

CASE STUDY OF CORPORATE COMMUNICATION:
LENOVO NOMINATIONS CAMPAIGN FOR
2008 OLYMPIC TORCHBEARERS

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Abstract

Lenovo is one of the world's largest makers of personal computers. As a global company and an international famous brand, Lenovo does not only commit itself to market share growth of customers and products, but also desires to broaden itself success from products to sponsorships. This essay will analyse this campaign based on five core concepts which includes stakeholder, stakeholder management, corporate identity, corporate reputation and corporate social responsibility with presenting a critique.

Keywords: *Lenovo, corporate, communication, corporate communication, olympic*

During the 2008 Olympic Games in Beijing, Lenovo was a global partner of the International Olympic Committee and presenting sponsor of the Olympic Torch Relay. The result is the corporate communication campaigns of Lenovo unwaveringly implemented the strategy as paramount of Olympic marketing, which includes Lenovo nominations campaign for 2008 Olympic Torchbearers and promote activity as the carrier of the Olympic Torch Relay. These campaigns launched in domestic and overseas resulted in Lenovo brand obtained a wide range of influence in China and worldwide and greatly enhanced the visibility of the brand in the world.

Lenovo collaborated with China Central Television (CCTV) and Google, and joined 31 Newspaper Groups to launch Lenovo Olympic Torchbearer nomination campaign which named 'You are the Torchbearers'. The selection process aimed at selecting 1500 Lenovo Olympic Torchbearers from domestic and overseas. The relevant television program launched on the evening of 23 June 2008 and would be continuing for five months. At the same time, Lenovo also carried out the application work of the Olympic Torchbearers on the Lenovo Olympic Torch official website 'www.lenovo2008.com' as well as in the 10,000 Lenovo stores throughout the country. This essay will analyse this campaign based on five core concepts which includes stakeholder, stakeholder management, corporate identity, corporate reputation and corporate social responsibility with presenting a critique.

Stakeholder

A stakeholder is 'any individual or group who can affect or be affected by the approach to the issue addressed by the network (Roloff, 2008; 238). Roloff(2008) also advocated that the nature of the modern market determine stakeholders is very important for Corporate Communications, because the meaning-makers is not only the firm itself, but also include consumers, employees, investors, government, NGOs and the media. In particularly in large corporation, its brands are often positioned around a set of norm, thus the scrutiny of corporation is commonly from various stakeholders (Palazzo and Basu, 2007). According Clarkson (1995), there are two ways to classify stakeholders of corporate. One way is by whether the individual or group in an organisation is mainly moral or financial. In more specific terms, there are

primary and secondary stakeholder groups. A primary stakeholder is a person or group who can not survive without continuing involvement. A secondary stakeholder is those who generally affect or is affected, but is not essential for its survive. Another way is to consider whether or not the stakeholder links with an organisation though contract or agreement. Specifically, there are contractual and community stakeholders in this respect. Contractual stakeholders involve those who have legal relationship with the organisation. Community stakeholders are those who have non-contractual relationship with the organisation.

Beijing Olympic Games was an enormous opportunity for marketing the Lenovo products and promotion of Lenovo brand on a worldwide scale. The stakeholders of Lenovo in Olympic Torch campaign can be classified to contractual stakeholders and community stakeholders based on Clarkson's second way of classification. In respect of contractual stakeholders, IOC and BOCOG was of course be involved as the leading role in this campaign. Moreover, employees and distributors are also contractual stakeholders. Distributors is particular the key element in process of campaign promotion. In addition, media including CCTV as traditional media and Google as new media also should be contractual stakeholders. On the other hand, Community stakeholders involve government, potential customers and other non-contractual stakeholders.

Stakeholder management

Cornelissen (2011: 40) crisply elaborated the concept of stakeholder management and relevant theories within his classic book, *Corporate Communication (2011)*. He indicated that the relationship of organisation with its stakeholders is bidirectional and interdependent, regardless of the 'stake' in organisation is financial or market-based. In other word, these groups with legitimate interests in the organisation need to be considered and communicated by organisation to maintain its benefits and interests and to secure its operations could be sustained. Cornelissen (2011: 41) also pointed out that organisation do connect with stakeholders due to 'instrumental' reasons and 'normative' reasons. From aspect of instrumental reasons, stakeholder management can result in growth in revenues and decreases in costs and risks since more transactions. From aspect of normative reasons, stakeholders with legitimate interests are in aspects of corporate activity, whether or not there is direct economic interest in them. That is to say, stakeholders do not only consider the ability to promote the interests of other group, but also concern their own sake. For example, social contracts and morality are basic concepts of normative reasons. In practice, instrumental and normative reasons often congregate since both of them are not repel each other.

In this case, it clearly shows that the relationship between Lenovo and its stakeholders groups run in both directions, especially in two following groups of stakeholders. One is the International Olympic Committee (IOC) and the Beijing Organizing Committee of Olympic Games (BOCOG), another is Lenovo's customers. First of all, since Lenovo was a global partner of the IOC and presenting sponsor of the Olympic Torch Relay, it is no doubt the IOC and the BOCOG are the most important stakeholders of Lenovo. Not only would the media platform of Lenovo, including

CCTV and Google, be reporting Lenovo Torchbearer selection information, but also to promote the information of the IOC and the BOCOG. Secondly, any person who wants to be Lenovo Torchbearer could apply in any Lenovo retail stores. Such this communication with customers had been started for normative, even altruistic reasons. However, instrumental value to Lenovo was considerable and clearly, because the transactions of Lenovo would increase result from growth of potential customers.

