

# Promoting Digital Transformation



## About the Course

**Digitization, digitalization, and digital transformation** have been driving innovation in small- and medium-sized enterprises (SMEs) over recent years.

In 2020, the **Covid-19 outbreak** forced many SMEs to **shut down**. Their **business models** were simply unable to cope with the new situation threatening the viability of SMEs worldwide.

## What will you learn in this course?

- What is the difference between **digitization**, **digitalization**, and **digital transformation**?
- Can **online communication** be a **substitute** for face-to-face contact?
- How can you **boost the innovation** and **digital transformation** of your company?

In this course, you have the chance to reflect on your **lessons learned** since the start of the Covid-19 pandemic. You learn to identify how **online communication** is **key** to supporting the **viability** of your business. This course will also allow you to **discuss**, **interact** and **collaborate** in an interactive way.

## How long will it take you to complete the course?

We estimate approximately **two hours** of learning time, depending on how much you want to engage. The course can be interrupted at any time and resumed later.

## About the authors

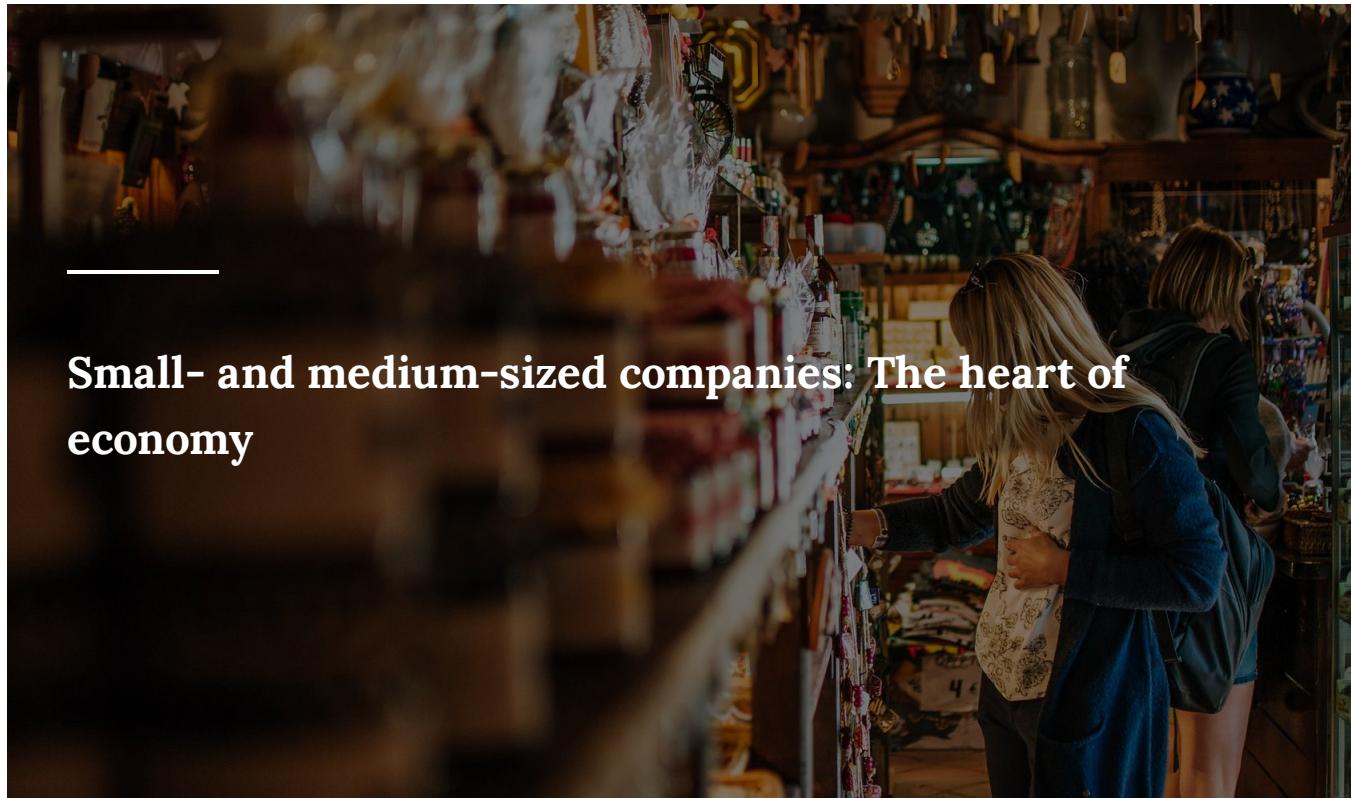
This course was designed for the [DigiCulTS project](#) by [Isabell Grundschober](#), a researcher at the [University for Continuing Education Krems](#). The project is co-funded by the [Erasmus Plus program](#) of the European Union.

But now, let's get started with the first chapter of this course:

- ≡ 1) How to Survive the Covid-19 Crisis?
- ≡ 2) Practical Examples
- ≡ 3) Face-to-Face Contact: A Must-Have?
- ≡ 4) Online Communication as a Substitute?
- ≡ 5) Boosting Innovation and Digital Transformation!

# 1) How to Survive the Covid-19 Crisis?

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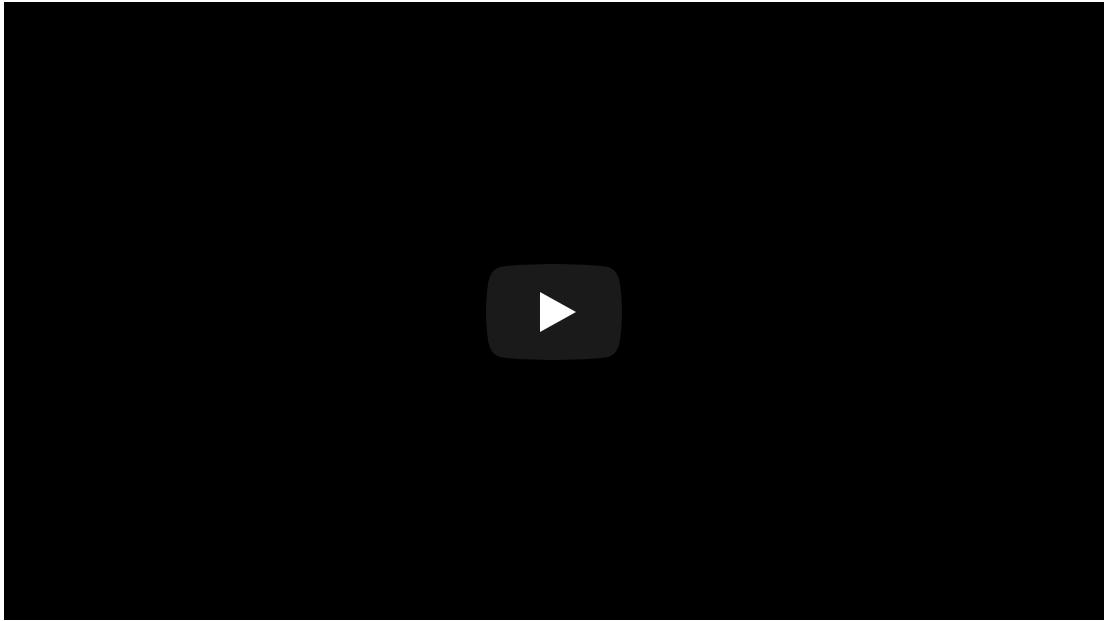


**Small- and medium-sized companies: The heart of economy**

**SMEs play an important role in most countries:** They account for 60% of employment and 50%-60% in value-added across OECD countries.

After the Covid-19 pandemic broke out, many SMEs experienced a **drastic decline in their revenue**. Lots of them don't have the reserves to survive under these conditions.

 YOUTUBE



## The impact of COVID-19 on SMEs

Read more: [https://read.oecd-ilibrary.org/view/?ref=119\\_119680-di6h3qgi4x&title=Covid-19\\_SME\\_Policy\\_Responses](https://read.oecd-ilibrary.org/view/?ref=119_119680-di6h3qgi4x&title=Covid-19_SME_Policy_Responses)  
Visit our website: [www.oecd.org/cfe](http://www.oecd.org/cfe)  
Follow us on ...

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**Policymakers responded** by implementing various measures to save SMEs, like deferring payments, enhancing access to credit, or providing grants and wage subsidies. Still, many SMEs continue to struggle to survive the crisis.

*What can small- and medium-sized businesses do to ensure viability?*



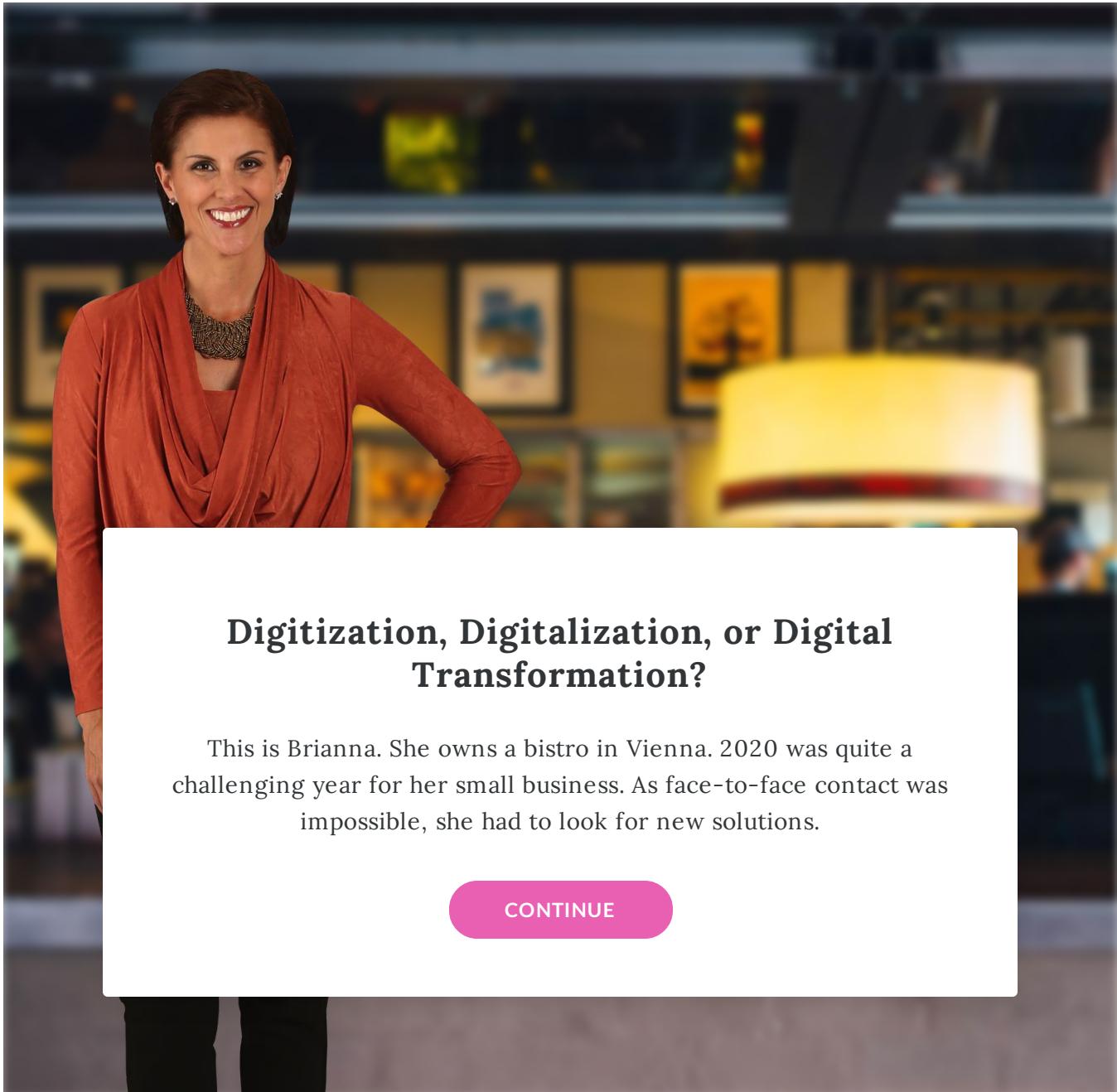


## Strategies to stay in business during and after Covid-19

Sustainable action is needed to strengthen your small- or medium-sized business. This means **adopting new technologies and work practices**:

**Digitization, digitalization, and digital transformation** are buzzwords often used in this context.

Do you have time to **chat about these topics with Brianna** who owns a bistro in Vienna? **Start the conversation** below by clicking the button "Continue".



