

The Participatory Management in the Enterprise through Digital Marketing: Enterprise 2.0

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Abstract

From its birth to the nowadays lifestyle, web has strongly changed. Although once it was a “place” to find information, now it represents that virtual condition, in which it can be possible to share and collect information, thoughts, desires and doing shopping and so on and so forth.

Today, the company does not only make just a commercial communication. Instead, there exist many types of interaction: the internal communication, for instance. Enterprise 2.0 is that kind of business that uses the instruments of the web 2.0 both for external and internal communication. It means to use all the digital marketing tools to manage the entire organization, such that we have to think in a participatory management way. Indeed, we have to focus ourselves even more on a participatory organization, where the development of new projects derives from the ones who work into the company. The Social media that can be involved in this field are the same that are used for a commercial communication: social network, blogs, Wikipedia, podcasts, rss feed and so on and so forth.

Even though there are very few Italian companies that apply the tools of web 2.0 to manage the entire organization, the paradigm of the enterprise 2.0 is slowly taking off.

The purpose of this work paper is to identify how the company can efficiently adopt the digital marketing instruments, utilizing the participatory management: enterprise 2.0. The adoption of these participatory tools is fundamental, because only through their adoption, it can be possible to reach a vast audience and to satisfy the digital consumer needs, who is no more passive, but he is even more active and critic about the choices he is going to make.

Keywords: digital marketing, enterprise 2.0, interactivity marketing, new media, web 2.0, web community.

1. Introduction

Companies operate in an increasingly social environment, such that the players by which the companies interact are even more social. Thus, they are those actors who spend most of their time on web; they are searching for information on it, download videos, post photos and share posts on social media.

It is all about two generations: Y and C generations, which have an unconditional use of social networks and have a participatory culture. Into the business sector, they would search for the same things that they regularly consume in to their lives. People who belong to the Y Generation are considered as native digital, because they are born with digital technologies. Instead, C Generation includes all the people who are born with the web and they reveal some kinds of contents through flexible and convergent multi-channels tools. These actors have some needs that the company has to satisfy by the adoption of the web 2.0's tools.

It is possible to highlight five different actors' emergent needs that can be related to the internal side of the company or in its relevant markets and they are nothing more than the explosion of a sociability need:

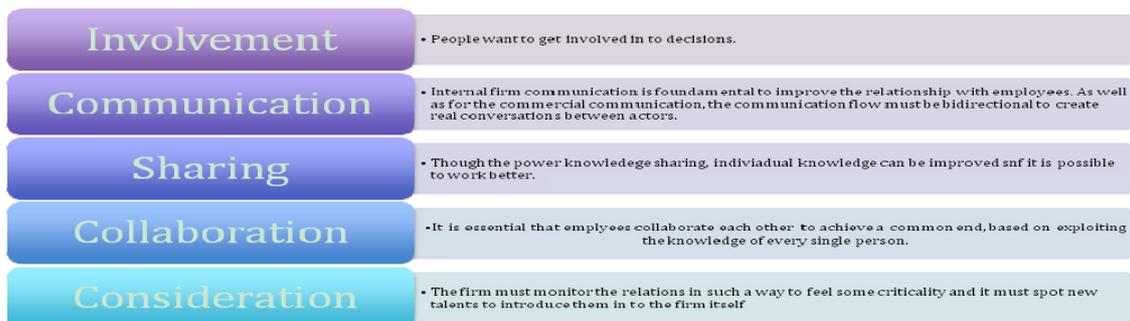
1) **Connection:** people increasingly feel the need to connect and participate to an on-line community, sharing and exchanging views and information. They do not just satisfy the connection need, but they also meet interactions and involvements' needs. To be on-line present does not just focus its importance on individuals, but it concerns about a business strategy as well, where firms are pushed to improve social media to develop conversations with the own baseline community: staff, clients, commercial partners and suppliers.

2) **Communication:** the staff necessity to be daily updated on the others staff member activities underlines the role of the company's communication activities, which are focused on the internal and external organization. The role of communication is essential for any type of business activity; it allows the company to improve internal organizational processes and market links. Communication network in to business has been traditionally characterized by a unidirectional stream of communication, based on the top-down, regarding decisions taken by the management and forced to underneath layers. Nowadays, this approach is no more sustainable and it must be promoted by another approach, which encourages: horizontal communication through employees; conversations between staff and management; information exchanges between internal firms' members and its external stakeholders. In this contest, Internet becomes a real dialogue tool with its users.

