.6 The Benefits and Challenges of Storytelling for the Volvo Group

When asked how Volvo Group could benefit from the storytelling, Nordblom stated that one of the most powerful things with stories is that they can communicate across culture and overcome language barriers. He further explained by giving an example that despite the language barrier in Shanghai, where many people did not speak English; when the stories were shown to the employees, they understood and had the same emotional response as people did in Sweden. It was therefore not about which country or culture background the teller comes from, rather it is about people sharing their stories; and the audience did not have to understand the language to hear the teller's voice, to see his or her facial expressions and emotions and more importantly to feel the stories resonated within them. Not only can stories communicate across countries and overcome culture barriers, the Volvo Group believes that it is also a way of integrating different companies within the organization. As Nordblom stressed that despite the fact that Volvo Group has 16 business areas and several companies under its name, the team had consciously decided to only use the tellers' names and not the specific companies they work for in "The Volvo Way Stories". This is because "our culture, in despite of which company, is what binds everyone together; and the stories employees told are their experiences based on the organization's

common values”⁶. For a large international organization like the Volvo Group, stories can help integrate different companies and achieve the goal of creating a common culture and shared values. This is exactly why the team in the Volvo Group started this project.

Moreover, Kuylenstierna added that this project had encouraged employees to talk about their stories and keep the stories alive, and reminded people that these corporate values do exist and are happening in employees’ everyday lives. Thus it is also a way of reinforcing the organization’s values. Charlie Nordblom further explained that with a dynamic culture and different business areas, it is common that people may interpret the organization’s values in their own way, or cannot follow “The Volvo Way” 100% of their working time. However, he believed that people will find these stories inspiring, and realize that the values are not just written on the paper; rather it is the reality. Kuylenstierna added that these stories will also create a dialogue within the company. For example, the Volvo Group conducts internal surveys, some of the results may be different from what the stories are telling; the team leaders can then look at how they differ and start a discussion about the issues and values.

In the long run, Nordblom believes that the Volvo Way Stories can give the organization competitive edge. He explained that the Volvo Group’s corporate values are quality, safety and environmental care; they should be the core and be present in very process, and are manifested in the products. Customers therefore expect Volvo Group’s products to be high quality, safe and environmentally friendly. However, do customers care if the organization has a diverse culture; do they care if the organization can deal with changes; do they care if there are good teamwork within the organization; or do they care if the employees are passionate about their work. However, these values must transcend externally. When a company is close to the customer, when you treat customers with respect and customers feel the passion and energy of the employees; they will come back to you. Nowadays competitors often can offer similar products with same features, etc. Apart from cost factors, it is the way that customers are treated, the feeling

⁶ Charlie Nordblom, Vice President and Head of Strategic Internal Communication, The Volvo Group, interview 5 November 2008

customers get of connecting to the company make huge differences. Charlie further stressed that this storytelling project will be an ongoing project, at least in the near future, before it becomes something natural for people to share their stories and refer to “The Volvo Way Stories”.

Regarding the disadvantages of storytelling, Nordblom pointed out that they faced a dilemma that a lot of people thought the organization’s values and objective – “The Volvo Way” is only what the current leaders are promoting; so what will happen when the current leader leaves, and people do not hear the next level of managers saying the same thing. However, Nordblom was confident that the way to overcome this dilemma is the fact that these stories were told by people who work in the Volvo organization; it therefore does not matter which company they work for or who they work for, as they all contribute to enriching the organization’s values. It is also for this reason that the stories need to be continuously told and told by employees. Some of the stories may also be too abstract, or not everyone can relate to the same story due to individual differences, but these stories can help create a dialogue, a common language and reference point. Kuylenstierna added that although there was an overall presentation of stories on respect for individuals; there were a lack of stories on other values such as change, teamwork, leadership and customer focus. Hopefully, with this storytelling project, the team will be able to encourage people to tell and share more stories.

4.2.2.7 Target Audiences of “The Volvo Way Stories”

When asked if the Volvo Group had considered to use these stories targeting different audiences, other than employees and management within the organization. Kuylenstierna responded that these stories need to be shown and more present to potential employees. They had talked to Human Resource about the possibility of putting the stories on the organization’s career website, to show the real reflection of the employees and how it is to work for the Volvo Group. Nordblom then added that to be an attractive employer, the team will need to select the stories that could be appealing to external audiences, as some of the stories only work well internally. Employees’ actions can also speak loudly about the organization’s values. As Kuylenstierna stated that one of the customers sent an

email praising the energy and passion Volvo's employees showed for the company and products. This is a sign of customer "acknowledging our values; it can really make a difference when our employees are honest with our values, and the values show naturally, and customers pick up on that"⁷.

4.2.2.8 The Future of Storytelling at the Volvo Group

First, the team will publish one more collection of stories in the near future. Nordblom pointed out that the reason of separate publication is that out of 108 stories only 35 were used for the first collection. There are also alternatives of either continuing to capture new stories particularly on the values that were not widely cover by the first collection of stories, or combining some of the outstanding stories from the first publication with new stories. However, this will also depend on the economic factor as it is costly to travel around the world. He then emphasized that storytelling should be an on-going project in the Volvo Group, before it becomes natural for people to share and refer to stories.

