

Innovation Communication

Outline of the Concept and Empirical Findings from Germany

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1 Innovation Communication as a New Area of Research

1.1 The Concept of Innovation Communication

Innovations are key for a society's performance and progress. The information about and communication of new ideas, technologies, products, and services play a crucial role. For the diffusion of innovations it is essential to make them popular both among the specialist community and within broader parts of society.¹

In order to make innovations public, expert journalism is required. As such, Innovation Journalism covers technical, business, legal, and political aspects of innovations. Furthermore, it evaluates them and presents them to the public in a comprehensible way.² At the same time, those in charge of communication in companies and research institutions play a decisive role for communicating innovations.³ It is they who critically examine inside their organizations innovations declared as such by research and development or marketing. Their credibility towards journalists mainly depends on whether the notion of innovation is used rightfully. At the same time, corporate communication experts are the first ones to shape the image of innovations. Therefore, research in Innovation Journalism should also consider and analyze Innovation Communication as an important part of the innovation process. Journalism and public relations are partners in several ways when communicating innovations to selected stakeholders: they have to meet similar challenges and have to orient themselves at similar success criteria when considering their audience.

In this paper, we define Innovation Communication as symbolic interactions between organizations and their stakeholders, dealing with new products, services, and technologies.

1.2 Innovation Communication in Germany

The notion of innovation is booming in Germany. Politicians and business leaders alike believe that the ability to innovate helps to sustain Germany's competitiveness on the international level, despite its high salaries and its costly social welfare system. However, Germany as a location of innovation is getting into disrepute: Although

¹ Rogers, Everett M.: Diffusion of Innovations, 5th ed., New York: The Free Press 2003; Weisenfeld, Ursula: Risk, Information and the Diffusion of Innovations. In: Albers, Sönke (Ed.): Cross-functional Innovation Management. Wiesbaden: Gabler 2004, pp. 277-294.

² Nordfors, David: The Role of Journalism in Innovation Systems. In: Innovation Journalism, Vol. 1 (2004), No. 7, pp. 1-18.

³ Høj, Magnus: Components of Innovation Journalism. In: Innovation Journalism, Vol. 1 (2004), No. 5, pp. 1-14.

Germany still belongs to those countries with the highest degree of expenditures in R&D in relation to the GDP, the number of innovative companies decreases. The country lives on the accomplishments of the past years and decades.

Innovation does not just need powerful businesses and dedicated people but also a certain economic, political, and social environment which allows for ideas to be turned into marketable products. In Germany, new technologies, products, services, and processes arouse suspicion and skepticism in the public sphere. The fear of risks caused by changes dominates over the hope and its chances in parts of the German society. Similarly, innovations play a subordinated role in the German media. In 2003, only about one percent of the press coverage of companies dealt with innovations.⁴

What are the reasons for this reservation and how can it be overcome? How can new products, technologies and ideas be communicated successfully? Which role does strategic Innovation Communication play for making innovation systems work?

Answers to these questions are provided by the trend survey INNOVATE 2004.⁵ This first nation-wide study on Innovation Communication is based on answers from 84 journalists from all media formats, and 376 communication experts from companies, agencies, research institutions, universities, politics, and administration. The survey's results provide first indicators for the field of Innovation Communication in Germany. However, since it is based on a self-recruited online survey the study's sample cannot be taken as a representative one.

1.3 Innovation: The Inflation of a Notion

Nowadays, the notion of innovation is virtually used everywhere. In everyday life it sometimes describes completely different matters. In particular marketing people tend to use the label "innovative" for products or services which are far from new. It is thus not surprising that journalists are skeptical of technologies which are described as "innovative" since they fear being bluffed. The survey INNOVATE 2004 highlights this: more than half of the journalists (53%) and 40% of the communication experts queried stated that innovations work as a mere label which benefits actors in the public debate.

Although the term might often be misused, it is still not viewed in a negative way by those interviewed and the public at large. New technologies as well as new products

⁴ Vollbracht, Matthias: Das Bild Ostdeutschlands ist verzerrt. In: Medientenor Forschungsbericht, Vol. 11 (2004), Nr. 142, pp. 65-65.

