

The logo for KAZO, featuring the letters 'KAZO' in a bold, white, sans-serif font. The background of the entire page is a dark blue network of glowing nodes and connecting lines, creating a digital or molecular structure.

KAZO

TECHNOLOGY COMMUNICATION CHALLENGES IN 2021

April 2021

INTRODUCTION

There is little debate about the extent to which the global pandemic has changed how we work, live, consume and communicate. For some businesses the transition to virtual and digital was near impossible, for others it was a lifeline. The technology sector powered this transition, enabling people, organisations and businesses to continue to function throughout. From consumer device and home entertainment manufacturers to communication platforms and supply chain vendors, the technology sector has proven its power to enable transformation and its criticality to all areas of society.

In a year of social distancing, stay-at-home orders and pressured healthcare systems, we saw record VC investment in technology companies, as well as booming demand for products and services to help support the global shift to living life online. In fact, [one report from McKinsey](#) went as far as to note that the Covid-19 crisis has sped up the adoption of digital technologies within businesses by several years.

For technology communications professionals, it has consequently been a transformative year. The speed and extent of technology-driven change meant new business strategies and products had to be communicated constantly and balancing shifting budgets, priorities and roles became second nature. All of this is in the context of an ever-shrinking and highly competitive earned media landscape and an increased demand for direct customer communications through owned and paid channels.

To better understand how the last year has changed their roles, we asked technology communications leaders in the US and UK about the challenges they currently face and what they believe the year ahead holds.

THE IMPACT OF THE COVID-19 PANDEMIC

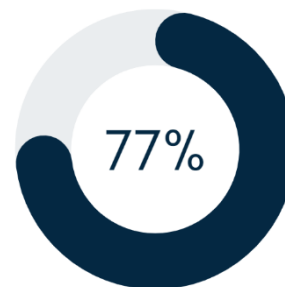
One of the biggest shifts for communicators in the UK and US in the last year has been the expansion of their roles to help plug the marketing gap left by plummeting face-to-face customer contact. When asked, 78% of respondents in our survey believed that, thanks to Covid-19, their role has expanded with an increased focus beyond earned media (e.g. owned, paid, social/influencer relations and internal comms). In line with this, three quarters (75%) have also seen budgets increase following a reallocation of spend planned for physical events.



Comms leaders who have seen an expansion of their role



Comms leaders who have seen increased budgets



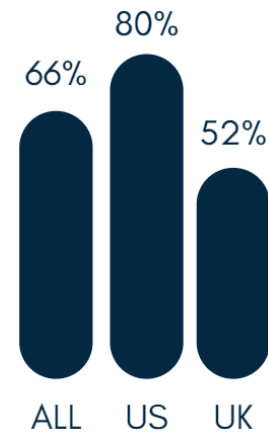
Comms leaders who have seen increased board-level interaction

Unsurprisingly this growth in budget and role has made comms more of a focus for senior leadership teams, with 77% of comms leaders having had increased board-level interaction due to the

pandemic. Consequently, 74% stated that the value and perception of PR has increased within their organisations.

However, 78% stated that these increased demands and role extensions have negatively impacted work-life balance and working hours. There's also been a worrying impact on the mental health and wellbeing of comms leaders and their teams.

When asked, 66% of comms leaders said their mental health had suffered as a result of the pandemic, with 64% noting the mental health of their team had suffered too. This pressure seems to be more keenly felt in the US, with those in the US 30% more likely than their UK counterparts to note a decline in mental wellbeing. This is potentially a reflection of bigger concerns; those in the US were also over 20% more likely to feel increased stress and worry regarding long term job security during the pandemic (54% UK v 76% US).



Comms leaders whose mental health has suffered due to the pandemic

INTERNAL AND EXTERNAL CHALLENGES LIE AHEAD

Despite vaccines starting to help drive down Covid-19 cases and foster the return of in-person meetings, this isn't the end of challenges for comms professionals. Looking forward to the year ahead, comms leaders cited a diverse mix of challenges from stakeholder engagement and proving ROI to tackling disinformation and economic uncertainty.