## Digitization, Digitalization, or Digital Transformation?

This is Brianna. She owns a bistro in Vienna. 2020 was quite a challenging year for her small business. As face-to-face contact was impossible, she had to look for new solutions.

[CONTINUE](#)

### Scene 1 Slide 1

Continue → Next Slide



## Scene 1 Slide 2

- 0 → Scene 1 Slide 3
- 1 → Scene 1 Slide 3



Digital transformation, digitalization, and digitization are important buzzwords these days. I'm not sure I really know the difference. Do you?

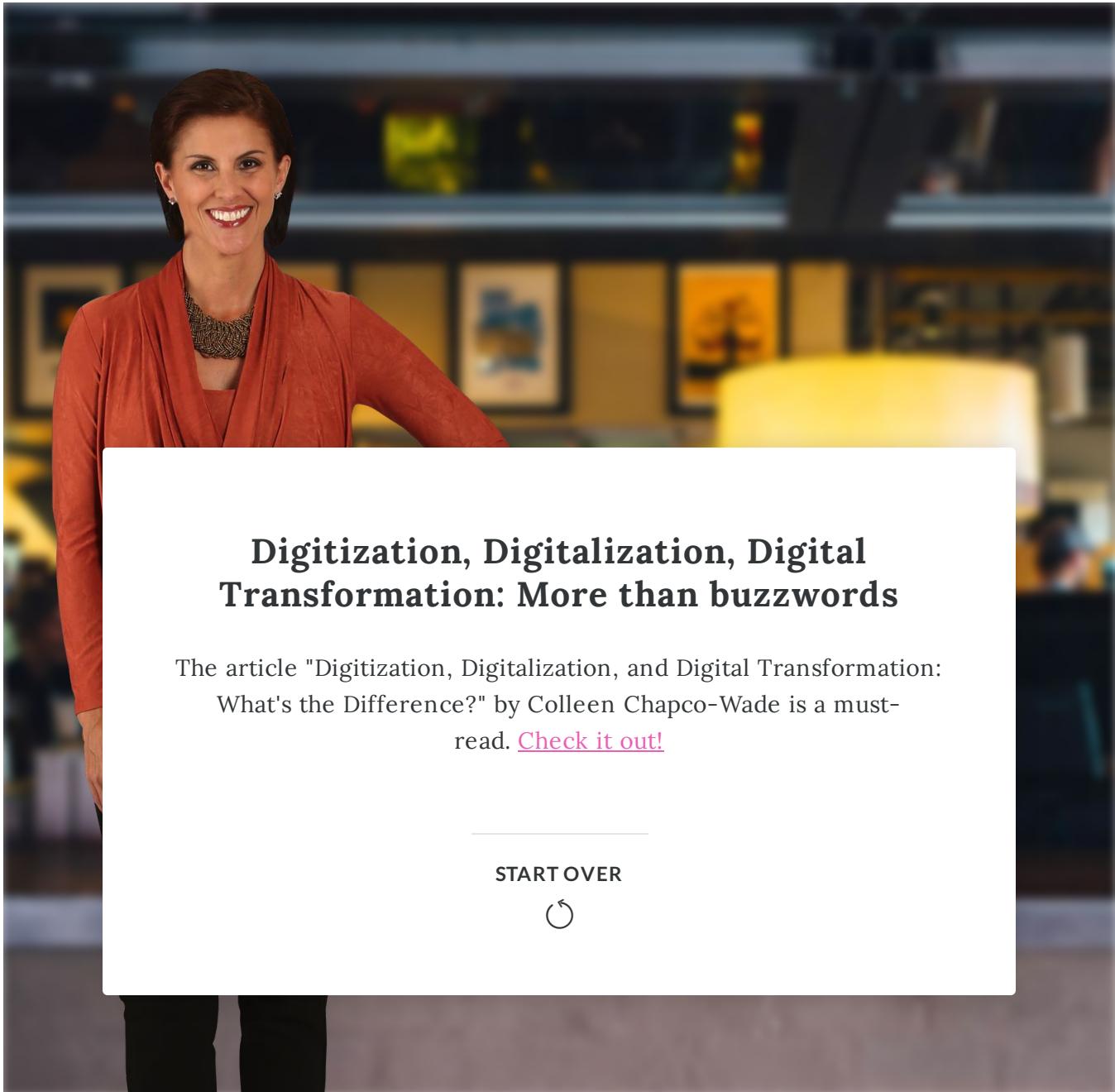
1 I am not 100% sure what the difference is.

2 I know exactly what the difference between these terms is.

### Scene 1 Slide 3

0 → Scene 1 Slide 4

1 → Scene 1 Slide 4



## Digitization, Digitalization, Digital Transformation: More than buzzwords

The article "Digitization, Digitalization, and Digital Transformation: What's the Difference?" by Colleen Chapco-Wade is a must-read. [Check it out!](#)

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START OVER



### Scene 1 Slide 4

Continue → End of Scenario

Understanding the concepts of digitization, digitalization, and digital transformation

Below you will find a **brief overview** of the main characteristics of digitization, digitalization, and digital transformation ([Savic, 2019](#)):

	Digitization	Digitalization	Digital Transformation
Goal	to transition from analog to digital format	to automate existing business operations and processes	to change the company's culture
Activities	digitizing information converting paper documents, films, etc. to digital format	creating digital work and communication processes making digitized information work for you	creating a digital company developing innovative customer-centered business models
Challenges	volume (material)	price (financial)	resistance to change (HR)

## Don't miss out on any opportunities to move your company forward

Brianna is not the only one struggling. SMEs from various industries are grappling as a result of Covid-19. **To survive, it is necessary to ensure continuous development and acquire in-depth knowledge of digital concepts.**

"If business leaders think they can digitize a business or digitalize a process to digitally transform they are **misunderstanding** the terms and **missing out on opportunities** to evolve, gain competitive advantage,

respond to consumer and employee expectations and demands, and become agile businesses." ([Colleen Chapco-Wade, 2018](#))



**Video lecture: From Digitization and Digitalization to Digital Transformation**  
Listen to Dr. Savic and learn more about how the three buzzwords are connected.

[WATCH THE LECTURE](#)

**Digitization, Digitalization, and Digital Transformation: What's the Difference?**  
Chapco-Wade (2018) published a blog post about the differences between the buzzwords.

[READ MORE](#)

## "Which small businesses are most vulnerable to COVID-19—and when?"

McKinsey (2020) published an interesting article about the sectors that are most at risk of closing down permanently during Covid-19 in the US.

[READ MORE](#)



What lessons have you learned from this chapter?

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### Lessons learned

This first chapter introduced **three strategies to ensure the viability** of small- and medium-sized businesses:

- **Digitization:** Transitioning from analog to digital
- **Digitalization:** Making digitized information work for you

- **Digital transformation:** Developing innovative, customer-centered business models that integrate all this digitized data and the digitalized applications.

Now that we've clarified the definition of these three buzzwords, let's have a look at the practical implications:

Let's identify **which Covid-19 responses among SMEs were powered by digitization, digitalization, or digital transformation.**

**Let's have a look at the practical implementation!**

## 2) Practical Examples

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How did small and middle-sized companies respond to Covid-19? Which decisions were based on digitization, digitalization, or digital transformation?

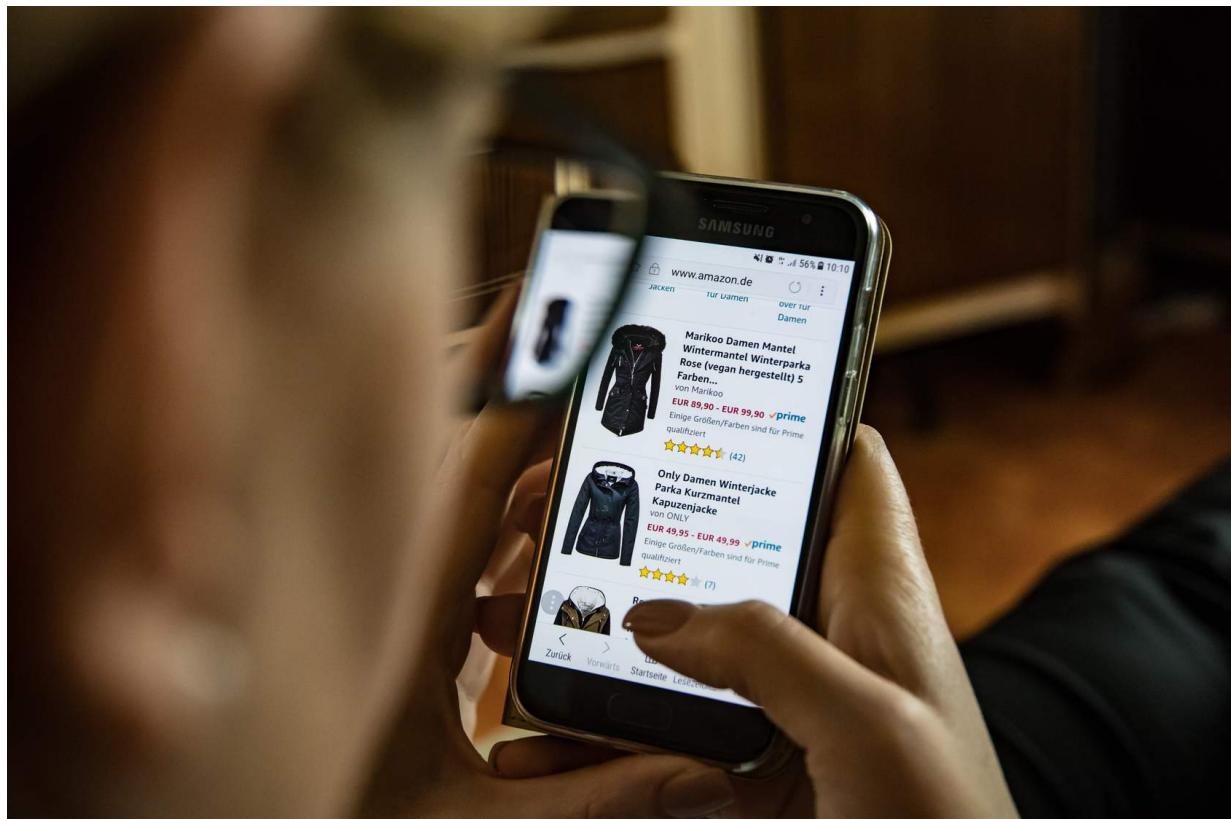
On account of Covid-19, it has become impossible for some companies to provide any services at all because they **rely heavily on face-to-face** contact.

Still, there are a number of **solutions strategies** available to SMEs that can help to ensure business viability. These include **digital business communication** and **digital business development**.

## Examples of digitization and digitalization

When Covid-19 broke out in 2020, many SMEs managed to continue to provide their customers with products and services but encountered various digitalization issues when it came to **customer acquisition, sales, and client communication.**

How to **inform customers** about new products and services in a timely manner and to sell such products and services to them when there are only **limited opportunities for face-to-face contact?**



For many SMEs, **digitization and digitalization** played a vital role in their struggle to stay in business.

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Many companies developed **online shops** and **mobile applications**, expanded their **digital ordering channels**, and connected with customers using various **virtual communication** channels. ([Mayzin Han, 2020](#))

## **Examples of business development through digital transformation**



"It's safe to say that the fitness industry will not be the same in the post-coronavirus lockdown world." ([Melania Armento, May 2020](#))

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Besides digitizing information or digitalizing business processes, some companies also **developed completely new services or products** during Covid-19 in a bid to **answer to the customer needs during the pandemic**.