⁵ For a detailed description and analysis of the report see Mast, Claudia/Huck, Simone/Zerfass, Ansgar: Innovationskommunikation als Erfolgsfaktor – Ergebnisse der Trendstudie INNOVATE 2004. In: Mast, Claudia/Zerfass, Ansgar (Eds.): Innovationskommunikation als Herausforderung für PR und Journalismus, Stuttgart: MFG/HDM 2004, pp. 49-60. Available in German language at www.innovationskommunikation.de.

and processes are altogether judged positively by journalists and communication experts as INNOVATE 2004 found out. Both groups hope that changes will eventually lead to success. Furthermore, they believe that innovations generally bear little risk. In contrast to communication experts, journalists approach the notion of innovation more critically. For future communication strategies it still is uncertain whether the notion of innovation becomes a buzzword, degrades into a meaningless term or even mutates into something unusable altogether.

2 Results of the Survey INNOVATE 2004

2.1 Innovation as a Topic for the Media

Media help recipients to orient themselves. This is particularly true for innovations since they are complex and difficult to grasp. Only if technical and social innovations are noticed and appreciated by people in their daily lives, by employees in a company, by scientists or journalists, they can fully be effective.

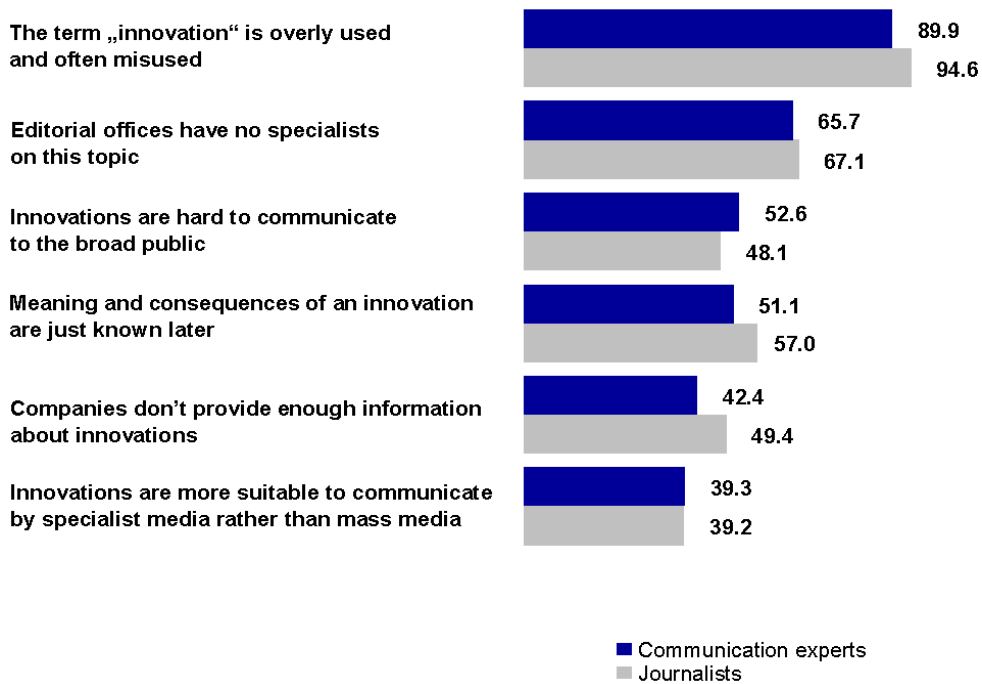
However, currently just about one percent of press coverage of companies deals with innovations. How to explain this reservation?

Of those interviewed, 90% of the communication experts and 95% of the journalists stated that the tremendous use and misuse of the term are responsible for the low media attention (see Figure 1). Only very few of those products labeled innovative actually show a significant improvement or an obvious progress in relation to already existing products. In addition, editorial offices usually have no specialists on this topic. In fact, in Germany there are neither “innovation departments” nor “innovation journalists” in the same way as there are journalists for business, technology, or research. Another reason for the marginal coverage in the media the survey highlights is that innovations are usually associated with a high level of uncertainty. It is hard to foresee whether they are likely to succeed, whether they pay off in financial terms, and what consequences arise out of them. Whereas journalists emphasize the negative consequences, communication experts tend to focus on the opportunities of innovations. However, both groups contradict the frequent claim that a technological break-through is more suitable for being covered by specialist media than in mass media like radio, TV, or national newspapers.