3) **Power Sharing:** the traditional firms' approach implies to manage its projects focusing on predefined teamwork identification, which are untouchable to the external stimuli. In this way, there can be a loss of possible advantages, which derive from the birth of spontaneous groups based on interests, passions and competences of each member. To harness the community benefits and the needs sharing, the company should include: from an internal point of view, the realization of platforms and digital marketing services, which are able to support the natural birth of informal contact points through firm's people. Externally, there must be the brand and product community creation, which encourages the birth of conversations around the company's offered products/services, in such a way to implement the engagement of the brand itself, through a precise strategy of the Social Media marketing planning and managing.

4) **Collaboration:** Besides the sharing tools, which are able to build affinity through people and to concrete the spontaneous groups or teams birth, it is necessary to implement web services, which are capable to encourage the collaboration and to exploit informal relations mechanisms that inspire the emersion of tacit knowledges.

5) **Consideration:** Once the company achieves the connection, communication and sharing needs, which have been requested from its stakeholders, it is necessary that the company must be able to approach to this aspect as well. Nonetheless, if the control of some interactions passes into the hands of its creative, collaborative and competent members, the company has the dual task to monitor the business climate and to spot talents.



Scheme 1. Resumes the increasingly needs of the actors who interact with the company

2. The Evolution of the Company: from Enterprise 0.0 to Enterprise 2.0

The 80s Companies have followed a path that today is increasingly lending to the enterprise 2.0.

To arrive to the enterprise 2.0, it is required an organizational change based on the social driven, which focuses on people. To reach collaborative activities, it is needed that the company has projected and implemented, in to one platform, digital marketing services, which are suitable to enable firms' collaborative processes internally and externally.

The organizational and technological evolution of the firm has been developed in to three phases and it particularly embraces five elements:

- *Business model:* it refers to the goal that the company wants to achieve by using of the information technology.
- *Software applications:* it refers to the procedures of acquisition of the information services and the professionalism related to them, which are used as support of productive and organizational processes of the company.
- *Device and networking:* they describe the aim of firms' networking application and electronical and informatics devices which able users to manage them.

- Organizational model: it is the internal prevailing organization type of the company and it highlights its grade of rigidity and adaptability to the internal or external market variables.
- *Communication*: it underlines the information flows nature that generate themselves both internally and externally of the organization.

The first phase of this evolution goes back to the 80s. During this period, companies started to introduce in to their organization some information technologies to make productive processes automatic, since they were carried out manually until then. In these years, there is the spread of the computer utilization to support the work made by employees. The company's organization was hierarchical and the communication flow was top-down; the information was developed from the business to lead in to the underlying actors, for the aim to guarantee and control the knowledge production processes.

In the second phase (90s century), we have a more efficient automatization process, improving the capacities of supporting the productive activities at even lower costs. The firm organization is more flexible and externally open, thanks to the outsourcing trust of some activities that can be more efficiently made by specific partners. In this phase, the communication flows are bidirectional and they open themselves to a constant information exchange with external actors of the firm.

In the third phase, we have some kids of companies that want to develop collaboration activities, organizational and managerial innovation models. Participative firms make widespread use of social software tools to develop collaborative activities through stakeholders. In this phase, we denote flows of multidirectional communication, which let the actors to participate in to the efficiency improvement of productive and business processes.

The adoption of enterprise 2.0 points to another interpretation of the firms' intranet concept: it is no more a technological managing system of company information, but it also allows a social management of the company information. The internal meaning of the term "social" highlights the emergent role of company's stakeholders for generating and sharing the firm information. The firms' intranets have been considerate internal firm's elements for years; by the introduction of the web 2.0, useful platforms of sharing information have been created, which derive from the firms' internal and external path. Intranet company's activities are:

- To support the internal communication activities and it provides services both for employees and staff members.
- To rule, store and protect the informative organizational heritage.
- To create monitoring dashboards on principles firm's phenomenon and it implies the interaction through different firm's unities. Moreover, it guides the employees and staff members' daily activities.
- To improve the personal and professional relations, and informal as well, through the firm's staff members

The enterprise 2.0 broadens the operative horizons and it permits stakeholders to connect each other though the knowledge and information sharing. Intranet becomes a social environment open to the mutual interactions between staff members, clients and suppliers.

Nowadays, it is stronger and stronger popular belief that there exists relations between people who spontaneously form themselves in to the firm organization and, if supported by social network tools that are intranet present, they can be exploited in real collaborative processes.