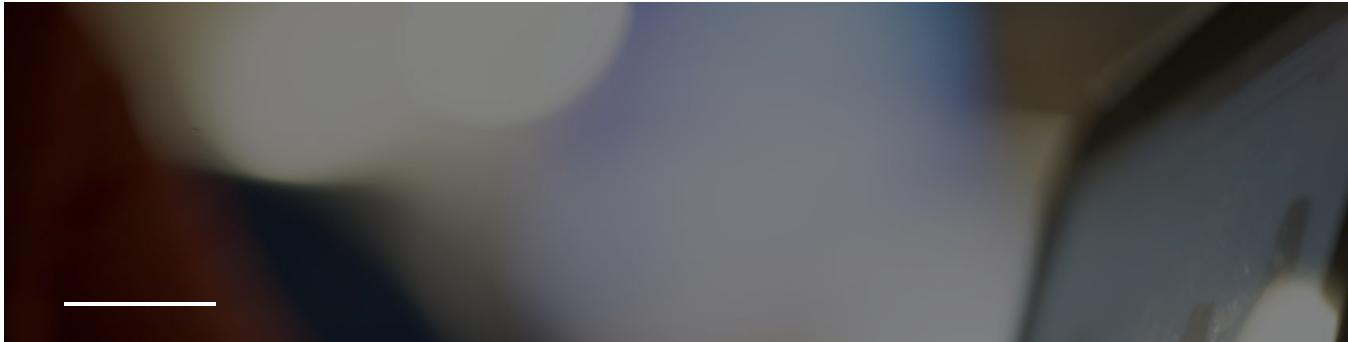
**The fitness industry**, for example, was massively affected by the global pandemic in 2020. Gyms weren't allowed to open. As a result, lots of fitness businesses went "[from bricks to clicks](#)".

*"People value convenience and convenience is key in the after-pandemic fitness industry. (...) Switching to digital, acquiring a new skill set, adapting to the new business model are essential steps to plan a successful strategy to face the new normal after COVID-19."* ([Melania Armento, Virtuagym, May 2020](#)).

These changes in the business models based on new consumer needs and contexts and new ways of communication and interaction are good examples of **digital transformation during Covid-19**.

## Do you want more examples from practice?

The "Aston means business podcast" provides essential advice to business owners and managers, entrepreneurs, and students. In March 2020, the podcast turned its attention to **small- and medium-sized businesses** and to **how they are responding to challenges brought on by Covid-19**. You can listen to the podcast for free on [Spotify](#), [Google Podcasts](#), and [Apple Podcasts](#).



# Understanding Digital Transformation

Digital competence and a growth mindset are critical to organizational success. It does **not suffice to digitize individual processes** if you fail to understand **the broader perspective of digital technology and cultural change**.

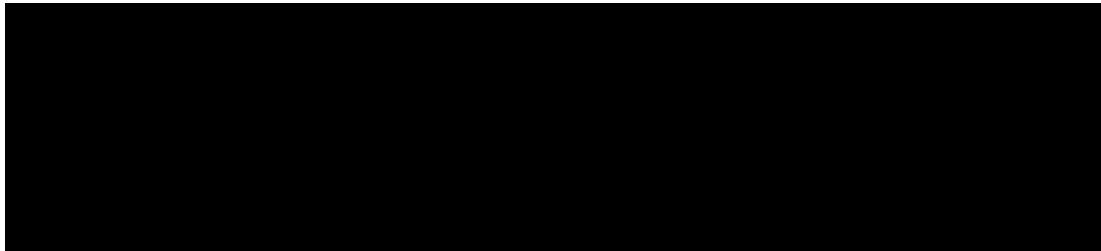
Digital transformation is about people as much as it is about digital technology:

- *What needs do people have?*
- *How do they respond to technology? What are their expectations?*
- *How do they communicate online and what are their current habits?*

The **video below** describes Joseph's desperate situation. He **owns an SME** that ultimately manages to pull through thanks to the **agile approach Joseph takes in response to his customers' needs and reactions. Enjoy! :)**

 YOUTUBE





## 'The Stages of Business Disruption': Our new video on digital transformation

Deloitte Digital has released the video "The Stages of Business Disruption," which tells a story of business and digital transformation, providing insight as...

**[VIEW ON YOUTUBE >](#)**

Baker Joseph already thought he needed to close down his bakery because to his gluten-intolerance. What made his new business idea so successful?

- 
- He developed a mobile app for his bakery.
  - He understood that "gluten-free" is trending.
  - He listened to the complaints and needs of his customers, improved his services, and added convenience for customers by introducing a digital app and opting for instant delivery.
  - His business is fit to survive Covid-19!

SUBMIT



Take some time to reflect. It pays.

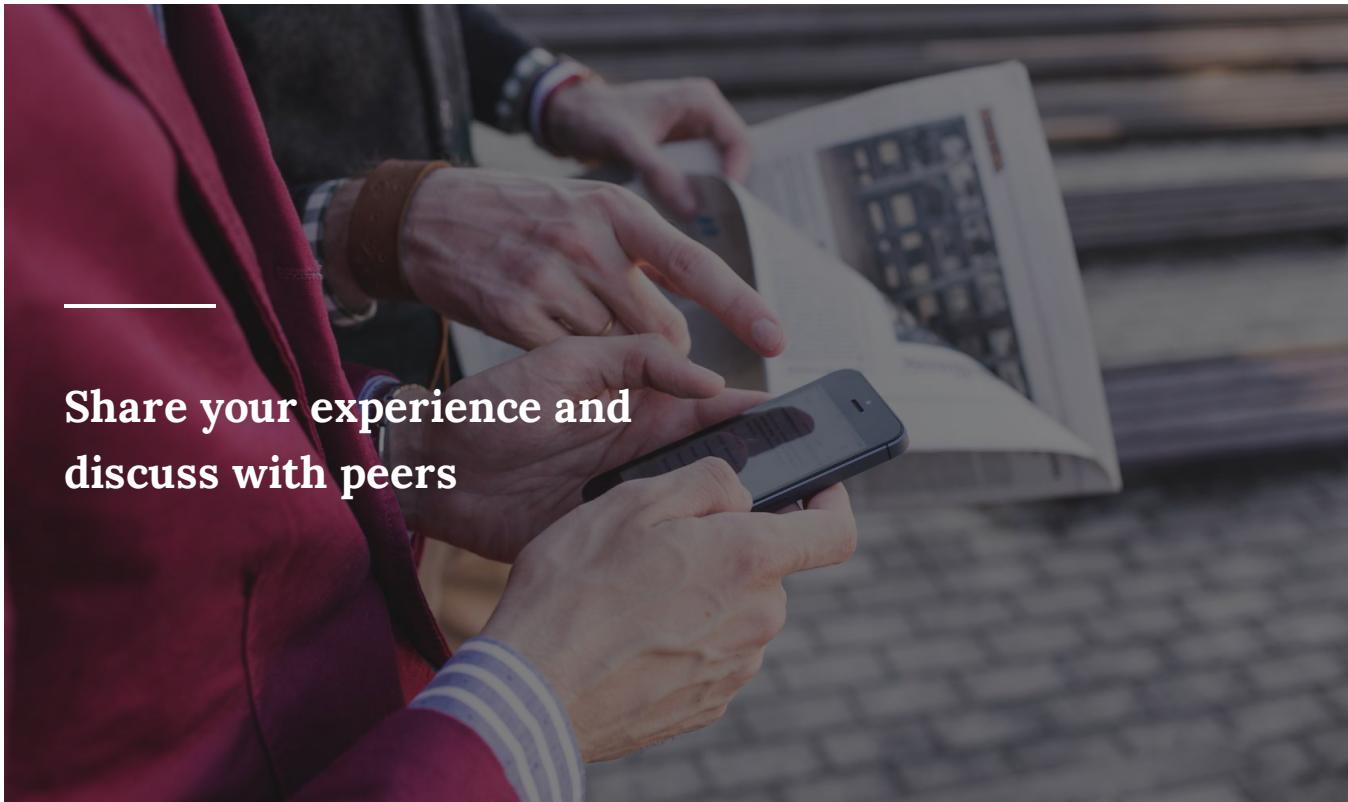
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### Time for reflection.

Reflect on your practice: **How has your industry been coping during Covid-19?**

How did digitization, digitalization, or even digital transformation in your industry **mitigate the risk of you having to close down** your business?

Can you recall any examples? Talk about this with your peers and friends or make use of our online discussion board below.



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## Share your experience and discuss with peers

We have created an **online discussion board** for you using [Padlet](#) so that you can share your reflections and experiences with peers.

It is a digital brainstorming and discussion space, where you can write posts, comment, or like other postings. **We look forward to discussing the following topics with you:**

- What challenges have you and other companies in your industry come across during Covid-19?
- How did digitization, digitalization, or even digital transformation in your industry mitigate the risk of having to close down your business? Can you recall any examples?

Add your answers to the questions on our **online discussion** board below. All you have to do is click the button with the "plus" sign on the bottom right-hand corner to add your comment:

Trouble viewing this page? Go to our diagnostics page to see what's wrong.

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-  Share
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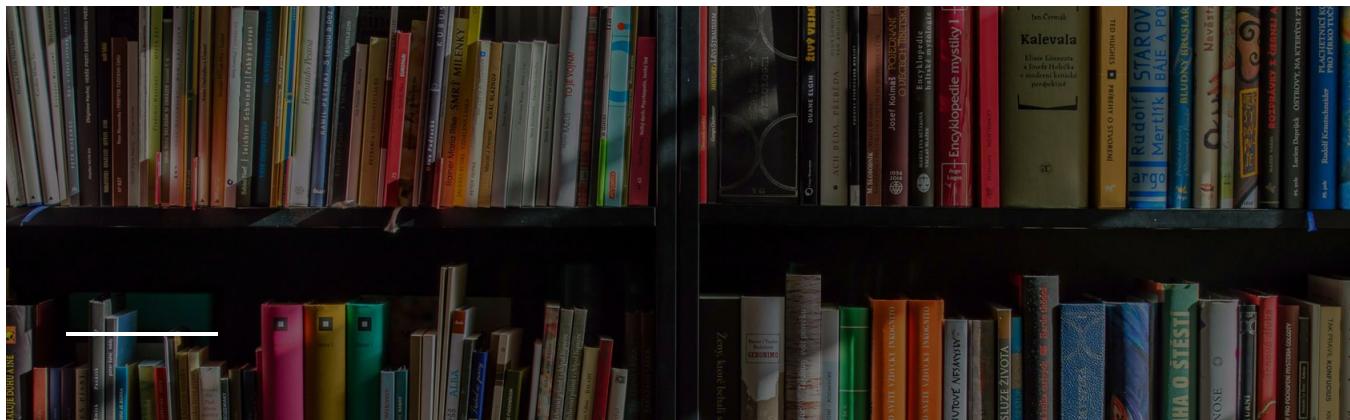


## Reflect your practice: How did your industry struggle during Covid19?

What challenges have you and other companies in your industry come across during Covid-19? How did digitization, digitalization, or even digital transformation in your industry mitigate the risk of having to close down your business? Can you recall any

You can open Padlet in a separate browser tab [here](#).

 **You haven't used Padlet yet?** It is pretty user-friendly and intuitive. You don't need to sign in to use it. If you would like to learn more about how to use it, here is a brief [YouTube-tutorial](#).





## Further reading and resources

"Move your fitness business from bricks to clicks with this new approach"

Melania Armento (2020) describes in a blog post how fitness businesses had to change during Covid-19.

[READ MORE](#)

SME podcast "SMEs adapting to Covid-19 challenges"

The "Aston means business podcasts" provides essential advice to business owners and managers, entrepreneurs, and students. In March 2020, the podcast turned its attention to **small- and medium-sized businesses** and how they are **responding to the challenges brought on by Covid-19**.

[HEAR MORE](#)



What are your takeaways from this chapter?

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## Lessons learned

In this second chapter you took a close look at **practical examples** of digitalization, and digital transformation.

You found out that that **digital transformation is crucial for business development** and vital in your quest **to stay in business during Covid-19**. For your business model to survive, continuous development is necessary.

