Electronic Markets on Internet marketing

Rainer Alt • Hubert Österle

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Dear readers of Electronic Markets,
It has been 5 years since Electronic Markets published the first special issue on Internet marketing. In the preface to this section, the guest editor Christopher P. Holland noted that “The changing pattern of communication between and among customers and suppliers will [...] affect all of the marketing stages of adoption from customer awareness, attitude, lead generation and validation through to the trial of products, sales and customer retention” (Holland 2008). This was at a time when the evolution of the Web 2.0 or Social Media technologies was still in their early stages. Internet marketing mainly referred to broadcasting information via websites and electronic mailings, advertising on search and marketplace sites as well as the evaluation of customer activity and communication of customer feedback. Today, the statement is still valid and we find that the convergence of many technologies has enhanced the potentials of Internet marketing towards more real-time capabilities.

The technological “enablers” are mobile and social technologies that link the points where information is created and where information is used. Mobile technologies from auto identification and positioning (e.g. NFC, RFID, GPS) to smartphones and tablet computers are equipped with individual Internet addresses and generate information whenever the status of objects or user input is changed. This includes information on changes of location, preferences and needs which may be collected automatically in an unprecedented

volume. Increasingly, not only structured information, such as events in a logistics chain or likes in the social web, is available, but also unstructured information, such as opinions and feedback. Together with real-time business intelligence and in-memory systems this yields a glimpse at the future opportunities of Internet marketing where information is not only collected and analyzed, but used to enrich – also in real-time – communication with customers and other contacts.

Clearly, information technology has increased the opportunities for businesses to learn from market development, the usage of products as well as customer feedback and to leverage this knowledge for product development and more immediate as well as direct customer interaction. For Electronic Markets this is an exciting field since understanding the future mechanisms of Internet marketing calls for research that links a broad range of topics from technological, marketing and business to legal issues (see also Ngai 2003). We believe that electronic markets as information systems “in the cloud”, which enable n:m networking among market participants, will become more critical in this context. This applies to the technological integration of various devices across multiple actors, the placement and pricing of advertisements as well as collecting market intelligence and the governance of data usage in line with legal constraints (see also Alt and Klein 2011).

The special section on “Internet Marketing” in this issue may be conceived as a contribution to foster the understanding of marketing in electronic media. It first includes a comprehensive overview of research in this field since 1994 which may serve as a compelling reference to support and guide future research. Among the identified Internet marketing topics are future search strategies which not only refer to an earlier article published in Electronic Markets (Gauzente 2009), but also to a second article in this special issue which analyzes how product searches are influenced by brand names and recommendations of other users. Finally, a third paper reports on the effectiveness of electronic couponing for digital

R. Alt (✉)
University of Leipzig, Grimmaische Str. 12,
04109 Leipzig, Germany
e-mail: rainer.alt@uni-leipzig.de

H. Österle
University of St. Gallen, Müller-Friedberg-Str 8,
9000 St. Gallen, Switzerland
e-mail: hubert.oesterle@unisg.ch

products. All three articles of the special issue will be introduced by our guest editors Christopher P. Holland, Andreas Herrmann and Kristin Diehl separately in their preface. We are indebted to them for organizing this section as well to all authors and reviewers who made the special and the general research section possible.

Another three papers are included in the general research section of this issue. The first addresses the relationship between online and offline distribution channels which is one of the key strategic issues in electronic commerce. The authors Quansheng Wang, Peijian Song, Xue Yang add an interesting element to the existing knowledge and show that the type of products determines the complexity of brand coordination and promotions. Compared to more complex experience goods, the substitution effect between channels is observed more often with simpler search products. The second paper addresses the question of “How individuals choose topics to contribute at an online context” and investigates under which conditions individuals are likely to contribute in Web 2.0 environments. Naren Peddibhotla presents a convincing analysis highlighting that the competence of a contributor not only matters in an absolute sense, but also from a perspective of competence relative to other contributors. Our third general research paper shows that decision support tools may also be helpful in designing future business models. In their work Dave Daas, Toine Hurkmans, Sietse Overbeek and Harry Bouwman describe a compelling approach on how spreadsheets may sustain more objective decision-making and more precise decisions while balancing the “gut feeling” that is inherent in most strategic decisions.

At this point we would like to draw your attention to some strategic developments at Electronic Markets. The first refers to changes in the Editorial Board. We regret that Denise Gengatharen and Shintaro Okazaki have decided to step down as Associate Editors and will contribute as Editorial Board Members in the future. We are grateful for their dedication as Associate Editors and the numerous papers they accompanied. At the same time we are honored that three existing Board Members – Kai Riemer from the University of Sydney in

Australia, Harry Bouwman from the Delft University of Technology in The Netherlands and Christopher P. Holland from the Manchester Business School, UK – have agreed to act as Associate Editors. New members of the Editorial Board will be Ulrike Baumöl from the University of Hagen in Germany, JoongHo Ahn from Seoul National University in Korea, Pavlos Vlachos from Athens University of Economics and Business in Greece and Robert Harmon from Portland State University, USA. We look forward to working with them and are aware that we could not achieve the future goals without the valuable support of our editors and board members. In particular, this applies to the Executive Editor of Electronic Markets. As many of you might be aware, Karen Heyden has been the Executive Editor of Electronic Markets since 2008 and at the heart of most operational activities. She will be assuming a new position and handed over her duties to Dorothee Elsner who started in June. A big “thank you” goes to Karen and an “all the best” to Dorothee!

Best regards from Leipzig and St. Gallen,

Rainer Alt
Hubert Österle

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