Another reason for the lack of innovation reporting is the presence of information barriers in organizations and companies themselves. It is not unusual that the communication office does not come to know about news from specialist departments. Apart from powerful communication structures an increased awareness of the significance of innovations for a company is required. In addition, a restrictive information policy, which many companies pursue, is responsible for the low press coverage of innovation. They do not actively practice communication since a potential

competitor might take note of an innovation too early. This argument holds true for the very moment in which news on an innovation is published but not for the press coverage per se.

Figure 1: Reasons for a low press coverage



Source: Trend survey INNOVATE 2004; n = 376 communication experts and n = 84 journalists; numbers in percentage.

Question: “Surveys have shown that around 1.2% of press coverage of companies deal with innovations. What do you think are reasons for such a low interest in innovation?”

It is thus of crucial importance for scientists and managers to reconsider their attitude towards an active communication of innovative ideas and inventions. Without this, any effort by politics to create a suitable general framework and by media to facilitate a public innovation discourse are in vain. It also does not support people’s understanding of the ways in which a society is made productive, which reform measures are necessary accordingly, and which innovative products and processes are acceptable.

2.2 Target Groups of Innovation Communication

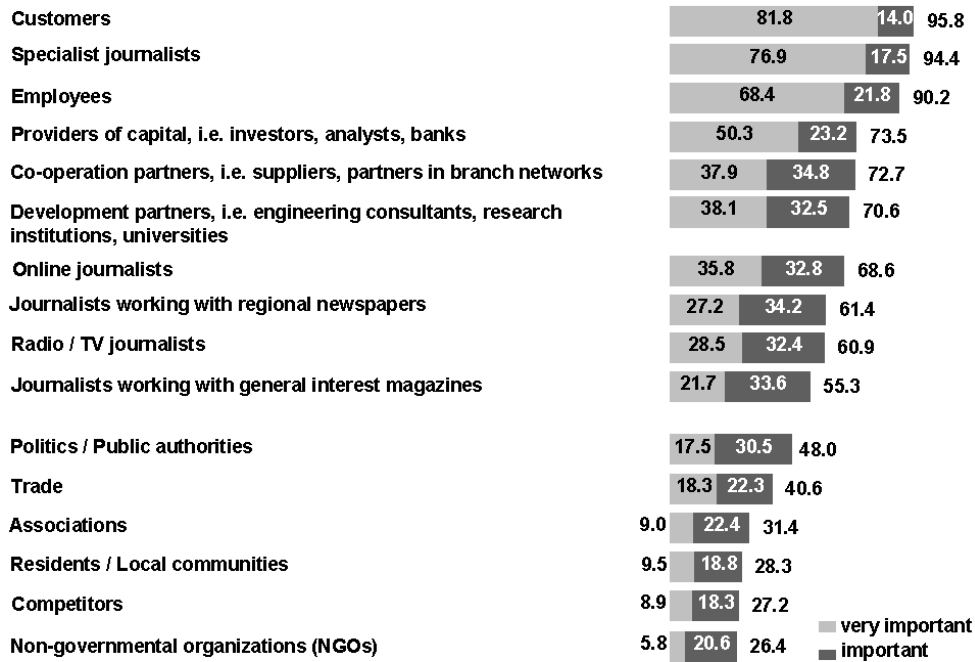
Customers, employees, and specialist journalists are the three most important stakeholders which those in charge of communication focus on when covering innovations. Among them, customers rank highest in importance with nearly 96%, followed by specialist journalists with around 94%, and employees with 90% (see Figure 2).

Customers and employees are target groups with the biggest impact on a company's success. The significant importance of specialist journalists over journalists of general media (69% in relation to 55%) can be attributed to their high degree of specialization and expertise. Are they in a better position to analyze and realize the dimension and significance of an innovation in the technological sphere? Is it easier for them to communicate complex issues to a specialized audience?