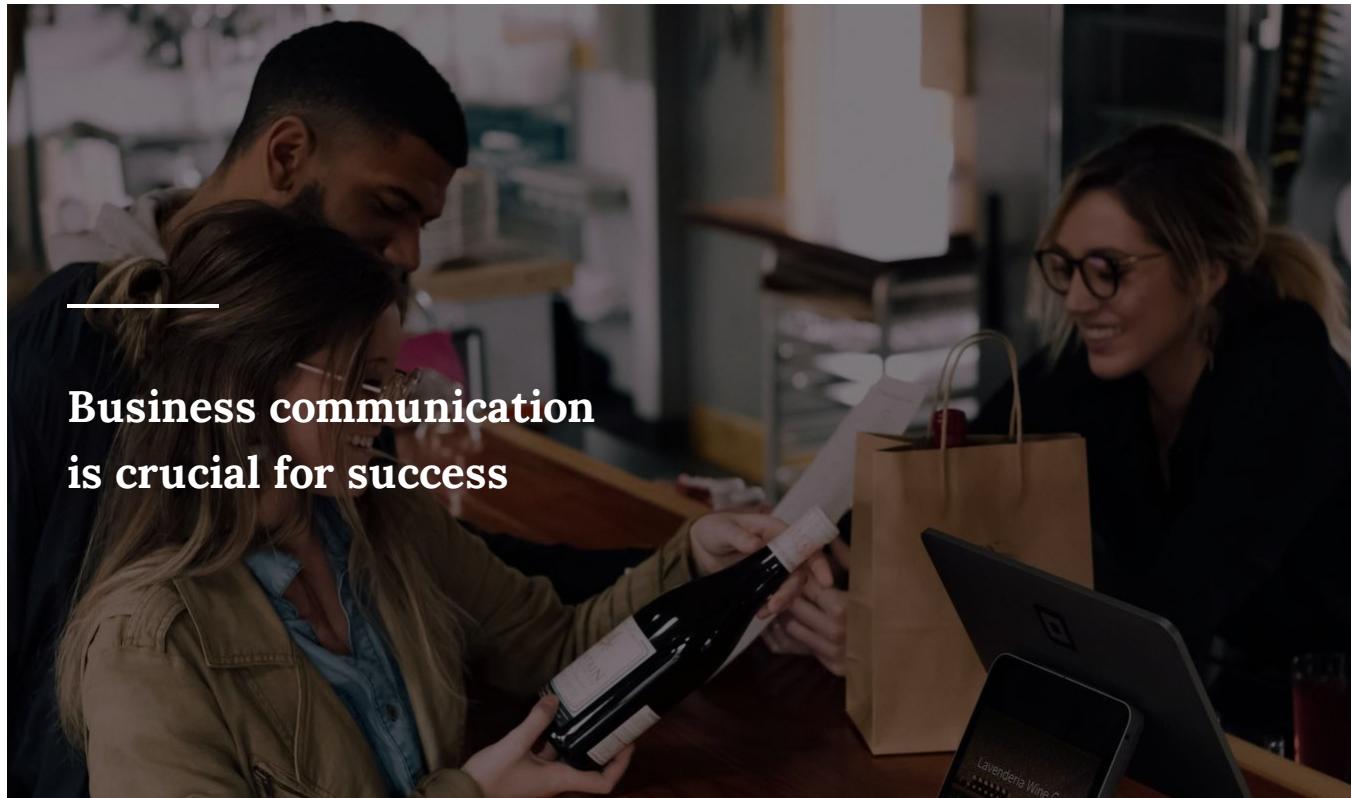
Now that you understand the **role of digital transformation** in your company's success, we can proceed to examine the **online business communication opportunities open to your business**.

After the outbreak of Covid-19 in 2020, face-to-face contact was not possible or very limited. That being so, we ask ourselves the following question: **Could online communication be a substitute for face-to-face contact?**

### Face-to-face contact: A must-have?

## 3) Face-to-Face Contact: A Must-Have?

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**Business communication  
is crucial for success**

Business communication is as much about **sharing information between employees** as it is about **sharing information outside a company**, with business partners, suppliers, and customers.

We can communicate meaning in various ways through face-to-face interaction. This is a big advantage for businesses, **as they use communication as a tool to achieve certain goals**: to build customer relationships, increase sales, provide services and products, etc.

Many SMEs **rely heavily on face-to-face contact** for customer acquisition, sales, or to strengthen customer relationships in general. **Why? Here are three examples:**



1) Face-to-face contact allows you to provide information about your business and its products **in a timely manner**.

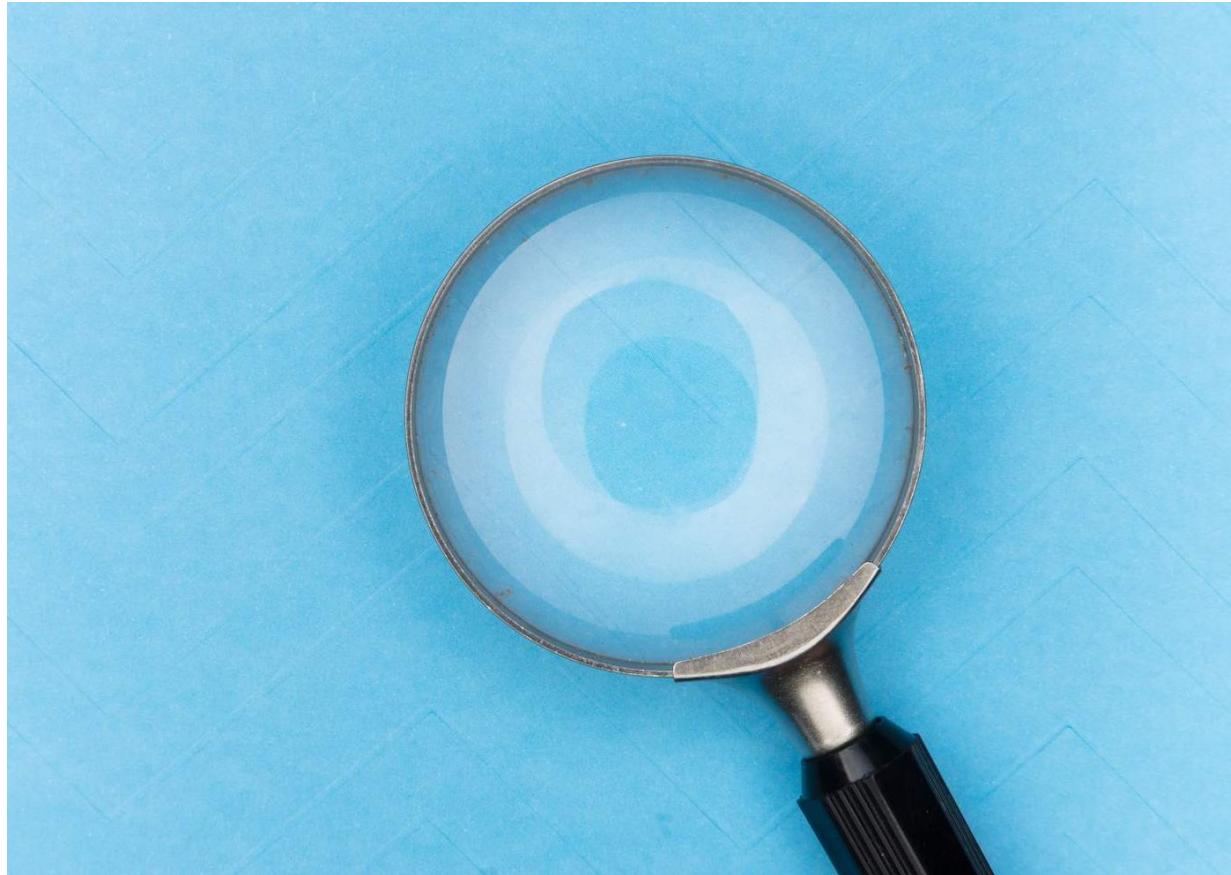
2) Face-to-face contact at your business location (shop, restaurant, office, etc.) makes it **easy to communicate what your business is about** to potential customers.

3) Face-to-face contact between employees, SME owners, and customers helps to **build customer relationships**.

Covid-19 made it difficult or even impossible to make use of these traditional, "offline" ways of communicating. **How to find alternatives?**

**Computer-mediated, online communication** provides **new possibilities**, accelerates information flow velocity and productivity. Professor Kress, a British semiotician, points out: "**The world of communication is not standing still.**" ([Kress, 2003](#)) So there seems to be a growing range of online communication channels and possibilities. But:

**Could online communication be a substitute for face-to-face contact?**



Time to take a closer look to find answers to our questions.

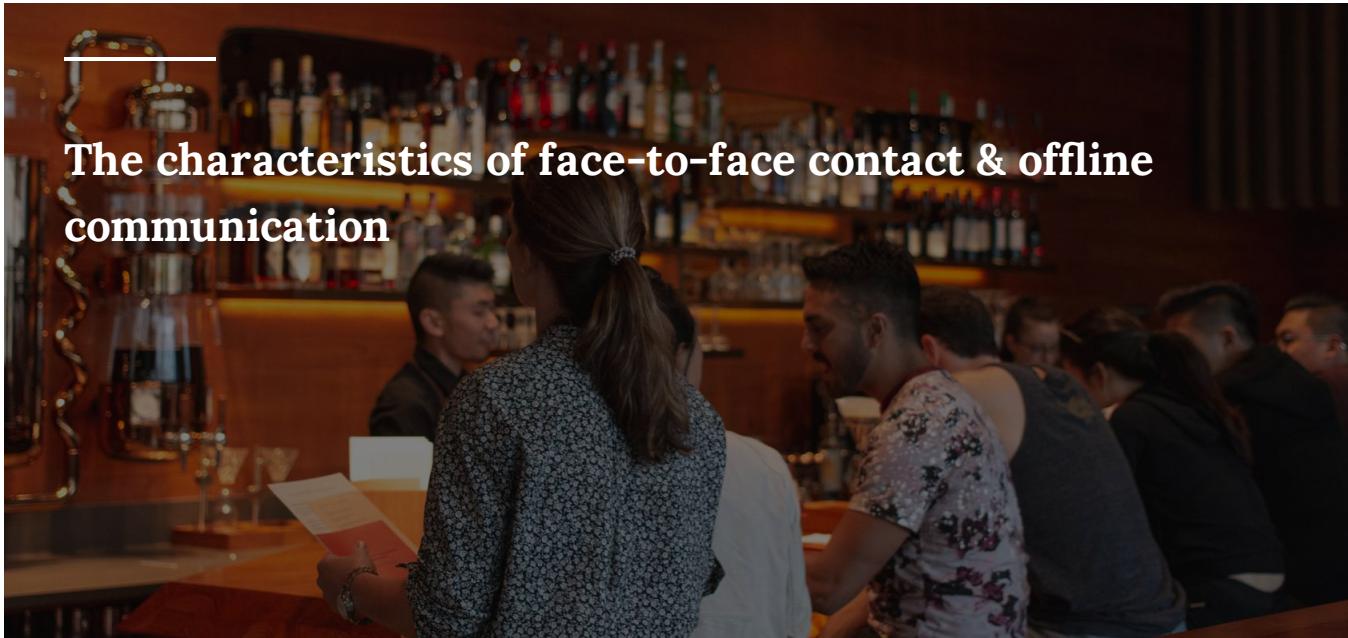
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### **Let's take a closer look!**

What are the **characteristics of online and offline communication**? What do they have in common? How are they different? And how do we **make use of the internet for business communication**?

Once we've had a closer look, it will be easier to answer our question "**Could online communication substitute face-to-face contact?**".



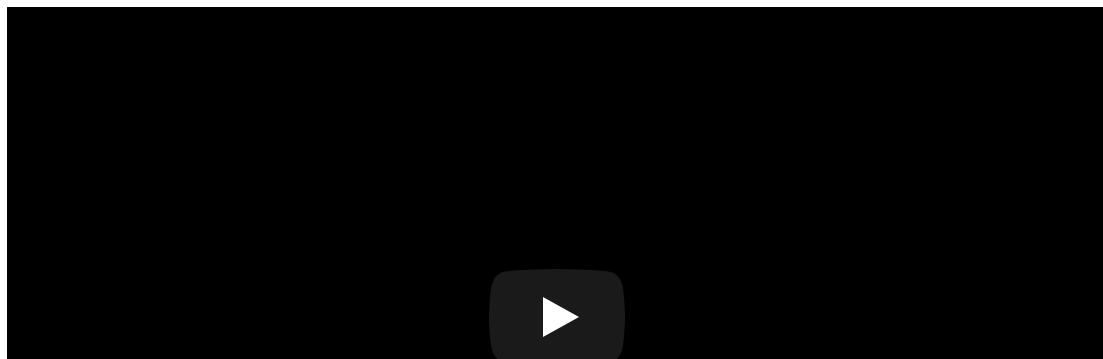


**Communication is more than just talking, writing, and reading.** As SMEs, we are constantly communicating with customers through **buildings, interior design, gestures, facial expressions, and many other types of media.** ([Mary Kalantzis and Bill Cope, 2016](#))

In the following video, produced by the Illinois College of Education, Mary Kalantzis and Bill Cope explain how **spatial, tactile and gestural meanings** influence communication.

**Sneak peek:** At minute 7 of the video, which is 10 minutes long all in all, Bill Cope deconstructs the design of a store, discussing the "**design for effective selling spaces**" in great detail.

