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Towards integrated e-marketing value creation process

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Abstract

This study proposes a new approach to 'integrated e-marketing value creation' processes on the internet in order to provide insights about how to develop successful marketing strategies in the digital world. The study first discusses the changes in traditional marketing (4Ps) with possible complementary e-marketing elements, and then introduces some new marketing value elements (4Cs). The study discusses each element of how these new marketing value creation elements work in the digital world, along with some managerial suggestions. Finally, the study provides a new discussion on how to utilize today's e-value drivers in the light of the transforming of our understanding of marketing in the digital age.

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Introduction

Marketing theory and understanding have undergone a fundamental change with the internet. Clearly, consumers today are more sophisticated, markets are more fragmented and consumer empowerment is on the rise in every area of the internet. What we are seeing today is a major marketing thought transformation with increasingly active market involvement by consumers and, hence, a fundamental impact on many business and marketing operations. This consumer revolution, wherein consumers are empowered and/or acting as equal alternative market agents and players in markets, has not been observed in any form in traditional marketing.^{1,2}

Clearly, traditional marketing value drivers — also known as marketing mix elements or 4Ps — are no longer functioning in the internet the way they used to in physical markets to build value. Without an understanding of today's digital value elements and their interaction with traditional marketing mix elements, all the money and business sources spent on 4Ps will be wasted. Thus, in order to balance the changing power dynamics in online markets, a re-conceptualization of new e-marketing value drivers and market meanings in today's visual spaces is inescapable.

Recently, it was proposed that consumer power can be balanced in the consumer decision process with four basic major strategies: findability, credibility, convenience and consulting.¹ However, this

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Investigation and re-conceptualization of new marketing value drivers

conceptualization does not reflect all the major changes in the markets and in the theory. Thus, this study attempts to fill this gap by providing (1) an investigation of the transformation in marketing mix elements, and (2) the re-conceptualization of new marketing value drivers — which are defined as ‘e-marketing value drivers’ or ‘4Cs’: ‘connectivity’, ‘content’, ‘community’ and ‘commitment’ — in today’s digital world, and (3) an investigation of possible synergy effects in an integrated value creation approach (which is defined as an ‘Integrated E-Marketing Value Creation’ process in the context of this study).

Complementing the old with new

Companies conventionally have had more control over value creation processes, their marketing mix elements, in physical markets. However, there has been a power shift in the marketing value creation processes with the advent of the internet. The transformation in each marketing mix element is discussed individually as follows:

Product

At the beginning of the internet revolution, marketers underestimated the rising importance of customization and wrongly assumed that marketer-generated value systems fit each segment’s needs. However, the traditional assumption that all the segments were homogeneous was, in fact, often incorrect when assessing the needs and expectations of the individual online consumer. At present, each individual consumer requires individualized/customized products and services from a variety of companies. Thus, in order to reach individualized consumer demand, companies attempt to successfully brand their online destinations (website or domain name) in order to pull consumers to their website or, alternatively, make their website easy to find on the internet. Now, through the internet, consumers can easily access market and product information at anytime from anywhere,¹ and change the direction of consumption in the blink of an eye. Consumers have become far more actively connected and involved in their communications with markets about products and services, and have thus started to act as co-producers or equal partners of products/brands/contents rather than as passive acceptors of company-created (in some cases dictated) value.^{2,3} Now, companies need consumers more than ever before in order to develop new products, services, contents and brands. Many companies are now communicating with consumers in their native online habitats, specifically in online communities to get more consumers help (aka ‘crowd sourcing’).^{4,5} Finally, some products are simply not created for the internet. For example, whereas some fashion cloth companies successfully implemented online selling strategies especially targeting to Tweens and Generation-Ys on the internet (eg ASOS in the UK), the success of some other apparel companies are still not clear. Not every computer monitor is ‘colour and size true’. This might cause consumer dissatisfaction if the real colour or size of the product does not match the one on the display.⁶ Thus, consumer perceptual differences between the digital and

Impact of consumer-driven economy's on product

physical products may create consumer dissatisfaction, and companies need to develop the right strategies to eliminate or avoid such problems.

As a result, currently, we are pushing the tipping point of the consumer-driven economy rather than the traditional product-driven economy. Thus, companies need to analyse constantly changing consumer trends and the way consumers connect, communicate and interact with each other and markets in order to understand the impacts of this consumer-driven economy on product and brand successes.