Here, it is possible to analyse a scheme that resumes the three passages from the traditional to the organizational company.

Table 1. The evolution of enterprise

Operative scope	Enterprise 0.0	Enterprise 1.0	Enterprise 2.0
Business Model	Office automatization	IT Strategies	Development and innovation
Information Application	Centrality	Outsourcing	Crowdsourcing
Device and networking	Office automatization	Strategic Efficiency	Integration
Organization	Command and control	Flexibility	Collaboration
Communication	Unidirectional	Bi-directional	Multi-directional

Resource: own elaboration.

There exists three possible models of enterprise 2.0:

- 1) *Social Enterprise*, that focuses on the creation of collaboration schemes, knowledge sharing and relations

managing;

- 2) *Open Enterprise*, that leaves space to the virtual work in terms of access modality and of external actors;
- 3) *Adaptive Enterprise*, that focuses on the flexibility and reconfigurability of the firm's management processes.

Today, the Social Enterprise seems to be the most developed enterprise. By using the term of social enterprise we refer to that enterprise that adopt tools which allow people to meet virtually, sharing mutual knowledge and to collaborate to solve problems and to create innovation for the firms.

3. The Importance of Firm's Community

In this new scenario it is essential to institute informal places where the firm's workers can meet and achieve an advantage for the company itself. The firm innovation, today, derives from actors cooperation with different competences, able to collaborate each other to reach a common aim. The informal contests are the best solution to find information and to develop new firm's projects, compared to the formal contests. In these cases, such as the informal communities, people meet spontaneously to generate new horizons for the firm. In these communities, since they born spontaneously, people do not feel forced from anything and they can correctly express their knowledges, their thoughts, opinions, sharing them with others and generating a value added to the firm.

Besides, communities are font of new knowledge because, sharing them each other, the community's belonging persons acquire some new knowledges that they did not have before.



Scheme 2. Firm community

According to the scheme, in firms' communities there has been developed relationships of trust, such that they strengthen the existing link between two people. In the community, thanks to knowledge sharing, the awareness of people who are part of it increases. Often, firms think that communities are a waste of time; instead, they represent an innovation success for the firm itself.

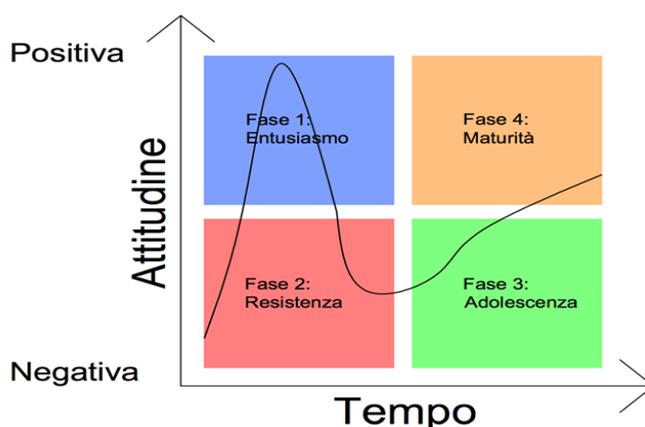
The needed phases to build up a community are five:

- 1) **Feasibility analysis:** In this first phase, it is necessary to find all the information we need to build the Swot analysis and to find the opportunities and the critics factors of a community. Thus, it is essential to push the management through this project, building a committee made by an innovator, a communication responsible, staff members, which must champion this idea that focuses on the communities' competitive advantage.
- 2) **Planning:** in this phase, there must be individuate the needed elements to manage a community, such as the sharing contents, the social media that are going to be used to support the activity, members' roles internally of the community and managing policies. The main key is that actors must be involved in to the community in such a way to stimulate their interest for the community itself.
- 3) **Implementation of web environment:** in this phase, it is necessary to pay attention to the tools of web 2.0, which allow community actors' interactions and the development of participative and collaborative relations.
- 4) **The launch:** Once it has been defined the structure of communities, it must be known to all the people who are interested in it, such that they will get closer to the community and will take part of it, building participative relation with other members. In this phase, the word of mouth seems to be essential to develop the community, but it is not enough. It is essential, indeed, to integrate the word of mouth with a communication plan, which allows explaining to stakeholders the communities' characteristics and the advantages that can be reached through it, such to increase the their number into communities.

5) **Community management:** the innovator, who has launched the community, must follow it through its evolution. He must notice that conversations are internally developed, help new users to participate to conversations and monitor that conversations and actors' behaviours are in line with firms' values.