 YOUTUBE





## 12.1 Spatial, Tactile, and Gestural Meanings

Mary Kalantzis and Bill Cope, College of Education, University of Illinois Urbana-Champaign

[VIEW ON YOUTUBE >](#)

As Bill Cope pointed out in the video, stores and other business locations are **heavily designed spaces**, often based on our **tacit knowledge** of what these kinds of spaces should look like.



**"We can know more than we can tell."** (Polanyi, 1966)

Our **face-to-face contact** relies on media and behavioral patterns that we are familiar with. They are all about **unconscious processes** by which we exchange **nonverbal** and other **symbolic** meanings.

We are **usually unaware** of all the signals we are sending using various media like space, gesture, language, or image.

**Time for reflection.**

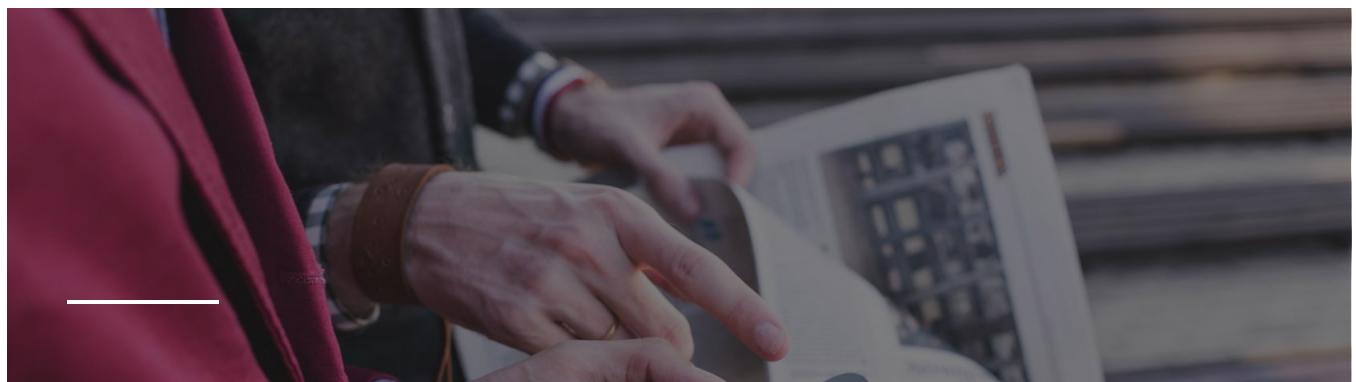
Reflect on your practice: **Has face-to-face contact been a crucial part of your company's success? Why?**

Has your company been able to **substitute some of the "offline" communication** with digital communication during Covid-19?

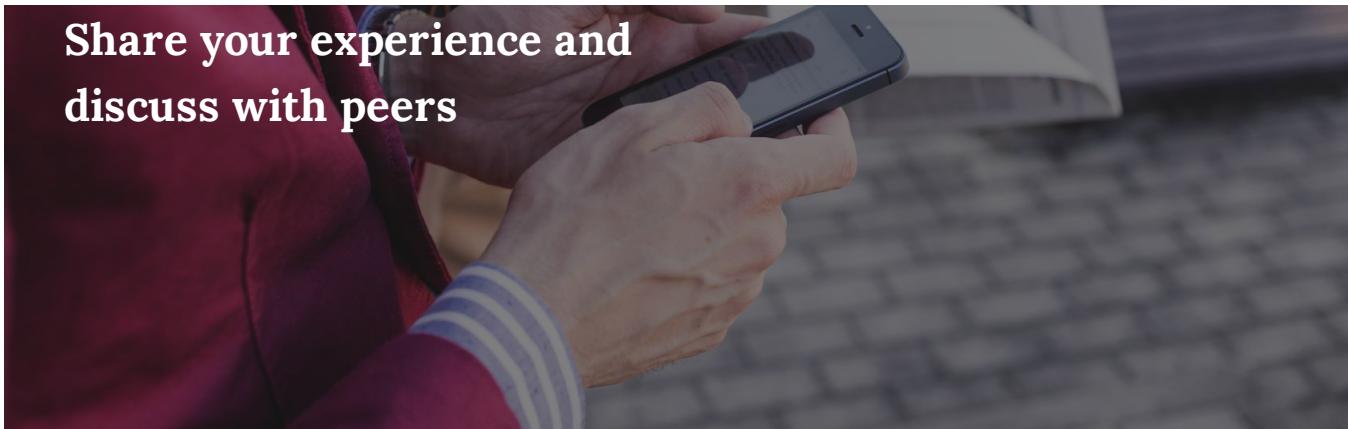


Take some time to reflect. It pays.

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# Share your experience and discuss with peers



We have opened a room for online brainstorming via [Google Jamboard](#), where you can share your reflections and experiences. It's a **digital brainstorming space**, where you can add your ideas using **virtual post-its**.

The screenshot shows a Google Jamboard interface. On the left, there is a vertical toolbar with various icons: a pencil, a speech bubble, a circular arrow, a square with a circle inside, a circle, a square, a double square, and a double circle. A yellow sticky note is pinned to the board with a red arrow pointing from it to the icon in the toolbar. The main area contains the following text:

Has physical contact and "offline communication" been a crucial part of your company's success? Why?

Take a post-it from the menu on the left-hand side!

In the top right corner, there is a logo for DigiCultS: a stylized green and blue cross-like shape followed by the text "DigiCultS Digital Culture for SMEs". In the bottom right corner, there is a small text "Co-funded by the Erasmus+ Programme of the European Union" next to the European Union flag.

**Let's brainstorm!**

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## Share your thoughts!

Just **take a post-it** and share why and how your business benefits from offline communication and face-to-face contact with customers.

Open the [Jamboard link](#), take pick a post-it on the **menu from the left-hand side** and contribute by sharing your answer to the question.

**i** You haven't used Google Jamboard before? It's pretty user-friendly and intuitive. You don't need to sign in to use it. If you would like to learn more about how to use it, here is a brief [YouTube tutorial](#).



## Further reading and resources

### EdX MOOC: Business Communication

Learn how to effectively communicate and build professional relationships through face-to-face, written, and non-verbal communication in this Massive Open Online Course (MOOC) provided by EdX.

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## Multimodal Communication

Professor Günther Kress talks about multimodal communication and how to create meaning. The question is: What to use to best communicate a certain meaning?

[WATCH THE LECTURE](#)



What are your takeaways from this chapter?

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## Lessons learned

This chapter focused on analyzing your **offline business communication behaviors and habits.**

These are based on...

- oral,
- written as well as
- non-verbal communication.

In our **face-to-face contacts**, we rely on media and behavioral patterns that we are used to. They are all about **unconscious processes** by which we exchange nonverbal and other symbolic meanings. We make use of tacit knowledge.

The next chapter will address our question: *Could online communication be a substitute for face-to-face contact?*

We will analyze the **characteristics of online business communication** and **compare the characteristics of offline and online communication** to find answers to our questions.

**Online communication as a substitute?**

## 4) Online Communication as a Substitute?

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**What becomes possible through  
online communication?**

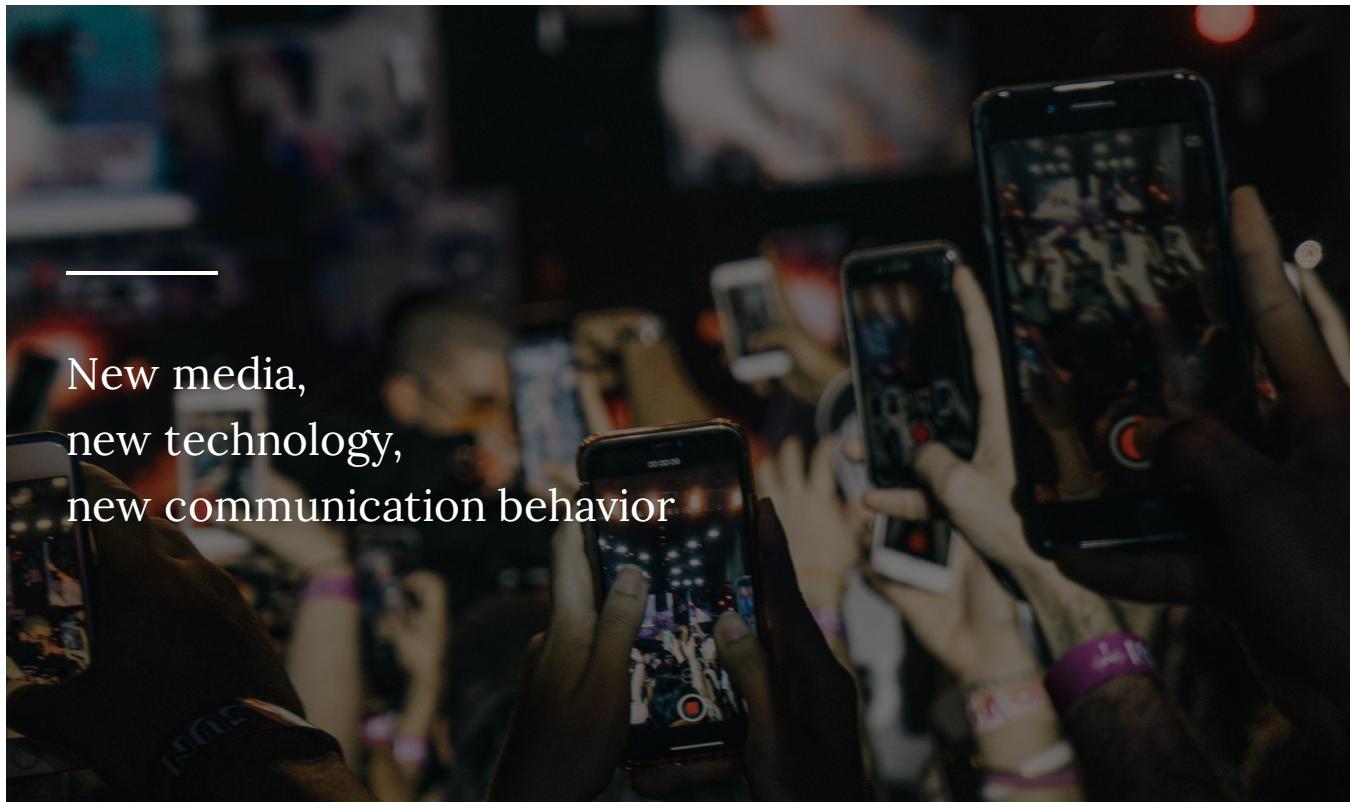
**Ever since Covid-19 broke out**, traditional ways of face-to-face communication with all their benefits have been unavailable to businesses. On that account, we are raising the following question:

***Could online communication be a substitute for face-to-face contact?***

The last chapter examined the main characteristics of **traditional**, offline ways of communication. We make use of

- **written and oral language** as well as
- **non-verbal communication.**

This kind of communication often relies on past experiences and lessons learned, resulting in [tacit knowledge](#). Let's find out more about the **main characteristics of online communication** to understand if online communication could be a substitute for face-to-face contact. We'll also have a brief look into the **history of the internet**.



New media,  
new technology,  
new communication behavior

## The characteristics of online communication

Digital media "...have the potential to have as great an impact on the social, organizational, political, and relational interactions of our daily lives as other media such as the television and the telephone have had in the past." ([Walther et al. 2005](#))

No matter which technology or media we are using, whether a telephone, book, computer or a mobile phone, the interior design of a shop, a gesture, etc., the **profound nature of human**

**communication remains unchanged. Technology can help us address human communication needs.**  
Every tool is what people make of it. ([Walther et al. 2005](#))

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**"Man is by nature a social animal; an individual who is unsocial naturally and not accidentally is either beneath our notice or more than human. Society is something that precedes the individual."**

- Aristotle, 400 BC

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Indeed, as Aristotle stated as early as 400 years before Christ, humans are **communicative beings**, and they are **not made to live alone**.

**Covid-19 may not change the nature of humans, but it might change our behavior. We have learned to adapt and to use new communication media.** Covid-19 has compelled us to make use of communicating to overcome social distancing in physical spaces. **New behavioral patterns** are developing, new needs, new desires are appearing ([Puttaiah et al, 2020](#)).



Social distancing during Covid-19? Not online!