Complementary e-value elements

- *Connectivity*: Draw consumer attention to your website and domain name with the right branding techniques, or make yourself easily findable on the internet for consumers seeking your product/brand experience.
- *Content*: Create interactive interfaces and website designs to provide an attractive product/brand experience.
- *Community*: Collaborate with consumers in online communities for product and brand co-production (crowd sourcing).
- *Commitment*: Compensate the possible disappointments caused by poor appearance, performance or experience with products/brands in either their digital or physical forms.

Price transparency and consumer-influenced value pricing

Price

The internet has reduced many market entry barriers,^{7,8} thus reducing market imperfections and increasing competition in favour of consumers. Increasing information availability and product varieties in the markets eventually lowers market prices. In other words, increasing market transparency and competition reduces company-dominant price control in the markets and empowers consumers economically.^{2,9}

Consumers can now access better options through comparative search engines and can easily detect price discrimination on the internet.¹ An ever-increasing number of auctions and consumer-to-consumer markets indicate a rise in consumer involvement in market pricing mechanisms as, essentially, alternative company value construction systems. In other words, consumer online communities have transformed marketing from a cost-profit-based pricing into consumer-influenced value pricing. Thus, companies now need to understand such communal and comparative value creation elements in order to meet the right price levels with consumers in the marketplace. Finally, the digital presentation of price can be different than in the physical world. Consumers can make their decisions under the influence of where and how the price is introduced in the stores; they might also make decisions under the influence of flashy banners, or even the specific font used in the price.¹⁰ However, if you emphasize the prices more than the product features in your website, that product can be perceived as low quality when there are no other product quality indicators. Thus, not only how a company reaches a consumer-influenced value

pricing, but also how these prices are introduced in company websites and email campaigns is crucial for price success on the internet.

Complementary e-value elements

- *Connectivity*: Follow comparative search engines to determine where your price levels compare with your competitors.
- *Content*: Use the right colour and font in your product and service prices and present the information on the right places on your website and your emails.
- *Community*: Watch closely consumer-to-consumer markets and e-auctions to understand the real market value of your product.
- *Commitment*: Clearly emphasize shipping costs and possible unknown costs (hidden costs) to eliminate possible misunderstandings beforehand.

Increasing consumer logistics awareness

Place

The essence of distribution is to provide ‘convenience’ and bring ‘expertise’ to consumers.¹¹ In this context, the internet reduces many physical shopping hassles and costs for consumers, and thus provides a convenient shopping experience. Consumers can now easily access product logistics information, which enhances consumer understanding of the product logistics in terms of time, space and availability — this was recently conceptualized as ‘consumer logistics awareness’.¹² Thus, companies need to provide easy ordering options and share product logistic information with consumers on their website to reduce possible misunderstandings, such as those caused by delayed delivery. Retail stores not only make products available for consumers, but they also provide information and expertise through their sales personnel. At present, many consumers visit physical stores to learn more about products/services, and then purchase such products online where they are discounted (aka ‘online free-riding’).⁶ Alternatively, they collect information on the internet by using search engines or listening to what other like-minded consumers are talking about in their blogs or social networks and then visit retail stores to experience the products in the physical store and eventually buy it there. Thus, the internet has, in turn, caused cannibalization problems in many distribution channels. Companies need to understand how consumers utilize product information and logistics in order to reduce such negative free-riding behaviours and channel cannibalization.

Complementary e-value elements

- *Connectivity*: Create visits between your website and physical store. Provide internet access in your stores to discuss other price/quality options in the markets in order to be able to control the negative effects of free-riding with your terms (eg Sear’s real-time online in-store price comparison strategy — in the US). Support consumers in post-purchase stages with your expertise (eg BestBuy’s GeekSquad post-purchase tech support services in the US).

- *Content*: Provide clear information about the value of retail services, expertise and product availability on your website so that consumers get a better appreciation of your prices.
- *Community*: Be involved with consumer discussions and provide information about the services and product you provide to consumers.
- *Commitment*: Teach consumers about possible future risks if they buy products from free-riders. Provide product delivery information with tracking systems on your website so that consumers feel they are in control of the progress of their order through the distribution channel. That might reduce possible dissatisfactions caused by late deliveries.