When the firms' community is improving its credentials, innovators must be aware of the fact that, initially, it is possible to find some actor who is afraid of participating. Firms are often formed by old employees or any actors who are not able to use the web, who think that communities are only time lost and so on and so forth. These actors believe that the standards communication forms, which have been adopted until that moment, are the best solutions ever used.

The community development strongly reflects the Gartner's Hype Cycle: in a first phase, there is a peak due to the new enthusiasm of users, but right after we have a downward trend of interest because users ask themselves if it is a real efficient interaction modality, or if it is better to keep the previous forms of communication going on. The fact that users are not ready for a change, it can provoke a resistance to the new approach. This phase is exceeded by trying to motivate users adopting this new prospective. Once users become positives towards the community, there is a recovery phase, such as the maturity phase, in which interested actors will take part of it and they will start to develop new relations between each other, in such a way to create a competitive advantage for the company.



Scheme 3. The trend of the curve

4. The Enterprise 2.0 Model in Italy

An open enterprise, which allows dialogues between its employees through blogs, wiki and social networks, is said to be such a firm who is able to work better, with a more dynamic and flexible attitude for changes.

Quintarelli and Besana (2014) completed a study on Italian enterprises to prove how many of them are open to the participations tools.

Italy understood the importance of social enterprise, Italian top managers are aware of the potentiality of the digital marketing tools, such that they are interested in using them, but they did not do anything to use them yet. The hardest problem due to the adoption of these tools is the necessity to modify the entire organizational culture. Moreover, the oldest employees are strongly blocked to use these new tools because they think it is a waste of time.

According to the Quintarelli and Besana study of "*Social collaboration Survey*", there really exist some social enterprises in Italy, but the Country is far away from adapting this new paradigm in each of its shadows.

Here we have some data of the Social Collaborative study:

- Despite of the majority of Italian enterprises are working on the social enterprise, only the 10-20% of them is active in social collaboration activities. By the way, these initiatives are often implemented from the top management to demonstrate the fact that Italian firms are not totally in to the culture of enterprise 2.0, because this study shows that only in to two cases out of ten projects start from the employees' initiatives.
- Only in to two cases out of ten, the development of new projects starts from the employees' needs and motivations. Therefore, top management often decides about it. Although the top-management commitment, the most successful projects are the ones who balance top-down actions and bottom-up actions.

- To improve results, it is necessary to invest more. It is essential to have appropriate figures to collaboration initiatives and just one on six firms has a full time actor. The two thirds of the projects that are successful have a dedicate team. Third quarters of firms invest 50,000 euros in collaboration initiatives; instead, the successful ones are often financed with a budget of 100,000 euros.
- Almost half of the examined firms do not measure the outcome of the initiative. This is another immaturity index of this field. The ones who manage the organization exactly know that the analysis of results is fundamental to understand if they did a good or a bad work or if to eventually change something.

According to these data, this phenomenon is not entirely developed. By the way, in the next three years, we are going to have substantial development in which only the three quarters of Italian firms are going to remain outside of this percentage.

“Unicredit Bank” is an Italian enterprise that uses digital marketing tools for the internal communication. Thanks to its “One Net” Social Network, it involves 18 thousands employees in ten different Countries. In the personal Area of social network, employees insert their own professional information and they interact with the other networks members; in the community area, instead, there is a 360° collaboration, while in to the business community there is an exchange of information on projects in progress or of new realization. Unicredit, thanks to this new experience, came out saying that there is a better collaboration and more ideas exchanges between employees, such that it will increase the enterprise 2.0 benefits. It creates more knowledge circulation, able to solving problem in a good way, by more innovation and productivity.

5. Discussion

The enterprises live a period of strong changes that challenge their survival. A firm must be flexible and dynamic to survive, and it must be ready to changes, always satisfying the market needs.

The period we are living in is more and more digitalized. The digitalization progress will increase even more together with users who will connect themselves on web to find information, doing shopping, sharing with friends their experiences and opinions.

In this scenario, firms cannot remain outside, because they would not survive. The client means life for the company, such that it cannot exist without him. Under this path, companies must try to reach every possible consumer to get him closer to it, rather than push him closer to a competitor.

Digital marketing is a big opportunity for enterprises, that being aware of this aspect, are moving the off-line advertisement budgets into the on-line one. The expenditure of on-line communication strategies will increase its numbers in to the next future, to the detriment of the reserved budget of traditional budgets that, in contrast to that, will have a downward trend. Once the initial phase has passed, in which there were not exploited all the on-line potentialities, today companies have more and more in mind the concept of user involvement. It is a competitive advantage of a great value.