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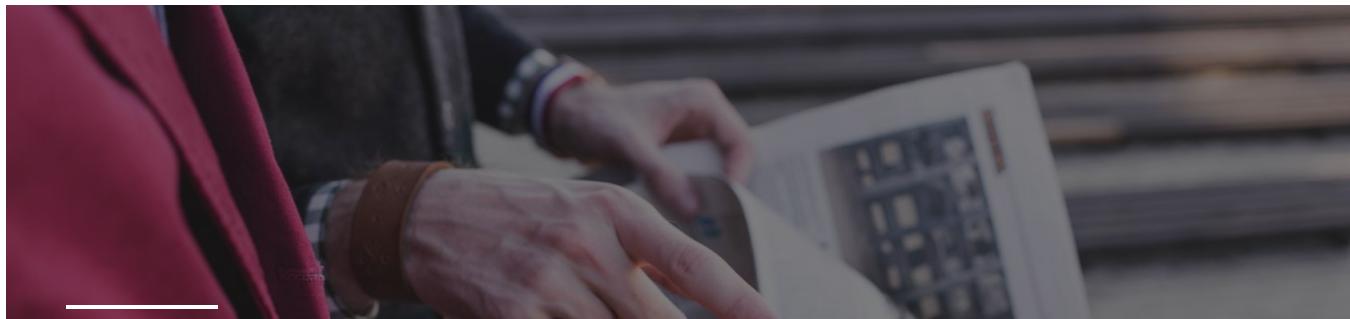
Take some time to reflect. It pays.

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### Reflect on your practice

Technology can **enable certain behaviors**. Understanding this can also help to understand our customers with their needs and desires.

Have you observed any **changes in human interaction** and in our communication behavior during Covid-19?





## Share your experience and discuss with peers

We have opened a room for online brainstorming via [Google Jamboard](#), where you can share your reflections and experiences. It's a **digital brainstorming space**, where you can add your ideas using **virtual post-its**.

A screenshot of a Google Jamboard interface. The title bar says "New Communication Behaviours during Covid19". On the left is a toolbar with various icons. A yellow arrow points to the "Post-it" icon. The main area contains a question: "Which new interaction and communication behaviours did you observe during Covid19? eg. your own behaviours, your friends', customers' or suppliers' behaviours". Two virtual sticky notes are visible: one yellow note at the bottom left with the text "I ordered much more online" and one green note on the right with the text "It was the first time I used mobile apps for online shopping". The DigiCults logo is in the top right corner. A footer at the bottom right states "Co-funded by the Erasmus+ Programme of the European Union" with the EU flag.

Let's brainstorm!

Share your experiences:

## Which new interaction and communication behaviors have you observed during Covid-19?

Open the [Jamboard Link](#), take a post-it from the menu on the left-hand side (see arrow in the picture above) and contribute by sharing your answer to the question.

- i** You haven't used Google Jamboard before? It is pretty user-friendly and intuitive. You don't need to sign in to use it. If you would like to learn more about how to use it, here is a brief [YouTube tutorial](#).

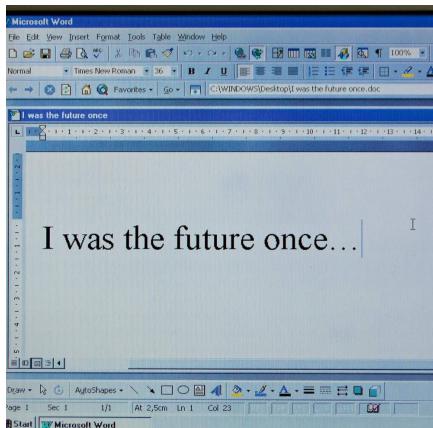
## A brief look into the history of the internet



Computing & internet options have changed.

In the **early days of the internet**, text-based communication prevailed. The exchange of **non-verbal** and other **symbolic meanings** was **impossible** and resulted in **diminished communicative experiences**.

These important communication cues could not be conveyed using text-based communication alone. They were **filtered out** and something went **missing in our communication**.



What was the future once? What is the future now?



High-end Technology from different times.

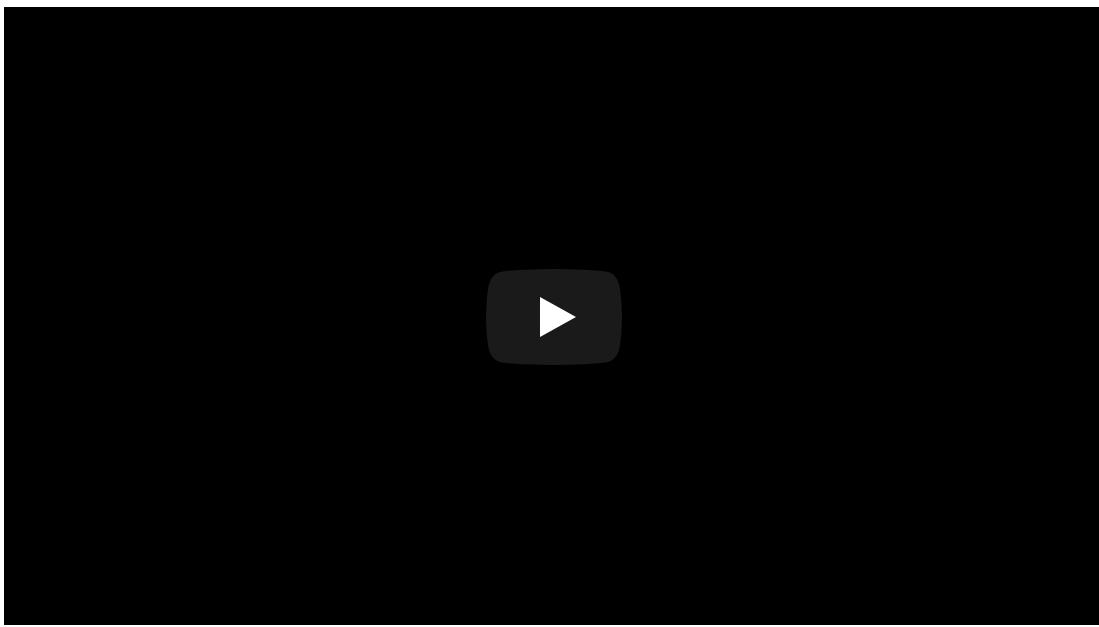


Text-based communication was dominant in the early times of computing.

**In the early days of the internet, online communication wasn't at all fit to replace face-to-face communication. Important communication cues were filtered out.**

Remember what the internet looked like in the 90s? Here's a reminder:

 YOUTUBE



## What The Internet Looked Like In The 1990s | Flashback | NBC News

A "Nightly News" segment from 1993 captures the early stages of how people were using the Internet." Subscribe to NBC News: <http://nbcnews.to/SubscribeToNBC>"...

[VIEW ON YOUTUBE >](#)

As technology advanced over the years with the [Internet of Things](#), smartphones, and [artificial intelligence](#), experiences arising from digital or analog interaction gradually began to converge.

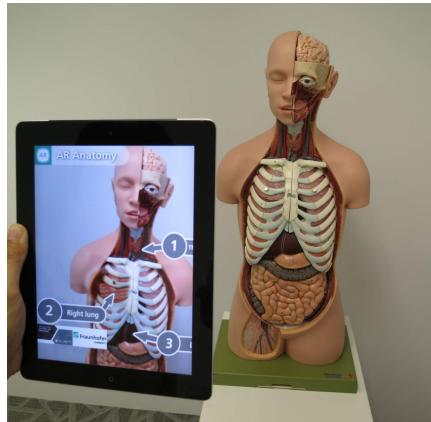
There is **no clear delimiter** between **digitally and non-digitally mediated** communication anymore ([Carr, 2020](#)). Good examples are [QR codes](#), [augmented reality](#), or [wearables](#).

As technology continues to advance, an **increasing number of social and emotional cues** can be communicated online.





QR codes are a useful tool. They have been supporting communication during Covid-19.



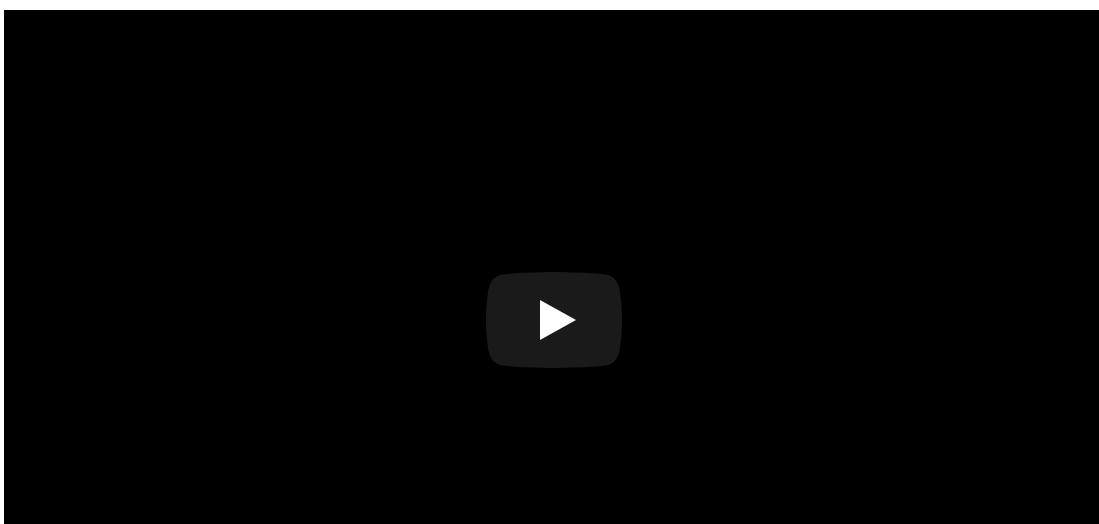
Augmented reality provides additional information for users, an add-on to reality. Want to know what the difference between augmented and virtual reality is? [Read more.](#)



Do you already use wearables? They have a number of pros and cons. [Read more.](#)

The internet and all connected technical devices and technologies exist because we as **human beings need to communicate**. You could even argue that the internet is a **natural evolutionary step** and a **manifestation of our need for communication**. For follow-up information, watch the [explainer video](#) "Who Invented the Internet? And Why?".

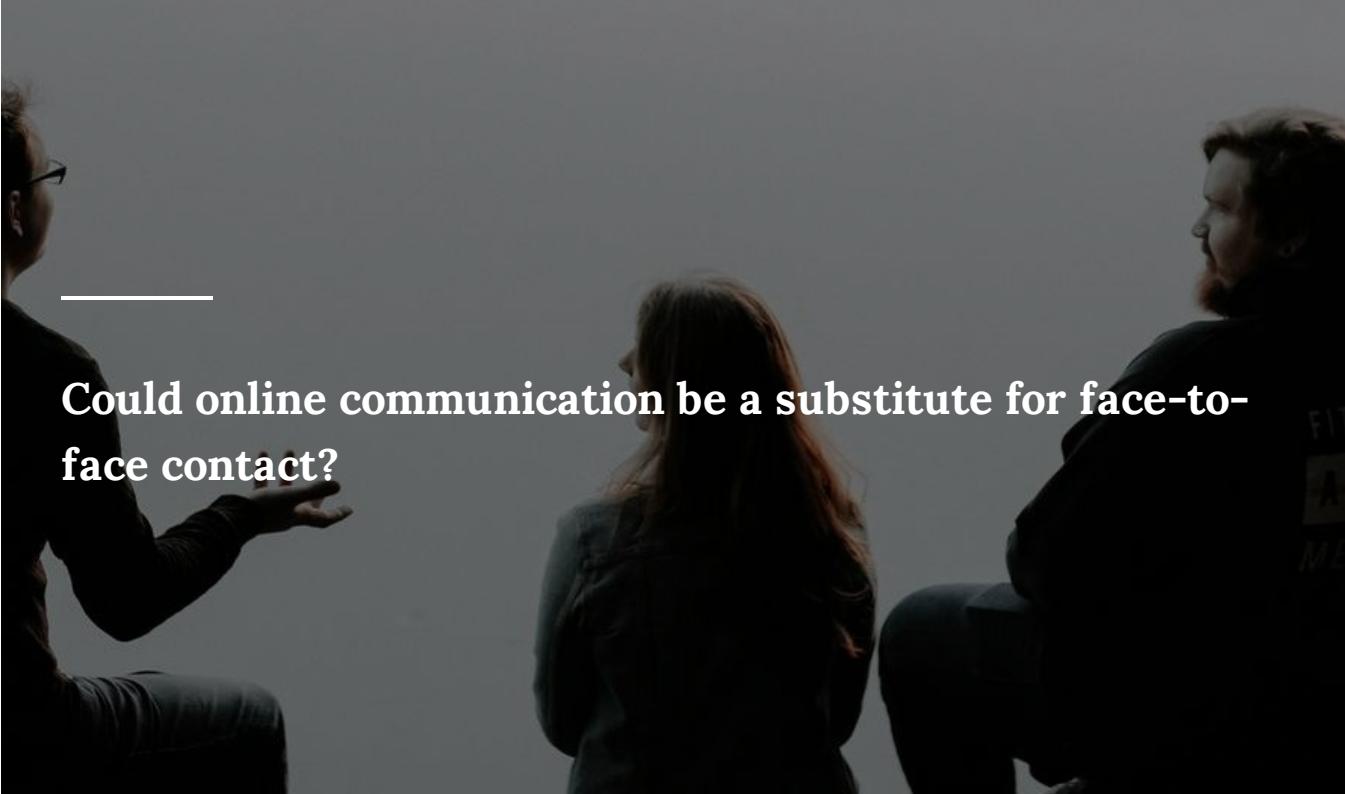
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## Who Invented the Internet? And Why?