There is also a possibility that the concept of storytelling will be used in other areas. It was suggested that to get customers to share their experiences with the Volvo Group can be another project they can work on in the future. Nordblom added that there is a project in Volvo trucks where they conduct customer testimonies; however it is a more traditional way of agency does the job. The result does not have the authenticity and the feelings that come with stories.

In terms of the stories in the long run, Kuylenstierna stressed that "The Volvo Way Stories" need to be promoted more strongly and persevered for the future, as they reflect a very solid foundation and good spirit in the organization. There is no organization that is perfect, no employee who is perfect; however these stories captured something that is characteristic of the Volvo Group, such as a sense of welcoming and belonging in this organization. Furthermore, employees are the organization's valuable assets; these stories will also help the Volvo Group keep its competent employees and attract new ones. Nordblom once again emphasized that as the organization expand, "we are becoming a company with global values,

⁷ Eva Kuylenstierna, project leader for "The Volvo Way Stories", The Volvo Group, interview 5 November 2008

the values are very similar around the world in China, in Brazil, etc. We are very careful of creating a culture that unifies us, not of internal competition. Once people start to digest (this concept), it will give us competitive edge”⁸.

⁸ Charlie Nordblom, Vice President and Head of Strategic Internal Communication, The Volvo Group, interview 5 November 2008

Chapter 5

Analysis

The analysis in this chapter is based on the theoretical framework and empirical material presented in chapters 2 and 4. The dimensions of storytelling previously introduced and discussed in detail is the fundamental basis for this chapter.

5.1 The Dimensions of Storytelling

5.1.1 Swedish Hasbeens

5.1.1.1 Externally versus Internally Directed Storytelling

Swedish Hasbeens is mainly focusing on externally directed storytelling and the communication with the customer. Fog *et al.* (2005) say that “storytelling becomes an effective tool for creating an entire brand concept: one that stays with you, because it touches our emotions” (p. 48). The authors further state that this should be put in relation to the core story. Swedish Hasbeens’s core story can be found in the story of the founding of the company, or as it is called in chapter four of this thesis “Background Story of Swedish Hasbeens”. The values that this story carries are that of personal accomplishment and success. It tells the tale of how you can find gold at the end of a rainbow no matter who you are or where you come from. The story gives hope and enshrines a glimpse of sunshine and a feeling of happiness into the hearts of all that reads it. It speaks to all of us, walking around in our dull and grey everyday lives, and says that if someone else has succeeded, why cannot I? You do not have to be rich, good looking or extremely talented, you just have to believe in yourself and find something that is right for you and right for the market.

Denning (2006) refers to using this type of branding as a way of “[c]ommunicating who the firm is” (p. 43). The core story of Swedish Hasbeens communicates its values through this story, or as Emy Blixt says, that through telling the story of the founding of Swedish Hasbeens, the background, idea, vision and morale of the company are portrayed⁹. McLellan (2006) agrees with this point of view when she states that “stories provide a powerful tool for stating

⁹ Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

and sharing your company's vision and purpose" (p. 19). The story shows the consumer what kind of company Swedish Hasbeens is, but it also gives an idea of who the people behind it are. According to Fog *et al.* (2005) a strong company brand is created from within, with its employees. In the case of Swedish Hasbeens, they are well on their way of creating a strong brand in this context. The values that surround the founding core story seem to be deeply attached in the hearts and souls of its employees. However, there are only four people working at the company today, whereof two are the ones who founded it. So, it is reasonable to assume that the challenges of keeping close contact between the core story and its employees probably will increase as the company grows.

5.1.1.2 Corporate *versus* Product Level

The market of today demands more of a company in terms of differentiation and positioning. As Hatch *et al.* (2003) say, the question of differentiating and positioning your product has become an affair that involves the whole company, not only the product in question. Even though the market gets tougher and competition more fierce, differentiating and positioning your company, instead of only your product, gives you the chance of "using the vision and culture as part of [the company's] unique selling proposition" (Hatch *et al.* 2003, p. 1042). For a newly started company, the ability to stand out on the market becomes even more crucial than with already established companies, this according to Dennisdotter *et al.* (2008). Moreover, they state that the newly started company quickly has to attract attention to it and to what makes it different and special compared to other companies, in order for it to succeed since most companies go under during their first years on the market. Applied to Swedish Hasbeens, being a new participant on the market, this situation explained is very much a reality. In this case, they are already following the recommendation made by Dennisdotter *et al.* (2008), which is to use a good story to enhance its attractiveness on the market. Evidently the story has gained them publicity that would have been almost impossible to buy.