When asked to focus on the internal challenges they anticipate, technology comms leaders noted their top five internal challenges as:

- Managing communication of changes in business strategy driven by market forces (44%)
- Managing the pace of change / keeping on top of real-time news and alerts (36%)
- Balancing priorities among diverse stakeholders (35%)
- Measuring impact / proving ROI of earned media (33%)
- Alignment with and increased demands from marketing or sales teams (31%)

But as with other aspects of the study, we again saw some marked differences in responses between the US and the UK. Those in the US noted balancing priorities among diverse stakeholders as their number one internal challenge (42% US v 29% UK). We also saw a notable difference regarding measuring impact and ROI of earned media, with those in the UK 27% more likely to list this as a challenge (20% US v 47% UK).



Managing communication of changes in business strategy driven by market forces is largest internal challenge



Technology sector perceived as 'winner' from Covid-19 is largest external challenge

Interestingly when we focus on external challenges, 44% of comms leaders noted the perception of the technology sector as being a winner from Covid-19 as their number one challenge. Whilst there is no doubt technology businesses have, on average, come through the pandemic well, this would indicate that there remains a communications challenge in appropriately communicating business success and growth from pandemic-driven changes to how we live, work and communicate.

Overall, technology comms leaders noted their top five external challenges as:

- Technology sector being perceived as a 'winner' from Covid-19 (44%)
- Increased effectiveness of competitor communications (42%)
- Rise in audience distrust and scepticism (40%)
- Growing levels of disinformation (38%)
- Global economic uncertainty (34%)

Whilst we saw some differences between US and UK respondents in regards to these challenges, they were less stark than in other areas of the research indicating a broad consensus across both markets.

What did stand out was external challenges in relation to media. When asked about challenges relating to changes in media staff and media beats, only 28% of US comms leaders listed this as a challenge compared with 41% of those in the UK. In addition, a shrinking earned media landscape was a challenge for 35% in the UK versus just 22% in the US. Given the UK has a much smaller media pool, it's clear that UK titles closing and the shifting of editorial teams has a much larger impact on media engagement activity.



SHIFTING BUDGETS AND CHANGING EXPECTATIONS

Despite a significant majority of respondents citing a budget increase as a result of Covid-19, 95% of comms professionals expected budgets to change further in 2021, with the majority (52%) expecting funding to decline. To help them invest wisely, technology comms leaders are looking to agency partners to support them by providing more proactive insights and market intelligence (46%), delivering additional creative campaign recommendations (43%) and by better integrating reporting with existing marketing systems (42%).



Comms leaders looking for agency partners to provide more proactive insights and market intelligence



Comms leaders looking for agency partners to deliver additional creative campaign recommendations



Comms leaders looking for agency partners to better integrate reporting with existing marketing systems

Again we saw a slight market difference here, with those in the US also looking for agency partners who better understand their business (43%) and those in the UK looking for agency partners to deliver better measurement so that they can demonstrate value to the business (46%).

THE ROAD AHEAD

Undoubtedly there has been a dramatic transformation of comms in the technology sector over the past year, with both positive and negative repercussions for professionals and their teams. Whilst not unique to the technology sector, it has perhaps been more pronounced given the role of technology, both from a consumer and business-to-business perspective, enabling life and work to continue.

However, whilst these shifts have been accelerated by the pandemic, many were already in play. The changing role of technology comms beyond earned media, the criticality of effective measurement to prove business value and the power of communications to drive sales and customer communication are just some examples.

Moving forward, those in technology comms must work to keep their place at the table. Harnessing the agility that has helped drive change in the last 12 months, building strong, creative, adaptive communications strategies that align with shifting business requirements in times of market uncertainty, and empowering multi-skilled, resilient teams will all be critical.

Necessity has removed many traditional barriers to realising the full value that technology communications leaders can deliver. It's now up to us to embrace these changes, prove value within the wider marketing mix and demonstrate our strategic importance to the future success of our organisations.

To discuss this research further or to hear about Kaizo's experience from an agency perspective, get in touch at info@kaizo.co.uk

About the research

The research was carried out by Censuswide on behalf of Kaizo PR. The survey polled 50 UK and 50 USA communications professionals working in technology business with over 10 employees.

About Kaizo

Kaizo is a London based independent PR and content agency, creating opportunities and opinions that convert to attention and sales for B2B and B2C brands.