Nuclear war, cat gifs and reddit? Wait, what? Who was the genius who came up with all of that? The internet is such a crucial tool in our daily lives today t...

[VIEW ON YOUTUBE >](#)



Could online communication be a substitute for face-to-face contact?

Now that we know more about online communication, we're all set to answer our initial question.

**Could online communication be a substitute for face-to-face contact?**

Certain qualities of face-to-face communication are difficult to imitate online - that's for sure.

Depending on the industry your SME is working in, it **might be difficult** to use online

communication as a direct substitute for face-to-face contact or service.

Still, **online communication has great potential for your company's digital transformation.**

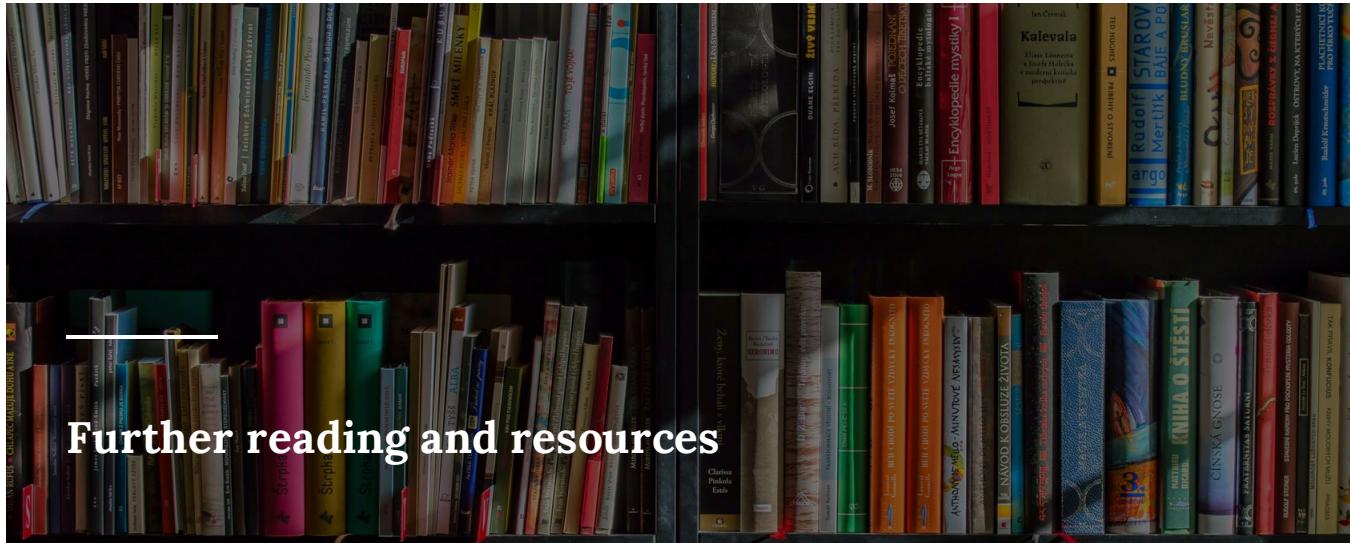
Let's **check out the following brief overview to compare the characteristics** of face-to-face and offline communication we analyzed in this module:

Dimensions	Face-to-face communication	Online communication
Available forms of communication	<ul style="list-style-type: none"><li>• <b>written,</b></li><li>• <b>oral</b> and</li><li>• <b>non-verbal</b> communication</li></ul>	<ul style="list-style-type: none"><li>• <b>written, oral, and non-verbal</b> communication possible, <b>depending</b> on the technology used</li><li>• sometimes <b>diminished social cues</b> in online communication</li></ul>
Skills & competences for communication processes	<ul style="list-style-type: none"><li>• <b>based on mostly tacit knowledge</b></li><li>• based on past experiences</li></ul>	<ul style="list-style-type: none"><li>• <b>digital competences</b> needed</li><li>• <b>online social communication skills</b> needed</li></ul>

Dimensions	Face-to-face communication	Online communication
<b>Communication behaviors and habits</b>	<ul style="list-style-type: none"> <li>• a <b>set of familiar opportunities</b> and patterns</li> <li>• increasingly <b>influenced by digital technology</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>constantly developing and changing</b></li> <li>• influenced by <b>new technology</b></li> </ul>

On the whole, we are talking about **different ways of communication**. In the online world, we make use of other communication media than we do in the physical world. While communicating online, we are often unable to rely on the tacit knowledge we usually make use of in face-to-face communication.

New **skills and a culture of digital communication** are needed so that we can make use of all the new online communication opportunities. Digital technologies afford **new opportunities to communicate**. They are constantly shaping our behavioral patterns, habits, values, and thoughts. ([McLuhan, 1964](#))





**Do you want to learn more about new technology?**

GCFLearnFree.org is a free online educational website and provides a great introduction to technological trends like AR/VR, drones, self-driving cars, 3D printing, machine learning, facial recognition, and much more!

CHECK IT OUT!

# Who invented the internet?

The following explainer video by "in a nutshell" investigates why the internet was invented and who invented it.

WATCH IT!

## The Medium is the Message

Read Marshall McLuhan's work about technology as an extension of humans: How media influences us, how we use it, how it shapes us.

[READ MORE](#)



What are your takeaways from chapter 4?

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## Lessons learned

This chapter has taught us about the following main aspects of **online communication**:

- Humans are **message-exchanging and meaning-creating** creatures. The internet and all connected technical devices and technologies exist because we as **human beings need to communicate**.
- Technology can **enable certain behaviors**. Understanding this can also help to understand our customers with their needs and desires.
- It might be **difficult to use online communication as a substitute for face-to-face contact in all industries**. Still, it bears great potential for digital transformation and the development of the SME business model.

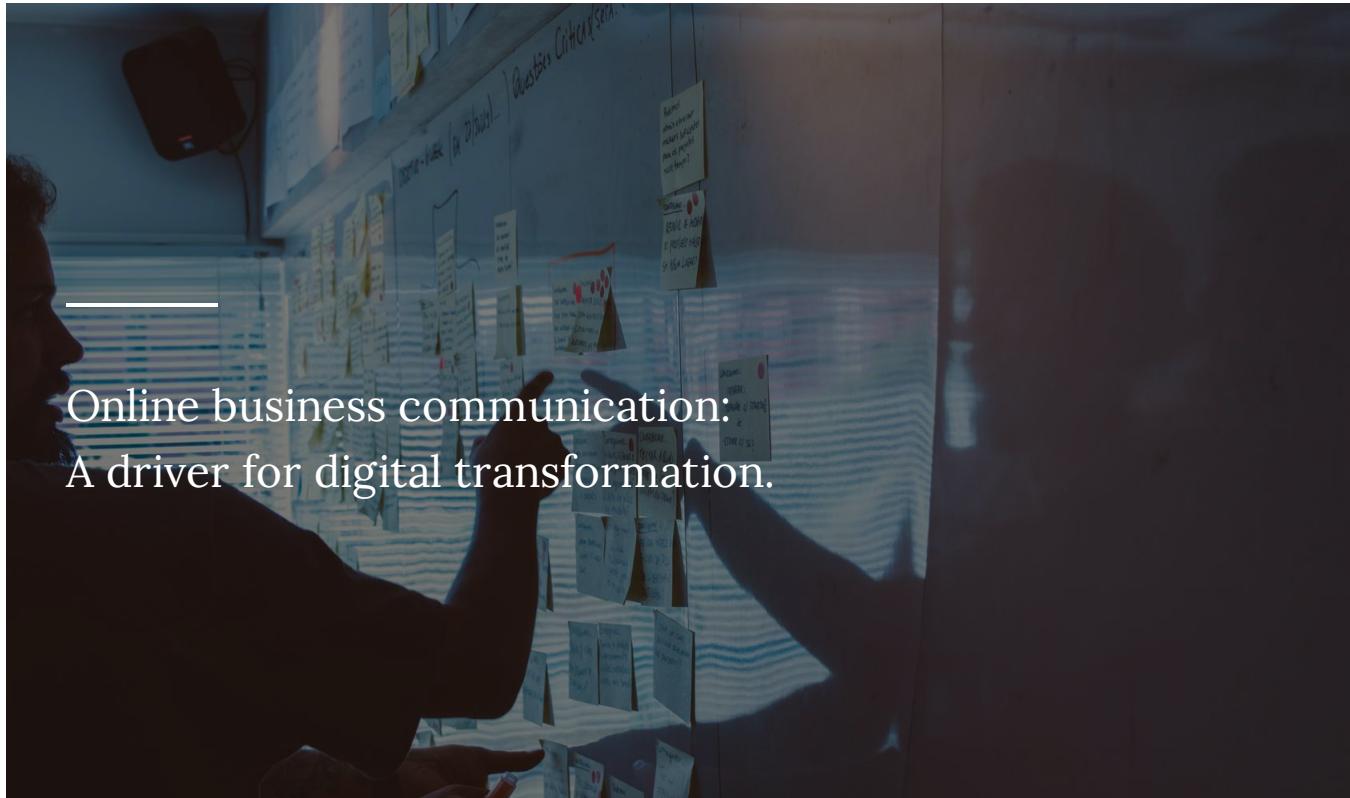
**Digital media afford new opportunities to communicate.** There are many possibilities to communicate online, more than you might imagine at the moment. Understanding the opportunities of online communication can **promote digital transformation** and the business development of your company ([Matarazzo et al, 2021](#)).

**The next chapter will give you a number of insights into online communication options available to your SME:** We will share with you **4 tips** for online business communication strategies that will **promote innovation and your company's digital transformation.**

**Boost the innovation and digital transformation in your company**

## 5) Boosting Innovation and Digital Transformation!

---



As we found out in the last two chapters, digital transformation is not only about technological change.

Digital transformation is based on innovative, **customer-centered business models** that integrate all digitized data and digitalized processes. It is about **transforming the relationship with the customer** and **constantly creating customer value**. ([Goerzig & Bauernhansl, 2018](#))

**Therefore, digital transformation** is based on an intense **co-creation** process with customers that aims to better **understand consumer desires** and **future trends for higher product success**.

We'll share **4 tips** with you on how to develop an online communication strategy to **boost innovation** and **digital transformation** in your small- or medium-sized business.