Another, though slightly less important, group are investors and co-operation and development partners as those are indirectly involved in accomplishing innovations. Nearly three quarters of the interviewees rate them to be important or very important stakeholders. The relevance of journalists as a target group differs: as has been stated before, specialized journalists rank highest (94.4%), followed by online journalists (68.6%), and radio and TV journalists (60.9%), whereas every other respondent attaches similar importance to journalists of general interest magazines.

The public aimed at by journalists can be analyzed in a similar way to the stakeholders whom organizations try to address by means of Innovation Communication. When journalists report on innovations, for whom do they write? In which role do they address their readers, listeners or viewers? Again, the respondents' message was clear: the most important group for those journalists interviewed is the user or customer. As a user or customer, people are potential buyers of innovative products or services which have to be explained and brought to an understanding. Nine out of ten journalists consider users and customers to be the most important target group for their press coverage. With a noticeable gap they are followed by investors, financiers, managers, employers, and employees. They are estimated to be important or very important by 60% to 70% of the interviewees. Just about every other journalist focuses in particular on the citizen and tax payer. Much less value is attached to trainees and students, politicians, and representatives of associations. To sum up, target groups with a direct bearing on the economy are rated highest. Readers and viewers are addressed in their role as users, shareholders, and investors more than citizens or tax payers. The emphasis on "customers" in journalism corresponds to that in corporate communication, although the notion of the customer is understood and assessed differently here.

Figure 2: Target groups of Innovation Communication



Source: Trend survey INNOVATE 2004

Question: “How important are the following stakeholders for you when communicating innovations?” (n = 376 communication experts; numbers in percentage)

2.3 Success Criteria for Media Coverage

Taking into account these various challenges, how can innovations be positioned successfully in the media? What is really of interest to journalists and readers? How to put employees, partners, customers, and opinion leaders best in the picture about an innovation? At first glance, the characteristics of technical innovation and news values for editors do not match. News values according to which journalists choose and present topics are based on assumptions about the audience, its expectations and interests.⁶ These are simplicity and topicality, which is not just meant in a primary

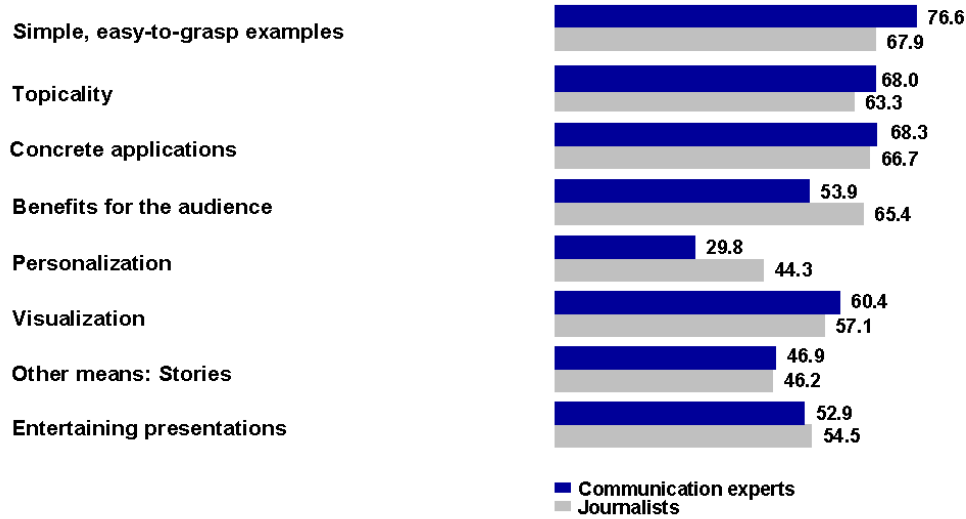
⁶ Schulz, Winfried: News Structure and People's Awareness of Political Events. In: Gazette, Vol. 30 (1982), pp. 139-153; Staab, Joachim Friedrich: The Role of News Factors in News Selection. A Theoretical Reconsideration. In: European Journal of Communication, Vol. 5 (1990), pp. 423-443.

sense of up-to-datedness of an event or development, reporting on current changes in the society, but also in a secondary way. The “felt” topicality refers to an audience’s present readiness and concern for an issue. Distinguishing between the two helps technology, product, and process innovation because innovations are worthwhile communicating even when having waited until alleged competitors do not pose a threat anymore. A third criterion is that of presenting benefits which comprise the applicability and usefulness of technologies from the audience’s point of view. In sum, the key to successful Innovation Communication are topicality, reduction of complexity, and presentation of benefits.