Storytelling can be used on both corporate and/or product level. In the case of Swedish Hasbeens, it uses storytelling on both product and corporate level. The core story is deeply rooted in the product as well as the company itself, and the distinction between the two is difficult to localize; without the product, no

company, but without the company core story, no product, or so it can seem. Swedish Hasbeens has chosen to approach the market in a very open and honest way. The core story is simple, yet powerful in its display of values. However, it is according to Hatch *et al.* (2003) not enough only to have a good story; the story also has to coincide with the product. The company in question has directed this potential problem in a very smooth way, intentionally or not. By sharing the values of the core story, it shows what it stands for and what kind of values that is important. The clogs have their story about the 70's, "Marita", and what it meant to feel liberated enough to be able to swear when you fried fish sticks and smoked your cigarettes, as a woman of the 70's. Here the clogs "Marita" wore and the values she stood for go hand in hand with the core story, of two women, succeeding on their own, through a more or less coincidental series of events. However, they have conquered, become successful and made it happen by their own force as strong, confident women, much like "Marita". A woman who was sure of who she was and who did not care that she stood out in manner or appearance. According to Hatch *et al.* (2003), it is the "acts of storytelling that bring benefits to your company" (p. 1060). This is something that can be said about Swedish Hasbeens. The company lives and breathes the core story, and acts by its own power to fulfill the values that it cherishes so dearly and this comes across in a positive way, through their core story.

5.1.1.3 Target Audience

Referring to the theory, the main target audience when it comes to externally directed storytelling is the consumer, even though other audiences or groups also are of interest, such as employees, partners, suppliers *etc.* This is true when speaking of Swedish Hasbeens, the communication done through the company is mainly directed towards the consumer. Emy Blixt acknowledged in the interview that at Swedish Hasbeens, communicating with the customer is considered a very natural and spontaneous way of conveying the values that the company incorporates into its business¹⁰. When it comes to the internal dialogue, even though this is not our main focus of interest considering Swedish Hasbeens, they also use their core story as a way of implementing a feeling of togetherness within

¹⁰ Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

the company, according to Emy Blixt. Denning (2005) stresses the fact that branding through storytelling should be regarded as a relationship, and that this relationship should, from the company's point of view, be regarded as ongoing. This also means that you as a company have to nurture the relationship in order for it to become and stay strong. Fog *et al.* (2005) say that storytelling no longer is something that the company has complete control over. This is so because the modern consumer has become a storyteller by its own force. According to the authors it has in this context become crucial that companies pay attention to what the consumers have to say about them. This opens a window of opportunity for Swedish Hasbeens, a company that has such a compelling core story as well as products. This is probably nothing to consider right now, but in the future, in order for the company to keep the strong bond that has been created through media with its story, and of course, the indirect bond with the consumer. For Swedish Hasbeens not to lose control over its core story and the stories with its values originating from it, it is a good idea to invite the consumer to participate in its ongoing story and relationship, in this case perhaps through an interactive website. For as Fog *et al.* (2005) say when referring to the power vested on the consumer online, "brands can be created and destroyed in the blink of an eye" (p. 177).

5.1.1.4 Arena for Communication

According to Shankar *et al.* (2001), companies have to consider their positioning strategy in a larger context. Using storytelling to differentiate your company from others can also delimit it on the market. The authors state that companies should consider the result of the story used externally so that it fits in with existing brands. Swedish Hasbeens is unique in this context, for the core story of this company is truly something extraordinary and not something that is easily imitated, in a true sense of the matter. Furthermore, it becomes apparent that the founders of Swedish Hasbeens have considered their brand in a larger perspective as Emy Blixt states that their company story "puts us and our products in a larger context".¹¹ The core story portrayed of Swedish Hasbeens on the market is similar to other companies that have started on a small scale, with one or two devoted

¹¹ Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

front figures to lead the way of the company, just by believing in the idea that they have had in their minds. It is not uncommon that these companies have turned out great, just look at Ikea, H&M and JC from Sweden.

The arena where Swedish Hasbeens is communicating is focused on externally directed storytelling. In the practical sense it means the media (everything from TV to the Internet) and different kinds of advertisements that are more or less purposely used to reach the consumer. On the market today, companies are more and more converting to using, as Fog *et al.* (2005) say, “storytelling in its purest form” (p. 152). The companies’ margins, in which they can differentiate themselves on the market, have become restricted by a fierce and competitive environmental change with faster market communication as well as a demand for more transparent organizations. Storytelling becomes the new way to create added value for the customer and at the same time stand out from your competitors that are active on the same arena (Fog *et al.* (2005). The added values that Swedish Hasbeens offers its customers are those that transcend through their core story.

According to Denning (2005), the external arena for communication is not something to be preferred when using storytelling *e.g.* through media like the Internet, or as he refers to it, as part of “digital storytelling”. He states that people cannot trust advertising through media like the Internet since “people being reached by digital advertising don’t know who is speaking or whether they can rely on the source [or not]” (p. 104). He claims that this destroys the whole concept of storytelling, since it should be focused on creating long, fruitful and most of all, trusting relationships with your customers. Furthermore, Denning (2005), states that the storytelling portrayed through digital means is too easily imitated, it fosters an anonymous relationship with the customer and he also claims that it is not interactive. All these views are contradictory to what we believe to be true when it comes to storytelling digitally. It is actually also in contrast to what Stephen Denning has said about authenticity in relation to storytelling, however, this will be addressed further on.