Corporate identity

Corporate should manage its corporate identity effectively in order to build understanding and commitment among its different stakeholder groups (Balmer et al., 2003: 134, cited in Tench and Yeomans, 2009: 243). According to *Birkigt and Stadler models of corporate identity* (Birkigt, K., Stadler, M. and Funck, H. J., 1986, cited in Cornelissen, 2011), corporate identity consists of *Symbolism, Communication and Behaviour*. Riel (1995: 32) believed that any corporate communication action can be classified into these three themes. Specifically, Birkigt and Stadler model implicates that corporate identity is not merely logos and other elements of visual design, but also encompass all forms of communication. Furthermore, as the outward appearance of corporate, corporate identity should emerge from an understanding of core values in the organisation culture, mission and vision (Cornelissen, 2011).

According to Riel (1995: 57), there are systematic methods for analysing individual elements in the corporate identity. It is important to express the identity of a company that a company logo could be carried (Riel, 1995: 72). The predominant colour of Lenovo Olympic Torchbearer nomination campaign was blue and white, including advertisement on new media and traditional media, which corresponded with the colour of Lenovo original logotype. However, although the colour was used by Lenovo campaign corresponded with itself logo; it was totally different with the colour of the Olympic flame. In fact, the main colour of Lenovo brand has changed from blue to red and black since Lenovo acquired IBM PC division, even only a minority of Chinese consumers know the original Lenovo brand identity, that is thus from global company perspective, the corporate identity of Lenovo in homeland and overseas is not clear.

Corporate reputation

Corporate reputation is 'reflective of collective stakeholder judgments about an organization's communications and actions' (Balmer and Greyser, 2006, cited in Dickinson-Delaporte 2010). Stakeholders can impact corporate reputation through replacement decisions or boycotts (Harrison and St John, 1996), or restrictive use of resources (Fry and Polonsky, 2004). A good example is that US government restricts computers from Lenovo. May of 2006, the US State Department had claimed that 16,000 computers it bought from Lenovo should be used only for unclassified work (New York Times, 2006). Lenovo Chairman Yang Yuanqing said, even though the U.S. government procurement is only less than 1% of the Lenovo sales, the U.S. government's behaviour by what the security exclude Lenovo harms Lenovo's reputation, and Lenovo's other international business might have a negative impact. Cornelissen(2011: 64) considered that a good corporate reputation has strategic value for organisation. According to (2006, cited in Butterick, 2011) research conducted by

Weber and the Reputation Institute, there are six essential aspects to build good corporate reputation: responsibility, communication, products and services, talent, financial metrics and leadership. Generally speaking, Lenovo Olympic Torchbearers campaign have done terrific from the above six areas. Specifically, first of all, the process of corporate communication was open and transparent, because anybody can apply to be the Torchbearer. Moreover, the channel of communication was also effective due to there are different communication platform including new media and traditional media. Secondly, in the whole process of Olympic Torch campaign, Lenovo provided full support on products, services, talent and financial. Particularly worth mentioned is that Lenovo's utilised itself technology to help Torch arrive Everest. Thirdly, Lenovo appointed Senior Vice President & CEO of Greater China Chen Shaopeng entirely responsible for the Lenovo Olympic marketing. It was showing good governance of Lenovo.

Corporate social responsibility

At present, exceptional business pay more attention to their reputation have responded to their stakeholders, especially public, government and NGO pressure, to improve the quality of life both by their commercial practices and by helping and supporting contributions (Morris and Goldsworthy, 2012: 162). Sensitivity of an organisation's CRS could influence its groups of stakeholder, for example, customers, shareholders, public opinion, media and government can be affected. Cornelissen (2011: 236) emphasised that CSR is not purely financial implications, but is demanded of an organisation under contract with stakeholders in society. As previously mentioned, CSR communication may be started for either normative reasons or instrumental reasons.

Lenovo is committed to being a responsible and active corporate citizen, and consistently working to improve its business while contributing to the betterment of local communities, the environment and society. The Lenovo Olympic Torchbearers selection activity was launched as the theme of 'uninterrupted explore and exceed', this not only serves the essence of the Olympic spirit, but also accord the practical needs of human development and the direction human civilization. Generally speaking, Lenovo Olympic Torchbearers selection activity and other related campaigns are relatively independent of the Lenovo product marketing. As long as the applicant meets the selection criteria of Lenovo Olympic torchbearer and passes selection process, the candidates can eventually become the Lenovo Olympic torchbearer. This result is unrelated to whether or not the applicant own or want to buy Lenovo products. This highlights the public welfare of Lenovo Olympic Torch promotion and corporate social responsibility of Lenovo.

To sum up, Lenovo nominations campaign for 2008 Olympic Torchbearers was extremely successful. This campaign would give Lenovo a good opportunity to show its products. Furthermore, Lenovo would have a chance to expand its international team as well as build a better brand image and corporate reputation. There are many concepts on corporate communication, and Lenovo launched a series of Olympic marketing campaigns. Due to limitations on space, many topics of corporate communication have been left out, thus this assignment just only selected five

concepts to evaluate the Lenovo Olympic Torchbearers nominations campaign. From above five aspects, it can be seen that Lenovo can not only secure continued acceptance for its stakeholders in process of corporate communication, but can also maintain and expand the corporate identity and corporate reputation while perform its corporate social responsibility.

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