For communication experts (76%) and journalists (67%) a crucial issue for presenting innovations are simple and easy-to-grasp examples (see Figure 3). Sometimes it is sufficient to find an appropriate label as it happened when the German Federal President Horst Köhler awarded the “Future Prize” to the Biochip technology on November 11th, 2004. The very next day the “Süddeutsche Zeitung”, one of the few national newspapers in Germany, wrote about a “laboratory on a chip”. The message of the story: biochips the size of a fingertip work like a mini laboratory and are able to detect a blood infection or pollution in rivers.

In addition, journalists expect innovations to be linked with inventors or protagonists (personalization). Direct benefits for each individual should be presented. Technical innovations are not interesting per se. Only a few journalists and readers, listeners or viewers are interested in the technology itself. Much more important are its impact and use and the people who have pushed or blocked that technology. In practice, different interests clash here. Scientists and inventors are primarily interested in demonstrating the accomplishment and how it works, whereas journalists, standing in for their audience, query the usefulness and potentials. If these expectations are not met at least selectively, media coverage is not likely.

Figure 3: Success criteria for media coverage



...and direct viewing, touching, trying and experiencing

Source: Trend survey INNOVATE 2004

n = 376 communication experts and *n* = 84 journalists; numbers in percentage (“very suitable”).

Question: “Which means have proven of value when communicating innovations?”

3 Guidelines for Innovation Communication

Innovation Communication prepares the ground for the successful development, implementation, and enforcement of technologies, products, and services. Despite the criticism of using the term “innovation” so widely, innovations are more than a fashionable and trendy topic. Entrepreneurs are interested in making their innovations public in order to position their company as a first mover and accordingly strengthen their company’s image. Journalists for their part like to highlight the country’s ability as a whole to innovate and specifically that of single branches or companies. According to the survey, innovations might help to support the present debate in Germany about necessary reforms in economy, politics, and society.

What do journalists expect when they obtain innovation news from a company? How do innovations have to be presented in order for them to find their way into the media? And how can they finally be communicated to the reader, viewer, or listener as the target group? Journalists and communication experts alike rate easy-to-grasp examples highest when having to put a complex innovation across to the public. It is by weaving it into a story, by personalizing it via portraits, i.e. of the inventor, or by presenting concrete applications that innovations get convincingly mediated. Issues of relevance to the present situation can be a good peg to hang the story on. For Innovation Communication it is more crucial than for other communication areas to highlight the concrete benefit an innovation has for the audience.

3.1 Using Frames of Reference

Innovations as such are novel. They thus fulfill the criterion for the news value of being up-to-date. It is important, however, to put them into context. If a company is successful in positioning an innovation in reference to a current issue, this context can then be used as a frame of reference for the innovation. It helps the audience in perceiving and evaluating an innovative product, an innovative service, or an innovative technology.

3.2 Illustrating by Means of Examples and Applications

Innovations are mostly abstract, complex, and novel. For experts they are comparably easy to present and explain. To the public at large, however, it is particularly suitable to illustrate an innovation with the help of concrete examples. For example, in the case of a new production process, it can be illustrated what impact the process has for the production of a concrete product: Is the production time shortened? Does the price drop for the end user? Does it make an employee's job more challenging?

In the emerging phase of innovative products or services, examples of how they contribute and improve a process, a service, etc. are missing. However, if there are examples of application they should be actively used by communication. Not until concrete benefits of a product or advantages of innovative services for individual customers are demonstrated can opportunities of an innovation be revealed.

3.3 Shaping a Vision: Stories, Personalization and Visualization

Apart from creating connections with the present and illustrating an innovation by means of examples and applications, the packaging of an innovation may be of utmost importance. According to the survey, emotional aspects and dramaturgy are crucial when an innovation is complex and hard to explain. For instance, to present the inventor of a new technology can help to humanize innovation. To introduce an innovative service by telling an amusing story about its origin, its adoption in a company or its concrete meaning for the individual consultant illustrates well an innovation to the audience. Meaningful images and professional visualization are key here.