Increasing consumer control on media selection and consumer-generated-content

Promotion

Capturing consumer attention with traditional promotion and communication tools is in sharp decline in today's digital markets. Traditional media advertisements have started to lose blood to many new digital communication tools such as social networking, blogging and viral videos.^{4,5} If companies really want to reach consumer minds and hearts, they need to use the aforementioned tools effectively and be part of the mushrooming consumer social networks. Now, consumers are creating their own messages in their blogs, social networks, or company-supported UGC (user-generated content) spaces. It is clear that consumers are gaining greater control over media selection for purchase decisions,¹ and message dissemination^{2,4,9} on the internet. This, in turn, means that companies are no longer as active market message generators as they used to be. Currently, eWOM (electronic word of mouth) has better reach and exposure than many other traditional promotion tools.^{4,5} Companies need to use the right communication tools and develop the right consumer messages in order to be able to maximize their reach and exposure in today's markets.

Complementary e-value elements

- *Connectivity*: Use email marketing that targets your sales promotion campaigns to repeat purchasers or consumers with promising lifetime value with your company. Monitor consumer blogs to be able to keep pace with consumer trends.
- *Content*: Provide consumer-generated or UGC platforms for consumers in your domain so that you can easily follow consumers. Closely follow people who are blogging about you and your products/brands in order to understand changing consumer language and identity and to be able to talk with consumers on the same footing.
- *Community*: Utilize viral videos and create effective eWOM efforts before major campaigns.
- *Commitment*: Provide personalization for your consumers to eliminate the hassles of putting credit card and personal information in for each purchase occasion.

Table 1: Complementary e-value elements for traditional marketing mix elements

4Cs	4Ps			
	Product	Price	Place	Promotion
Connectivity	Website branding (domain name)	Comparative SEM (Findability)	Multiple contact in distribution channel	Email marketing (sales promotions)
Content	Website interface	Font and place appropriateness on the website	Sharing expertise info on the website	UGC-blogging
Community	Crowd-sourcing	e-auctions	Discussing service value	eWOM-viral videos
Commitment	Compensations and guarantees	Clear presentation of shipping and hidden costs	Delivery tracking system	Personalization

Conclusively, companies should understand the aforementioned changes in traditional marketing mix elements in order to be able to complement the weakening functions of traditional marketing with the support of new e-marketing value creation tools (see Table 1). Thus, the exploration of each new marketing value driver, in today’s online markets, is inescapable.

New is not always good

Although companies can implement such e-marketing value elements in their marketing strategies, these elements do not always create perfect solutions, and perhaps sometimes create new problems. Thus, there is a need to discuss these new value elements and possible problems in order to reach better functioning marketing value drivers.

Connectivity

Connectivity is the first step in successful value creation processes on the internet, and there are two important ways to connect with consumers on the internet. Connectivity can be functionalized by enhanced ‘*addressability*’ of the company’s website and ‘*findability*’¹ of the website by consumers. Addressability, in this context, means that a company has knowledge about the consumer and targets or ‘addresses’ the information on its website to that consumer or consumer segment. Findability is the ease with which a consumer can find the company. These connections happen via opposite directions: addressability is from company to consumer; findability is from consumer to company. These two components combine to create today’s cutting-edge marketing philosophies: website branding, email marketing and search engine marketing.

Addressability

Consumers can be attracted to directly visit the company’s website or be addressed to a company’s website through a link embedded in email contents. Therefore, major addressability components can be

Connectivity can be reached with Addressability and Findability

discussed from two important approaches: website branding and email marketing.

Website branding. Website branding can be used as a major addressability tool to direct potential consumers to a company's website. Some websites or domain names are better branded than others. Some consumers go to the specific domain names knowing what they are looking for beforehand, while others prefer searching on the internet. The most effective tool for creating effective website branding is choosing the right domain name. From a marketing point of view, the domain name reinforces brand identity and is generally used as an equivalent to brand name on the internet. A company's domain name must be self-descriptive and provides clues about the company's products, values and identity in order to be a facilitator of strong brand identity.