Denning (2005) has a very constricted view on digital storytelling, which either restricts the concept to only being able to be directed internally and face-to-face,

or just not through electronic media. In the case with Swedish Hasbeens their target audience consists of women between thirty and forty, as well as younger. This audience often communicates on the external arena through the Internet, through e-mails, blogs, video blogs, chat rooms and such. This type of consumer is used to communicate electronically and trusts this media in a wider way than Denning (2005) implies that they do. They also have the ability to decipher and critically view the contents displayed through this media. Denning (2005) bases his statements about electronic storytelling without any further regard to age group or any other distinguishing feature between consumers and therefore the basis for his critique turns out flat.

Contradictory to this view, Fog *et al.* (2005) say that using the media can enhance the credibility of your company's core story, whether digital or not. He states that "a story [...] told by a journalist will always be more credible than if you tell it yourself" (p. 196). Emy Blixt describes that the outcome of their core story has given them a lot of positive attention, both from customers and press. Furthermore, the company uses the story in its catalogues, when they sell to stores and when communicating online through the company webpage.¹² There does not seem to be any kind of mistrust expressed when it comes to communicating or interpreting their core story in the respect that Denning (2005) speaks of.

5.1.1.5 Authenticity *versus* Fiction

There are differing views in the theory when it comes to if the authenticity should be a required premise for communicating through storytelling. Denning (2001) says that as long as the story "rings true" (p. 38) the ability to create an emotional connection takes precedence over the authenticity. The contrasting view is that there is no need for the creation of fictional stories since every company already has a story that can be utilized. Emy Blixt at Swedish Hasbeens agrees with Denning (2001), when she says that as long as the story feels meaningful and interesting it will make no difference if it is real or not. However, as Emy Blixt explains, using fictional stories may deprive the story of its meaningfulness and strength. This is so because constructing fictional stories that are as good as the

¹² Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

authentic ones at Swedish Hasbeens, with their colorful tone and witty ways of displaying values, can become difficult, according to her.¹³

5.1.1.6 Drivers and Barriers

The advantages of using storytelling are several. Erkas *et al.* (2007) say that storytelling can captivate consumers' attention and communicate the values of brands in a straightforward and fascinating way, since they speak to peoples' emotions and make information about corporate values more approachable. Swedish Hasbeens reap the benefits of this positive aspect of the concept when they in a clear and easily comprehensible manner, display their company values through their core story. The story should also be relatable to the target audience, and this also seems to be the case with Swedish Hasbeens since they have gotten such as positive response from both media and customers. Furthermore, as a newly started company, like Swedish Hasbeens, it is often hard to come up with the means to finance vivid publicity and expensive advertising about oneself. The cost simply becomes too great. In this case and according to Dennisdotter *et al.* (2008), communicating through storytelling becomes a very cost efficient way of marketing and strengthening your company and what it stands for. Further benefits for Swedish Hasbeens, when it comes to their storytelling technique are the fact that the founder Emy Blixt has a lot of material that the company can use in its communication and that storytelling seems to come so natural to her. She says that storytelling has always been easy for her¹⁴ and this is something that the company now benefits from.

According to Sole *et al.* (1999), there are three main disadvantages to storytelling, seductiveness, only displaying a single point of view and what they refer to as "static stories". Being seduced by a story, in the context of externally directed storytelling, is probably common. Some of us tend to buy in to the stories told about products and companies, without questioning it too much. In the case with Swedish Hasbeens, the credibility seems high, or as Denning (2001) would say, seems high since the story "rings true". However, why should it really be a problem for the company, that customers are seduced by its story if it means that

¹³ Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

¹⁴ Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

they buy their product? In this perspective, storytelling is not a disadvantage from the company's point of view. By further evaluating the theory of the disadvantages of storytelling, the negative aspects mentioned by Sole *et al.* (1999) seem more or less solely applicable to the consumer's point of view. However, it is important that the company is aware about the potential threats that the consumer might experience when communicating storytelling, since they in this way, can divert the attention away from these issues. A story from a single point of view can be diverted by creating other views. This is what Swedish Hasbeens has done through the publicity it has gained through media. The media becomes the credible third party that tells the consumer the same thing as the company itself does and by this confirms the validity of the message.

Emy Blixt states that one of the disadvantages of using storytelling when communicating is that it delimits the company to some extent because some people will not be able to identify with the story told.¹⁵ Reiter (1994) speaks of that there are differences in the interpretations made by different audiences and that this can affect negatively on the presumed positive effect of the story. In this case, since the target audience of Swedish Hasbeens is limited to women between thirty and forty, of course a target audience is created within this group of women of those who can relate to the story. However, this is the reality of marketing any brand; it does not necessarily have to do with the use of storytelling *per se*, since companies have to delimit themselves in order to differentiate their product and company on the market whether or not they use storytelling as way to market themselves.

5.1.2 *The Volvo Group*

5.1.2.1 Externally *versus* Internally Directed Storytelling

Externally directed storytelling is closely related to branding. As Denning (2006) stated, external storytelling can communicate who the organization is, and is often told by the organization's product or service itself, by customer word-of-mouth, or by a credible third party. In the case of the Volvo Group, its external core story is quality, safety and environmental care. These values are the common ground

¹⁵ Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

for all of its operations, and are manifested in the products as it is important for them to get to the destination safely, to produce products that are environmental friendly; and to achieve the above quality is a must. With the definition of storytelling used in this thesis, creating context and framing information around these key values therefore make them stories. Consumers buy products or services to experience their stories (Denning, 2006), and thus expect the products to be high quality, safe and environmental friendly. By that, the theory clearly applies to the case of the Volvo Group, where the organization's core story in the external perspective is told by its products, and possibly customer work-of-mouth when customers pass around the information.