3.4 Summary

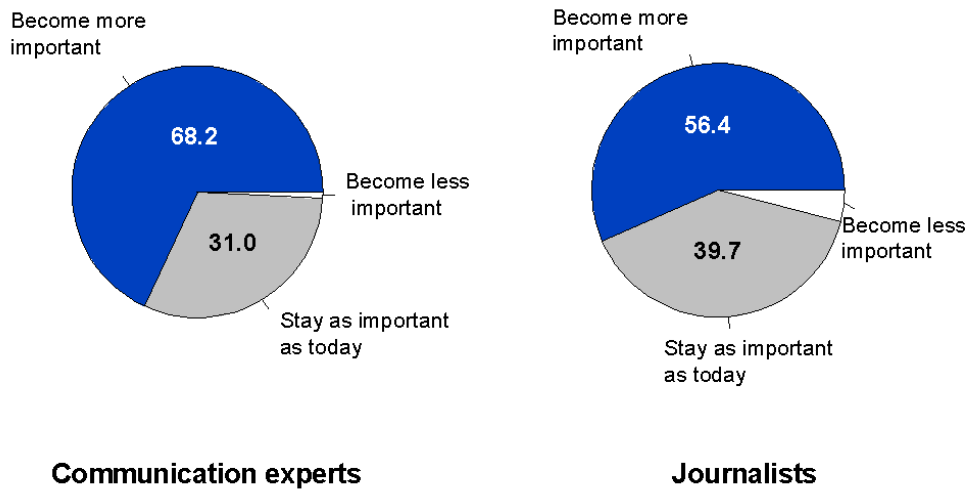
To communicate innovative products, services, technologies, or business processes is one among many tasks of any communication department. The classical tools of public relations lend themselves to communicating innovations. Just like any other topic, it is crucial to arrange the object of communication as concrete, comprehensible, and oriented towards the stakeholders as possible. At the same time Innovation Communication poses particular challenges which in return require special routines: innovations are novel and complex, their positive as well as negative implications are still largely unknown, and their concrete applications cannot be more than assumed. Because of this, Innovation Communication needs to work – much more than any other kind of communication – with illustrations and examples, stories, personalization, and the concrete benefits for the individual. In the upshot, innovations have to be prepared in such a way that they can be experienced and felt.

4 The future of Innovation Communication

Opportunities for corporate communication in communicating innovations are promising: those interviewed largely agree in that Innovation Communication will gain in importance in the following three years (see Figure 4).

Figure 4: Future of Innovation Communication

During the next three years for corporate communication the topic of innovation will



Source: Trend survey INNOVATE 2004

n = 376 communication experts and *n* = 84 journalists; numbers in percentage. Question: "How do you estimate the future of Innovation Communication?"

For both organizations and journalists alike, it holds true that there is an insufficient handling of the admittedly complex issue "innovation". For this reason it is necessary to investigate the potentials of Innovation Journalism while at the same time studying key factors, best practice examples, and success criteria for communicating innovation by companies, organizations, and other institutions.⁷

⁷ A number of case studies in Innovation Communication from Germany and Austria will be published in the book Mast, Claudia/Zerfaß, Ansgar (Eds.): Neue Ideen erfolgreich durchsetzen – Das Handbuch der Innovationskommunikation, Frankfurt: F.A.Z.-Buch 2005 (forthcoming).

About the initiative INNOVATE

INNOVATE is a joint initiative of MFG Baden-Württemberg (Stuttgart), a center of excellence for IT and Media run by the federal state of Baden-Württemberg, and the Department of Communication Studies and Journalism at the University of Hohenheim (Stuttgart). It brings together experts from business, research, and media to discuss the meaning of innovation for corporate communications and media reporting. Apart from the Germany-wide trend survey report, the initiative has conducted a series of public lectures dealing with the topic that have been attended by more than 600 experts in winter 2004/05. The researchers in charge also investigate best practices and publish widely on Innovation Communication.

More information including presentations and publications in German language are available on the internet: www.innovationskommunikation.de

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