Although company domain names can be protected by trademark laws, cybersquatters can copy the company domain name (cybersquatting: domain name and trademark infringement) or take advantages of users' typing errors (typosquatting: aka URL hijacking), which leads a user to end up visiting a website different from the intended site. However, although there are different rulings about domain name infringement issues in different countries, there is one exceptional situation affecting the legitimacy of cybersquatting issues in the US: the 'right of free speech', which is protected by the First Amendment in this context. The law protects many consumer-organized anti-brand sites^{13,14} if they are not profit generating, thus limiting the effect of corporate legal action. Similarly, in the UK, such issues are generally tried to be solved through dispute resolution services (eg Nominet.org.uk). Thus, either enhancing the legal power of such sites with new laws and regulations or through resolution services, consumer voice will eventually be empowered. The success of a company's website branding depends not simply on picking the right domain name, but also on predicting possible cybersquatting and typosquatting alternatives in order to protect the website identity and reduce possible legal problems in the future and, most importantly, lead consumers to the intended destinations smoothly on the internet.

Lessons learnt:

- Do not require your consumers to guess your domain names. Find domain names that speak directly to your consumers.
- Watch out for all the possible derivatives of your domain name and buy all the possible domain names in order to prevent cybersquatting and typosquatting beforehand.

Email marketing. Email marketing can be an excellent way to directly connect with consumers who are interested in your products/services. However, there have been many misunderstandings about email marketing. It is helpful to first define what email marketing is 'not', rather than what it is. Email marketing is not sending tons of emails to

consumers who do not have any interest in the message you are carrying. It is not about putting your message into a whiskey bottle and throwing it into the ocean with a hope that somebody somehow finds it and contacts you. Email marketing is more about ‘communicating’ with consumers who are most likely to be interested in your products/ services. An expected result is to eventually direct interested consumers to the company’s website via the links embedded in the company’s email.

There are two ways to acquire the email addresses of interested consumers: (1) Companies can create their own lists by asking consumers for their email addresses and permission to contact them. However, without understanding consumer interest, an email marketing campaign’s behavioural targeting will not be successful. Consumer targeting requires deep and fastidious data mining efforts in broad areas of consumer interests, shopping histories, geographic locations, demographic configurations and so on. In the situation where an email message, or the message content, does not fit the targeted consumer’s interest and expectations, company emails can be seen as spam. Although email marketing can be seen as almost costless by companies, it can create very high psychological costs for consumers and sometimes even cause the total destruction of the company’s reputation in the eyes of consumers. (2) Companies can also buy email address lists from service companies (such as PostMasterDirect.com, Yesmail.com in the US market) to get more targeted email lists to communicate with potential consumers. Service companies collect consumer information and emails for different reasons from different sources and classify their lists according to consumer interests, location, shopping habits and so on. The price and value of email lists are generally determined by consumer response rates and how many sales are generated by such emails, as well as by the level of consumer permission given (either opt-in or double opt-in). The problem with these lists is the same with the previous one: spam. The problem is not just the consumer misperception and misinterpretation of company emails, but also spam filters. Some spam filter algorithms are highly sensitive and increasingly able to filter out any unwanted email. Thus, companies need to understand the way spam filters work to be able to access their consumers without being quarantined and deleted by spam filters.

Lessons learnt:

- Do not send emails to consumers without knowing and understanding their needs. Otherwise, you will be treated as a spammer.
- Understand spam filter algorithms in order to prevent being trapped by your favourite consumers’ spam filter.

Findability

Many consumers start their shopping process by searching for what they need in the markets with the support of external or internal information sources. Search engines can be considered as one of the

major external sources and are a major way that consumers find what they need on the internet. The action starts at the consumer side in Search Engine Marketing (SEM), as opposed to email marketing, which is the action-orientation is the company. In a general search process, consumers try to find the best information about products or services among the millions of websites on the internet with the help of search engines. A company's 'findability' in the digital world should be higher among alternatives so that the consumer can easily access and connect to the company website. This drives consumer traffic to the website, which can generate more exposure and eventually sales.

Search engines use both simple and complex algorithms in order to rank the available websites into a list that best fits a consumer's keyword search. Many search engines determine their ranking through calculating the frequency of keywords in the websites, how many websites are linked to them, how many times the websites are visited, the website use of metatags, and so on, to find the most appropriate range of websites that, possibly, match the consumers search needs (aka 'Organic Search' or 'Organic SEM'). Alternatively, a company can pay extra money to search engines to get their website found, or ranked higher in search engine results (aka 'Paid Search' or 'Paid SEM'). In either case, a company needs to understand the algorithms behind Search Engine Optimization (SEO) to generate a value for every dollar paid to search engines or for every adjustment they make to boost their website's findability.