One the other hand, the Volvo Group's internal stories are told its employees. The aim of their storytelling project "The Volvo Way Stories", in which employees from five countries shared their stories based on the organization's key values, is to inspire people of understanding the values and goals the organization stands for and transcending these values into actions. Fog *et al.* (2005) believes that it is important that the employees can identify themselves with the company's core stories; if they do so, they will also proudly share the stories. They further explain that the employees are not only important in terms of keeping up business as usual; since they are closely connected to the company, they are also "the single most important ambassadors that a company brand has" (p. 61). Although some of the Volvo Group's key values, such as diversity, teamwork, leadership and change are mainly used internally, it seems that the organization does agree its employees can speak for its values externally. Kuylenstierna stated during the interview that if the employees are honest with the organization's values, these values will show naturally through their actions¹⁶. Moreover, given the fact that today's competitors can often offer similar products and services; it is when the organization's values transcended externally, when customers see and acknowledge their values that will give the organization competitive edge¹⁷. This vision goes in line with Fog *et al.*'s (2005) argument that a strong brand always starts from within, with its employees, if it is to have a long-term effect externally.

¹⁶ Eva Kuylenstierna, project leader for "The Volvo Way Stories", The Volvo Group, interview 5 November 2008.

¹⁷ Charlie Nordblom, Vice President and Head of Strategic Internal Communication, The Volvo Group, interview 5 November 2008

Fog *et al.* (2005) argue that a company's storytelling, both internally and externally, should be guided by the values the core story holds. Furthermore, the core stories are intimately connected to the values imbedded in the company's brand. The same can be said for the Volvo Group that its external values, quality, safety and environmental care is the common ground for the organization's all operations, and the central of its brand. Its internal storytelling, used by the strategic internal communication team, is also closely guided by the organization's key value. However, companies must consider if their message sent internally and externally through stories are being perceived the way they intend to. For the Volvo Group, its internal storytelling project is a good way of checking if the organization's values are interpreted in a manner of its intension. In reality, as Nordblom pointed out that for an organization with dynamic culture and different business areas, such as the Volvo Group, it is not surprising that employees may interpret the organization's values differently. However, its internally storytelling project could remind employees that the values the organization strives for are not just written on the paper, but are alive; moreover, inspire employees to transcend the values into actions¹⁸. It is also a way of starting a dialogue on the differences and issues of their values, when in some case people do not feel the same way as what the stories are telling. When it comes to external perspective of storytelling, the company needs to make sure that it is actually delivering what the brand promises for; otherwise there will be a gap between the desired perception of the company and its actual perception (Denning, 2006).

5.1.2.2 Corporate *versus* Product Level

Hatch *et al.* (2003) argues that when using storytelling on the corporate level, "[a]story is good device for creating emotions (p.1060), and connections among diverse groups, such as employees, customers and suppliers. The Volvo Group recognizes this advantage of using storytelling in the organization, and the definition of diverse group seems to extend to people from different countries and cultural backgrounds. As Nordblom emphasized that storytelling is a way of

¹⁸ Charlie Nordblom, Vice President and Head of Strategic Internal Communication, The Volvo Group, interview 5 November 2008

integrating employees and different companies within the Volvo Group¹⁹. “The Volvo Way Stories” are told by employees from different countries, who work for various companies within the Volvo Group; however it does not matter where they come from or which company they work for, it is their stories based on the organization’s key values that bind everyone together. In addition, Kuylenstierna stated that the stories have also made people realize areas that need to be improved²⁰; this goes in line with Hatch *et al.*’s (2003) argument that when using storytelling on the corporate level, the company can become more transparent. Moreover, when the stories are passed around, it gives a real reflection of the company and strengthens the company’s image if the stories are positive. As Morris (2003; cited by Denning, 2005) argue that one of the most effective and important ways of building reputation and strengthening the company’s brand image is through the stories surrounding it.

There are different approaches when it comes to storytelling on a product level. One is to create core stories for each of the product brands if their own identities are clearly defined (Fog *et al.* 2005). Another approach is that when the product is closely linked to the company, its storytelling on the product level is also the storytelling for the company, and that there is no distinction between the two. As the example given in chapter two, Nike is in which case the product and corporation share the same story, and that the company’s products also support its overall corporate brand (Fog *et al.* 2005). Given the fact the Volvo Group acquires companies which often their own distinct identities, it is reasonable to say that the organization would develop and enhance different brands.