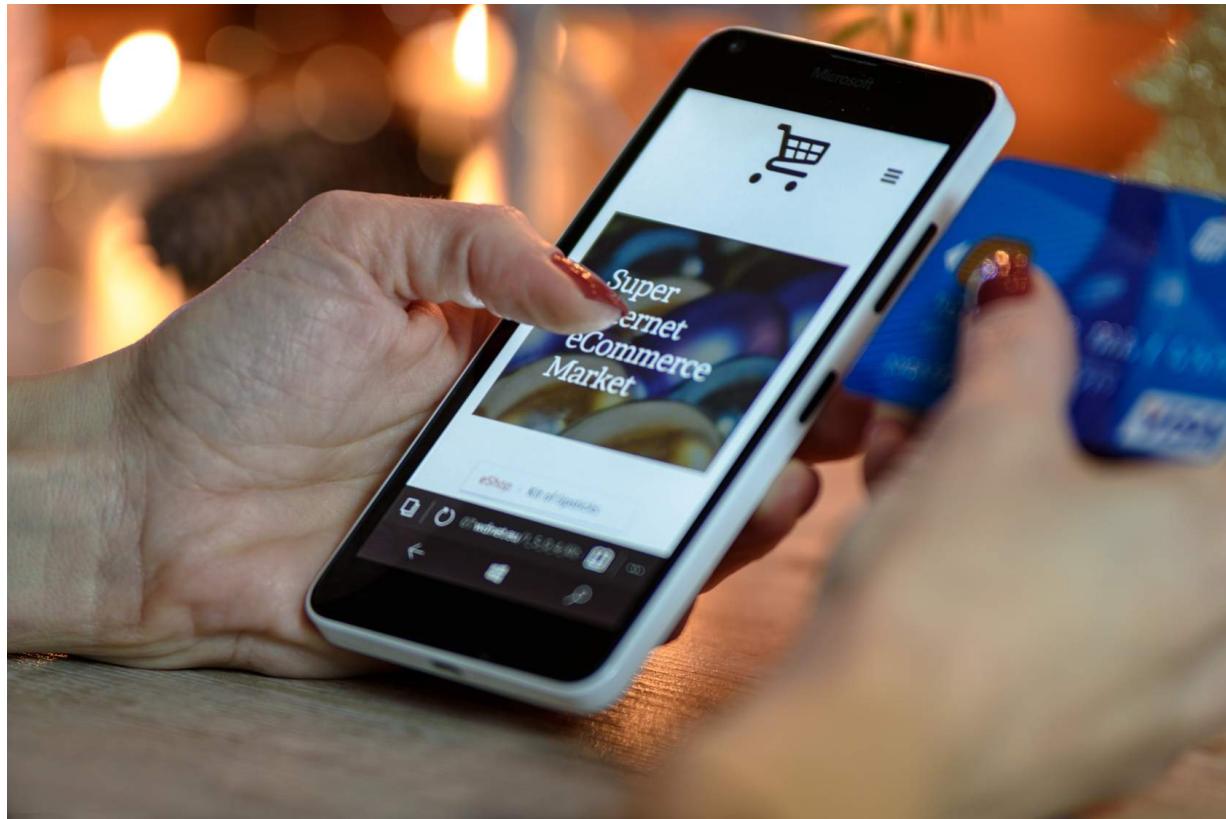
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## 4 tips for your online business communication strategy

### 1) Create customer value through digital transformation

"Digital transformation can facilitate customer value creation through the adoption of several digital technologies that support all stages of the customer journey." ([Matarazzo et al., 2021](#))

Studies ([Matarazzo et al., 2021](#)) found that **digital technologies** are capable of **strengthening customer relationships** through different **communication channels** and **touchpoints** of the consumer journey.



"The **customer journey** is the complete sum of experiences that customers go through when interacting with your company and brand. " ([Sorman](#))

---

## Using technology to understand your customer and to promote innovation and digital transformation

This is the way to go to understand your customers' wishes, needs, and pain points on their customer journey. This approach helps you **develop new services and products** based on their responses and feedback. "Instead of looking at just a part of a transaction or experience, the customer journey documents the full experience of being a customer" ([Sorman](#))

## 2) Sense your customers' desires, feelings, needs

"Sensing can support the start of digital transformation, enabling customer value creation." ([Matarazzo et al., 2021](#))

The use of different technologies, especially social networks, allows companies to develop **direct and emotional relationships** with customers. These relationships yield a rich harvest of information that the company can tap to gain an **understanding of consumer desires, feelings, and needs**. The company's **sensing capabilities** can be refined in deep connection with customers.



**What are your customers' needs, desires, wishes?** Online communication, interaction, and data collection during all stages of the customer journey give valuable insights.

### A "virtual circle" of sensing

"According to [Sashi \(2012\)](#), through digital technologies, companies trigger a **virtual circle that starts from customer interaction, continues with customer satisfaction and commitment and arrives at customer engagement.**" ([Matarazzo et al., 2021](#))

In this process, companies can gradually **improve their sensing capabilities** and enhance all the dimensions of the customer experience.

**But how to** sense the customers' needs, desires and wishes?

*The next two tips provide some insights.*

### **3) Pre- and post-purchase phase: Use social media**

**Apps and social media** can improve **customer value creation** during both the pre- and the post-purchase phase. Entertainment is a crucial factor in both phases. **Informativeness** is an additional factor in the pre-purchase phase, whereas the social dimension is key in the post-purchase phase.

- **Pre-purchase phase:** Social media can be used to meet the information needs of consumers and develop brand awareness.
- **Post-purchase phase:** Positive feelings after the purchase lead to brand advocacy. Customers interact in social networks to share their positive experiences with your product or service. Customers co-create value. ([Matarazzo et al., 2021](#))

A communication strategy that encourages **interaction, participation, and collaboration** with customers contributes to the **development of new (digital) services and products**.



Develop **digital content** tailored to your target group. Find out which of your postings achieves the highest **customer reach** online. Step-by-step you'll find out more about your customers' needs, interests, and wishes.

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### Online socializing.

**What are "social media"?** By social media we mean social networking, blogging, the engagement of influencers in promoting a brand (affiliate marketing), paid advertisements, and the creation of digital content for social media (videos, pictures, podcasts, etc.).

**Digital content creation** for social media needs to be agile and based on interaction with your target group. What do they find interesting? Your social media account's user statistics provide valuable insights.

Which information sources do you use to develop digital content for your company's social media?

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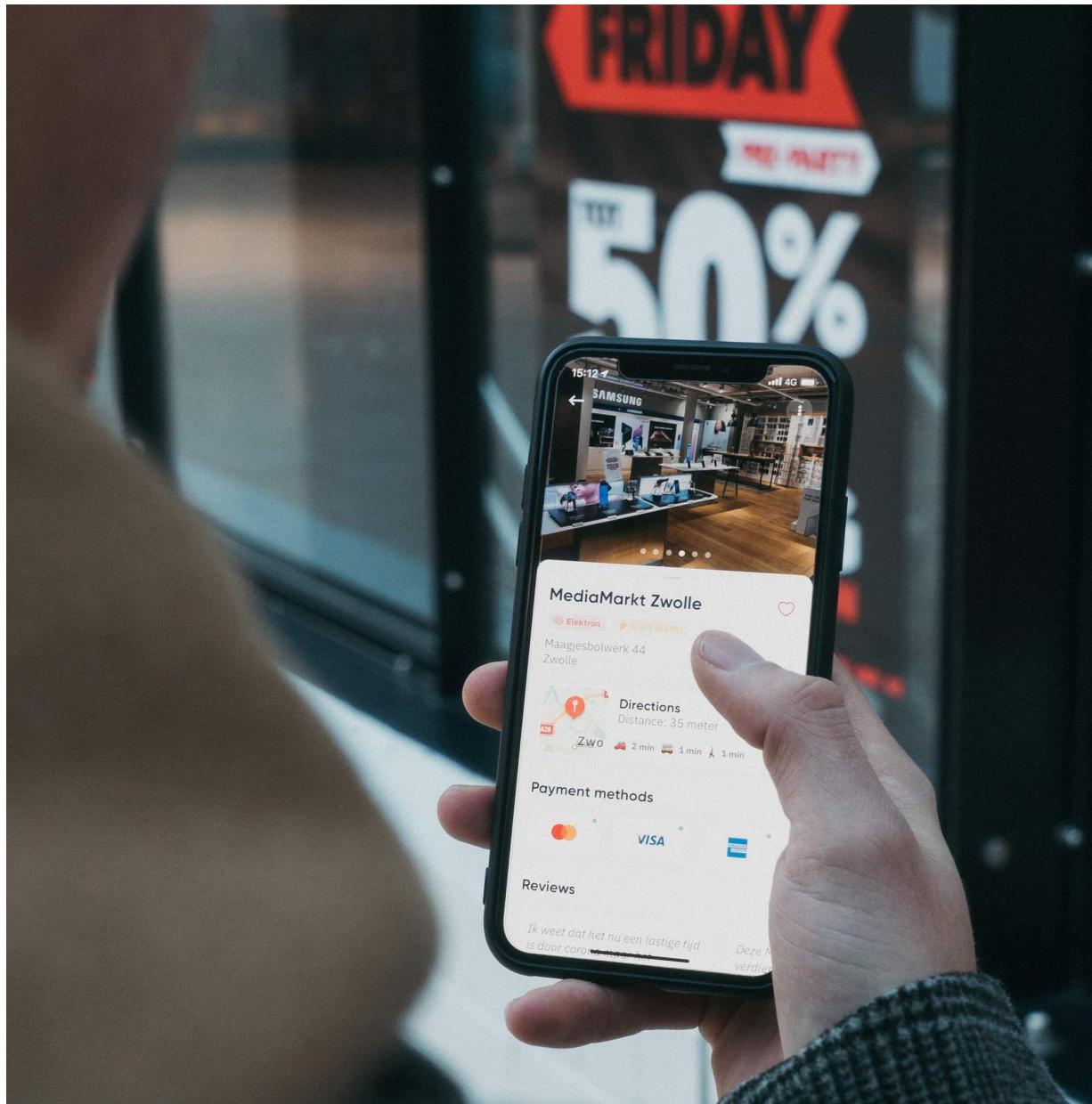
- Content is based on the news we want to share with customers.
- Content is based on answers to questions or reactions from customers or potential customers.
- Content is based on current trends and discussion topics connected to our products and services.
- Content is based on data retrieved from your social media and website analytics.

SUBMIT

#### 4) Purchase phase: Use an omnichannel strategy

*"The omnichannel strategy can improve customer value creation during the purchase phase, enhancing informativeness, entertainment, and sensory appeal." (Matarazzo et al., 2021)*

An omnichannel provides the customer with an **integrated customer experience**. The consumer can shop on a desktop, on a mobile phone, by telephone, or directly in person in a store. These shopping experiences are seamless and connected to each other. Therefore, an omnichannel strategy is **different from a multichannel strategy**, where the different channels are not connected to each other. They exist next to each other, but they are not integrated.



Connecting online and offline communication and interaction for a smooth, integrated consumer experience.

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### **Coordinate all channels, create a smooth consumer experience**

"**Coordinating capabilities** are important to the integration of different distribution (e-commerce) and communication channels (website and social media), **following an omnichannel logic**.

To enhance the purchasing experience, adding information and **stimulating interactions** and **conversations** between consumers and companies at each stage of the consumer journey requires a **strong integration** and coordination among the different activities." ([Matarazzo et al., 2021](#))

### **Which online communication and interaction channels do you currently use in your company?**

Let us know, and participate in the anonymous poll below. The poll results will fill you in on what other companies are using. Don't miss it!



A large, light gray rectangular box occupies the bottom half of the slide, containing the poll icon and text.



CROWD  
SIGNAL

Get the responses  
you need, anywhere.

## Which online communication and interaction channels do you currently use?

Poll Answers: Website, Onlineshop, Mobile App, Facebook, Linkedin, Instagram, Tiktok, Youtube,

[READ MORE POLL >](#)



## Further reading and resources



## Digital transformation and customer value creation in Made in Italy SMEs: A dynamic capabilities perspective

The study by Matarazzo et al (2020) describes in detail how digital transformation and customer value creation are connected for SMEs.

[READ MORE](#)

## The Nine Elements of Digital Transformation

Westerman, Bonnet, and McAfee (2014) show how managers use technology to redefine their businesses.

[READ MORE](#)

## A Step-by-Step Guide To Digital Transformation

Niall McKeown published a comprehensive step-by-step guide to digital transformation.

[READ MORE](#)



## Lessons learned

This fifth chapter was dedicated to making your online business communication strategy fit for digital transformation. It provided 4 tips:

- **Create customer** value through digital transformation
- **Sense** your customers' **desires, feelings, needs**
- **Pre- and post-purchase phase:** Use social media
- **Purchase phase:** Use an omnichannel strategy

## We hope you enjoyed this introduction to promoting digital transformation!

We highly appreciate **your feedback**, so **please leave a comment** about this course [in our feedback padlet](#). **Thank you!**



Thank you for checking out the DigiCulTS course. I hope you found some useful takeaways for your professional practice.

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## Contact information

This course was designed for the [DigiCulTS project](#) by [Isabell Grundschober](#), a researcher at [the University for Continuing Education Krems](#). Feel free to connect with Isabell on social media to share your experiences about this course or discuss the course topics:

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