On the other hand, although many websites use the rules and guidelines appropriately to optimize their rankings by applying aforementioned organic or paid SEO methods, some other sites might break some of these algorithmic rules and abuse SEO process in order to be unfairly noticed with shortcut techniques (eg link hijacking, link farming, etc).² Such methods (aka 'black-hat SEO') can negatively impact the ranking of the websites that have fairly earned their rankings in the search engine results.

Lessons learnt:

- Know the algorithms the search engines use to achieve a better value for your costs.
- Pick the right keywords, ones that define you well and are able to be found easily in organic SEO results.
- Watch out for possible black-hat SEO methods. Every search engine has a different policy, so learn their policies in order to not be classified as black-hatter. For example, BMW.de is blacklisted by Google because BMW websites were using techniques artificially boosting search engine rankings (http://news.cnet.com/Google-blacklists-BMW.de/2100-1024_3-6035412.html).
- Although SEM techniques can boost companies' brand awareness in digital markets, strong synergy effects can be reached if SEM can be supported with email marketing campaigns. In other words, addressability and findability should work together to optimize your message and brand awareness of the internet.

Content is consumer's job not company's

Content

Although companies can successfully bring potential consumers to their websites by utilizing many of the connectivity features, not many websites turn a consumer visit in to a memorable or unforgettable experience. Thus, the 'content' of a company website plays a very important role in creating market value. Many well-known online companies were born with this understanding of the value of innovative and interactive content that allows more consumer involvement in content creation processes.

Website content and interface

Websites are the representation of the company's business philosophy and products and services. Thus, the clarity and attractiveness of the website design and interface will play a crucial role in the overall e-marketing and e-branding success in digital markets.

If well-crafted website content meets consumer needs, that, in turn, helps companies to reduce possible consumer perceptual biases and perceived risks.^{15,16} This, in turn, eventually enhances a company's website-branding efforts. Online companies need to understand the possible factors in consumer website content usage and consumption. The possible website content features can be discussed as having two aspects: 'website's ease of use' — consumer perception of the effort needed to navigate a website and satisfy their needs — and 'website usefulness' — consumer perceptions of the degree to which using the website will improve their satisfaction. Each component is used to understand consumer acceptance of web-based technologies¹⁵ and website quality.¹⁷ If the website content includes a user-friendly design, interactivity and useful features enabling online consumers to satisfy their needs, then the company probably is one step away from successful website branding.

Banner advertisements can be a part of a company's website content. If a website reserves too much space for banner ads, consumers might not be able to see and understand the values and meanings provided by the website. In addition, consumers might avoid looking at banner ads (aka 'banner blindness') or may not remember what they see.¹⁸ Thus, placing the right banner ads with the right amount of information and features, at the right time, in the right website, for the right potential consumers is a real challenge for companies seeking to maximize advertising revenue while enhancing and protecting their brand reputation and image.

One of the effective approaches to providing a user-friendly and useful consumer experience is shifting control to consumers, allowing them to determine their own website preferences. This personalization of the website features requires at least some giving up of control of the content as is also the case in UGC applications.

Personalization

Website content should meet the specific task of increasing consumer involvement with the website and improving the consumer experience. These goals can be reached with personalization. Although not every

consumer likes to personalize their operations of a website, the lack of a personalization option is sometimes seen as poor website design.

In general terms, personalization is like going to your favourite café and having your favourite drink ready when you appear at the door, even before you order it. Personalization is a process intended to predict individual consumer needs beforehand and consequently provide appropriate services through the website to satisfy those needs. Thus, personalization requires a high level of interactivity with consumers, and very accurate information collection about current and future consumer needs. Once the individual consumer preferences are specified by the website user, the process is totally 'computer-driven'. The personalized website content depends on the level of knowledge about the consumer and his/her preferences, needs and tastes that the system has. The interaction between system and consumer needs to be efficient and build a strong relationship with the website user if it is to better serve both consumers and the company.

User-generated content

Consumer control over content is generally limited in both website design and personalization. This limitation gives companies more control over their message and helps them to determine the level of relationship with consumers. However, in 'consumer-generated content' or 'user-generated content', consumers are provided platforms where they can freely generate their content and define the intensity of the relationship with companies, fellow consumers and their brands. Most UGC is predominantly generated in 'the blogosphere' and on social networking sites.