5.1.2.3 Target Audience

In the case of the Volvo Group, its main focus with the internal storytelling is on employees. However, we believe that other target audiences are of great importance if an organization were to maximize the impact of storytelling. Denning (2005), who considers the brand and storytelling as a relationship, argues that all stakeholders, such as employees, partners, suppliers, customers, investors

¹⁹ Charlie Nordblom, Vice President and Head of Strategic Internal Communication, The Volvo Group, interview 5 November 2008

²⁰ Eva Kuylenstierna, project leader for “The Volvo Way Stories”, The Volvo Group, interview 5 November 2008.

and so on, are part of the ongoing relationship with the company. If the brand is strong, the relationship between them is strong, and *vice versa*. To build and maintain a strong relationship between the company and its stakeholders, it is important to establish communications that are interactive, through which the company can gain valuable information and achieve its purposes. The Volvo Group's storytelling project is a good way of establish thus interactive communications between employees and the organization. Furthermore, encouraging employees to share their stories can help transmit and reinforce the organization's key values. According to Fog *et al.* (2005), stories can be used to make sense of the core values that a company stands for; otherwise these values could be too abstract for employees to interpret to the full extent. However, it may not be as effective when it comes to exposing areas the organization needs to improve. As Fog *et al.* (2005) argue that the stories that are not told by companies, such as the ones told by customers, force companies "to pay attention to what their customers are saying, whether they like what they hear or not" (p. 176). To take control of the information and opinions forming around a company's brand and image, the company should actively invite other stakeholder, in particular the customers, to tell their own stories about the company and its products. By doing so, the company can maximize the impact of storytelling by communicating through broader channels and market itself further. As Kuylenstierna and Nordblom pointed out that the Volvo Group could invite customers to share their stories and experiences with the organization, instead of the conventional way of hiring an agency to conduct the yearly customer testimonies²¹.

5.1.2.4 Arena for Communication

Since the Volvo Group mainly use storytelling internally, its arena for communication includes DVDs, internal books or magazines, and possibly intranet. However, there could be disadvantages coming with these arenas, as Denning (2005) strongly argues that storytelling electronically, as he refers to as "digital storytelling", and other forms of non-face-to-face techniques, do not have the flexibility of adjust the stories according to the reactions of the audience.

²¹ Eva Kuylenstierna, project leader for "The Volvo Way Stories", The Volvo Group, interview 5 November 2008; Charlie Nordblom, Vice President and Head of Strategic Internal Communication, The Volvo Group, interview 5 November 2008

Denning (2005) further explains that one of the most important aspects of storytelling is to create bond and lasting relationships with the target audience; however, this aspect can get lost when using digital media. However, Fog *et al.* (2005) disagree with this point of view as they argue that the digital revolution has made it possible for everyday person to construct his or her stories, and share with a wide range of audiences. This seems to be the case for the Volvo Group that the internal stories are told by normal employees, who others can feel easily related to; and because of the digital technology, their stories are shared in several countries where the organization has operations.

5.1.2.5 Authenticity *versus* Fiction

When using storytelling internally, Denning (2005) argues that for the story to be effective it does not have to be true; it is the perception and emotional connection with the story that are of most importance. The strategic internal communication team at the Volvo Group seems to disagree with this point of view. As they emphasized that authenticity is the key word in their use of storytelling, as it gives credibility to the stories. Moreover, letting employees to share their own stories based on the organization's values will also make others feel that they can easily relate to. As employees are closely related to the organization and familiar with its daily routine; they do not just talk about the organization's values, rather they live and work through these values. This argument is proved by Hatch *et al.* (2003) as they insist that it is not enough to just have good stories; it is the aspect that they are relatable that will bring benefits to the company.

5.1.2.6 Driver and Barriers

In the case of the Volvo Group, given the fact that the organization has several different companies under its name and operations in 19 countries, one of the main benefits of using storytelling internally is to create a common culture and shared values for the organization. As Nordblom acknowledged in the interview that in despite of which country or culture background the employee comes from, or which particular company he or she works for, if the story is honest, people will feel related and inspired²². This is because stories can create emotions and

²² Charlie Nordblom, Vice President and Head of Strategic Internal Communication, The Volvo Group, interview 5 November 2008

feeling among the audiences and transmit abstract concepts, such as an organization's values. Thus, employees are then more likely to transcend these values into everyday actions. As Woodside *et al.* (2008) suggest that while informative and lecture forms of communication tend to evoke counter arguments; storytelling is more likely to encourage vicarious participation. Storytelling can also create long lasting relationships, in the case the Volvo Group, between employees and the organization. Kuylenstierna claimed that by sharing their stories based on the organization's values, such as respect for individuals, employees recognize a sense of belonging to the organization, and the feeling of a family²³. This will in turn help the organization keep its competent employees, who are important intangible assets.

In despite of the benefits of storytelling, it also has some downfalls. One risk is that a story is often told from the teller's perspective, which can be one person or an organization. Thus story told from a single point of view can exclude other interpretations and imagination, can sometimes even mislead. In the case of the Volvo Group, this risk seems to be minimized; as each of the organization's values is covered by several stories, which reduce the risk of telling from a single point of view. Another disadvantage of using storytelling is that the same story may be work in every culture, as Shankar *et al.* (2001) argue that we are often culturally and socially conditioned into understanding certain form of story. However, this does not seem to be the case for the Volvo Group. The reason could be that their storytelling is limited and based only on the organization's values; it could have been different if the storytelling is used externally as a marketing tool. The seductiveness of storytelling is another disadvantage, which the Volvo could be more aware of. Gray-Wilson (1999) argues that when a story is overly seductive, the audience could be distracted from the purpose of the stories, which cause them blindly absorb the story instead of constructively evaluate it.