Companies are more and more aware of themselves and they will be even more conscious in the future, of the importance to involve the consumer in to choices and to exploit this advantage through strategies which aim is the communication.

Communities are created on the web and, the company can internally have lot of benefits. Into communities, users meet each other, share information, thoughts and opinions. This is the primary font by which the company should start to work on something that will satisfy the consumer needs.

Through digital marketing strategies, company is closer to users, creates dialogues with them, getting them involved to news, challenging them to give tips to do a better job and helps them when they are in troubles. Users feel inside of the company, they feel important to the enterprise and give to it an indissolubly trust relation. This trust implies that the user will positively speak about the company to his friends highlighting the fact that it satisfies his needs. Since we, as users, are able to give a value added to friends tips, it is obvious that, if a friend positively talks about the company, we are able to feel the same emotions and this leads to getting closer to that enterprise. All this process represent a value added to the company that, with no effort, has been able to capture some actors, which would never reach again.

Digital marketing strategies are adaptable to every single company type (small-medium- large) and to every sector in which it operates. Digital has revolutionized the communication and it delated obstacles, which little enterprises had in making off-line communication strategies, because they were costly. However, to achieve an on-line communication strategy, it is not necessary a high budget, but it is just needed familiarity with the web and its tools (blogs, social network, wiki, podcasts and so on and so forth). Every single enterprise can create its

own Facebook page, or manage a blog in which it is discussed about arguments in line with the enterprise, where it builds up participative relations done by the web itself.

Le strategie di digital marketing sono adatte a qualsiasi tipologia di impresa (piccola – media – grande) e per qualsiasi settore in cui essa opera. Il digitale ha rivoluzionato la comunicazione ed ha eliminato molti ostacoli che le piccole imprese avevano nell'effettuare strategie di comunicazione off-line in quanto molto costose. Per realizzare una strategia di comunicazione on-line, al contrario, non è necessario un budget elevato, ma solo un po' di dimestichezza con il web e i suoi strumenti (blog, social network, wiki, podcast, ecc). Ogni impresa può aprire una pagina su Facebook, oppure aprire e gestire un blog in cui si trattano argomenti inerenti all'impresa e dove si instaura quel rapporto partecipativo proprio del web.

According to the data of network utilization, the majority of individuals have the access to websites and their own profile on Facebook. Having said that, the company could start opening its Facebook profile, where it can invite all the interested or potentially interested users of its product. In this page, users can comment the enterprise's posted contents, they can write their own thoughts and comment others' posts, dialogue directly with the firm or other users. Moreover, if there is the possibility to insert some interesting and emotional contents, users can share them and other actors can be aware of the company and they will start to be part of that page. On the web, the user never gets bored, because there is an active interaction.

Apart from an external communication, web tools can be internally used, and in this case, they add value to the enterprise as well. To bring familiar tools, which employees normally use in their lives, means to make them feel freer to reach better results for the company itself. It is possible to have better results for two reasons: first of all, employee is more committed at working and secondly, the web has great potentialities to improve the enterprise management.

Thanks to the internal use of the digital marketing tools, it is possible to obtain:

- Better diffusion of information;
- A faster way of problem solving;
- Major innovation, because it derives from the group capacities and not from the individual;
- Performances improvement.

Within the company and through the firms' communities, employees can express their feelings, their knowledge, and information without any types of fear. It often happens that employees are scared about expressing themselves when they are in front of the top management, even if they can bring competitive advantage to the company. Instead, employees feel "protected" through communities, and they use familiar tools that allow them to easily express their knowledge.

6. Conclusions

The best firms' successes derive from the collaboration of the entire team, and not just of the individual. The typical hierarchical structure of an organization is already outdated. Today we are going through a participative organization.

Thanks to this new form of enterprise management, employees are getting involved, because they are a strength point for the company. The employee is satisfied and, since he works better he will positively talk about the company with his friends, such that his positive vibes has a strong power on potential clients.

This article has had the aim to make the readers aware about the essential role of the web and its tools linked to the enterprise 2.0 and its survival. It is necessary that each company changes direction and starts to use these tools.

A change for a company has never been easy and the enterprise management must overtake its fears and face this new challenge, because web can achieve more advantages than the off-line communication.

There is nothing worst of a company that does not want to change and to adapt itself in to the market; this behaviour would mean the end of the company itself.

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