²³ Eva Kuylenstierna, project leader for "The Volvo Way Stories", The Volvo Group, interview 5 November 2008

5.2 How Does a Company Communicate Through Storytelling?

Swedish Hasbeens communicates mainly through its core story. The values that this story holds are portrayed in small portions throughout the other stories also used to communicate through the company. By sharing the values of the core story, it shows what it stands for and what kind of values that is important. The company lives and breathes the core story, and acts by its own power to fulfill the values that it holds. Externally it directs its attention to its main target audience, which is the consumer. The company states that, through telling the story of the founding of Swedish Hasbeens, the background, idea, vision and morale of the company are portrayed.²⁴ The values that surround the founding core story also seem to be deeply attached in the hearts and souls of its employees. This coincides with the view of Fog *et al.* (2005) who say that a strong brand always starts from within, with its employees. Swedish Hasbeens uses storytelling on both product and corporate level. The core story is deeply rooted in the product as well as the company itself. Swedish Hasbeens has the benefit of having a core story that is truly something extraordinary and not something that is easily imitated and this aspect also benefits the company's communication of its brand in a larger context, as part of the market. In a practical sense of the matter the company uses communicates the core story in its catalogues, when it sells to stores and when communicating online through the company webpage. Another aspect of how Swedish Hasbeens communicate through storytelling is when it communicates through the press. This becomes the credible third party that tells the consumer the same thing as the company itself does and by this confirms the validity of the message.

According to Fog *et al.* (2005) the storytelling used, both internally and externally, should be guided by the key values. For the Volvo Group, its internal storytelling is based on the values of its organizational culture, such as respect for the individual, team work, diversity and so on. Its corporate values referring to quality, safety and environmental care, which are used externally, are also the common ground for all the organization's operations and central of its brands. There values, communicated through stories, show clearly the vision of the organization and what it stands for. Since the Volvo Group's storytelling is used

²⁴ Emy Blixt, Head of Ideas and Design, Swedish Hasbeens, answers to questionnaire in November 2008.

internally, its main target audience is therefore employees. However, instead of inviting executives or corporate spoke persons to tell stories based on the organization's values, the internal communication team encourages employees to share their stories. This has the advantage of allowing other employees to feel easily related to the stories and the tellers. The Volvo Group also recognizes the importance of spreading the values within the organization, which is one of the purposes of storytelling project, and the importance of its employees being the spoke person of its values. As Kuylenstierna and Nordblom emphasized during the interview that the organization will really benefit from storytelling when the stories inspire employees to transcend these values into actions. This vision coincides with Fog *et al.*'s (2005) argument that a strong image of the brand of a company always starts from within, with its employees, if it is to have a long-term effect externally.

Chapter 6

Conclusion

Here the conclusions of the findings are drawn. Examples of further research are given as well as some suggestions as to what the two companies included in this study can do to further their storytelling techniques in the future.

6.1 The Findings

The findings of this study cannot be generalized; they can only say something about the two cases that have been studied. However, similarities between the two companies have been found and these findings imply that trust becomes an issue with both externally and internally directed storytelling. Nevertheless, in each case it means different things. With Swedish Hasbeens it becomes important that the external message coincides with the values that the core story holds, this can also be said for the Volvo Group, although internal trust corresponds not only with the connection to the core values, or story, it is also a question of the story's authenticity. In the case with the Volvo Group it is considered unthinkable to use fictional stories when aiming to communicate internally through storytelling. This view does not correspond with externally directed storytelling as explored with Swedish Hasbeens. Here it was found to be of no bigger issue to use fictional stories as part of the storytelling technique. Also, the external message and the one communicated internally in the case of the Volvo Group is not the same, it employs different values to its customers compared to its employees. The reason for this, as Nordblom stated in the interview, is that the internal values communicated are arguably of less interest for external parties like its customers. This was said in relation to the industry, and its target audience. In the company Swedish Hasbeens, where the core story also serves as a way of creating togetherness among the employees, the external message and the internal seem to go hand in hand to a greater extent.

6.2 Further Research

Since this study is limited to exploring the company's perspective, only the sender's point of view, in communicating through storytelling, is addressed. It would be interesting to explore the view of *e.g.* the consumer or the employee in this context. Here it could be tested if the message conveyed through storytelling actually is construed in the way the company intends it to be. This thesis restricts itself to companies that are mainly product driven. This means that service companies are excluded from the study. When it comes to service driven companies, it would be of great interest to investigate the storytelling communication process since it entails creating added value to the customer, an aspect very important when it comes to service companies.

6.3 Suggestions to the Companies

Based on the theory we have found we deem it as a potential advantage for Swedish Hasbeens to in the future, establish an interactive part on its webpage which engages the consumers to participate in its ongoing story. In letting the consumers share their stories about its products, it gains access to a channel of potential stories that are based on real experiences, that the company possibly will have difficulties in creating itself. The company stated that it was considering using fictional stories about some of its products. According to the theory of this thesis, the company should in this instance view the core story as the base from which these potential stories can be created. This could facilitate an easier transition for the company when it comes to creating these fictional stories.

As mentioned previously, there are possibilities that the internal communication team at the Volvo Group considers to use the concept of storytelling in wider context, such as inviting customers to share their stories about the organization. We believe that this will provide the Volvo Group valuable information of what the customers think about its products and the organization. Moreover, it will give the Volvo Group opportunities of controlling the information surrounding the organization and its image. Mark Morris (2003; cited by Denning, 2005) argues that the single most effective and important way of comprehending a company, which in this case also builds the reputation and strengthens the brand image, is through the stories surrounding it. The Volvo Group could also consider using

different types of stories for various purposes, for example, stories about obstacles or difficulties and how these are to be overcome can be used as a way of sharing knowledge within the organization, such as (Denning, 2006) states. The story of how difficult it was to close down a plant could well serve this purpose. Lastly, as Eva Kuylenstierna and Charlie Nordblom acknowledged during the interview, their internal stories can be more actively promoted externally, to potential employees, customers and other audiences. This will display a softer side of the organization, making it more approachable.

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Interviews:

The Volvo Group, interview conducted 081105 in Gothenburg, Sweden

Interviewees: Eva Kuylenstierna, project manager for The Volvo Way Stories
Charlie Nordblom, Vice President and Head of Strategic Internal Communication

Swedish Hasbeens, questionnaire sent out by mail 081106

Interviewee: Emy Blixt, Head of Ideas and Design and co-founder of the company

Appendices

Appendix 1: Questionnaire for Emy Blixt at Swedish Hasbeens

1. Can you tell us a bit about your company?
2. What is your position at the Swedish Hasbeens and what are your responsibilities?
3. What is your perception of Storytelling?
4. How did you come up with using stories (such as the story of you as founders, about the shoes, about your inspiration) to describe your company and your products?
5. What are your criteria on what constitutes a good story in the context of Storytelling and in the eyes of the company?
6. What is your intention with the stories?
7. What do you consider especially important when it comes to creating and telling the stories about you and your company?
8. How do you think that your company can benefit or have benefited from using these kinds of stories?
9. How have the stories that describe your company and products evolved over time? Have they changed in any way?
10. Why did you choose to use the very specific and detailed story about “Marita” when explaining your source of inspiration?
11. Who is your target audience with the stories? Or who are you communicating with through those stories?
12. What is the role of these stories in an external perspective, such as promoting your company and products?
13. Is there a role of these stories in an internal perspective within the company?
14. What do you think the stories represent about your company and products?

15. How important do you consider the authenticity of the stories to be?
Would you consider using fictional stories to promote your company and products?
16. What do you believe to be the advantages and disadvantages with using these kinds of stories?

THANK YOU FOR YOUR TIME!

Appendix 2: Interview questions for Charlie Nordblom and Eva Kuylenstierna at The Volvo Group

Background of Interviewees

1. What is your position at the Volvo group and what are your responsibilities?

Background of Storytelling at the VOLVO Group

2. When did you start using Storytelling at the VOLVO Group?
3. Which other approaches (compared to Storytelling) were also considered?
4. What are your criteria on what constitutes a good story in the context of Storytelling and in the eyes of the company?
5. How are they collected, selected and processed?
6. What are the advantages with Storytelling when using it as a means to achieve the overall purpose you seek to achieve?
7. What are the disadvantages?

Background of “the VOLVO Way Stories”

8. What is your perception of (Corporate) Storytelling? Has this perception changed since you started working with “The VOLVO Way Stories”?
9. When did you start the Storytelling project? How has it evolved?
10. Why did you choose to start a project using Storytelling?
11. How can the VOLVO Group benefit from this project?
12. What is the role of Storytelling in the organizational function at the VOLVO Group?
13. Have you been able to identify phases when it comes to the stories? For example, first there is the collection, then the processing and then the publishing. Have you experienced any other phases that the stories go through?
14. What are the stories collected saying about the VOLVO Group?
15. What are they saying about the future of the VOLVO Group?

16. What constitutes an old story that cannot be used anymore?
17. Now that you have collected the stories about your key values, you say that you are about to publish them internally, how will you do this?
18. Who is your target audience? Can you consider any other possible audiences that would be interested in or in some way benefit from these stories?
19. If you consider the possibility of publishing these stories externally as a way of communicating your key values, in what way would you approach this, considering your consumers?
20. If you were to collect stories from your customers about your key values, do you believe that these would differ from the stories that your employees have told? If so, how and why?
21. What is the outcome of the stories collected that you can see at this point? Was it expected or unexpected? Please describe why you consider the outcome expected or unexpected.
22. You say that you are about to publish at least one more collection of stories, what is the purpose of publishing separate collections instead of one complete?
23. How much do you influence the stories and their publication, *i.e.* are some stories only published in a specific setting, for example, through a specific media or in a certain country?
24. Is there always a certain service or product in mind when a specific story is considered, *i.e.* are the stories to reflect generally or specifically?
25. How important do you consider the authenticity of the stories to be, does it matter if the story is real or not?
26. Would you consider using fictional stories? Please mention if, or if not, you would consider doing so internally and/or externally.
27. Can you think of anything that we have not covered and that we should have?

Thank You for Your Time!