In UGC applications, digital platform and the vast majority of content are provided to consumers to develop their own messages and value systems. Blogs are excellent examples of UGC; 'one study showed that four of five bloggers post brand and product reviews' (p. 251).¹⁹ Since many blogs also link to company websites, and constantly discuss products and brands, this eventually boosts company SEM efforts. In such digital environments, consumers can easily change or add new information to a website and reach real-time and up-to-date communications with their audiences. Companies can pick words and phrases used by bloggers, and add them their metatags for better findability. Consumers are also purchasing directly through blog links and posts as well.⁴ As most of the content is created by consumers, website owners just need to deal with organizing and providing demanded new content opportunities around the website for consumers. In this way, companies that are the subject of the content creation process can easily follow consumer thoughts and feelings about their brands and operations, in real time, with significant objectivity.

As content created by real consumers, information sources that are real persons, the message credibility is higher rather than for marketer-generated messages and content on the internet.^{20,21} Specifically, consumer-produced brand-related messages and information sharing are

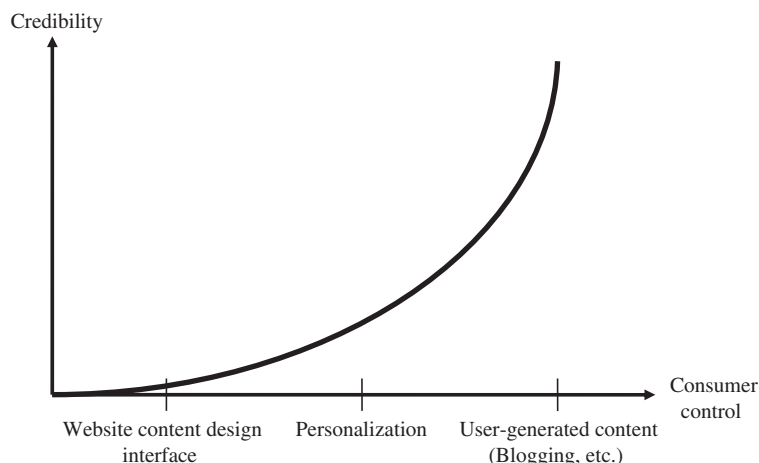


Figure 1: Level of consumer control and credibility over content

perceived as highly credible.²² Many companies are trying to work with opinionated consumers and/or bloggers to positively promote their brands and stay ahead of the game. Hiring a blogger that can promote a company, an idea or a brand is getting to be regular practice in today's markets. In the latest national election in the US, it is claimed that the Obama campaign hired 400 bloggers to influence the public (http://www.democraticunderground.com/discuss/duboard.php?az=view_all&address=132x5990249). The more control is transferred to consumers, the more credible your message and influence in the markets will be (see also Figure 1). Similarly, the more places your brand and company are discussed with positive attitudes, the better chance you have to be promoted by search engines. This feedback loop brings more traffic to your website, and potentially more revenue.

On the other hand, many companies are also monitoring websites in 'the blogosphere' and social networking sites to learn more about possible consumer complaints before such complaints hurt their brands.¹³ Most importantly, because of the lack of control mechanisms (in UGC websites) that check whether such postings are true or not, almost nobody knows when such posts are false or defamatory content. Thus, the credibility of these kinds of sneaky advertising is, in fact, questionable, and the FTC (Federal Trade Commission in the US) recently discussed the full disclosures of money or gifts received from companies by hired bloggers (http://www.nytimes.com/2009/10/06/business/media/06adco.html?_r=1&scp=2&sq=bloggers&st=cse).

Lessons learnt:

- Monitor bloggers regularly to learn more about your mistakes and successes, but also make sure that they are honest bloggers. Watch out for hired/fake bloggers who are targeting your company and brand. File a complaint with the FTC in the US or perhaps other related local government agencies if you have evidence of misrepresentation by a blogger.

- Carefully pick the consumers who you are willing to give more control to reach message credibility in your content. Do not forget that they are your partners in today's marketing world, and treat them as such. Do not 'push their nerves'; just respectfully collaborate with them to create the most influential website content applications possible.

Now, consumer is talking- listen carefully!

Community

The internet has become a powerful social medium. Many online communities play a direct or indirect role in individual and communal consumption on the internet.^{23,24} Word-of-mouth (WOM) generated in online societies (aka 'eWOM') may have more impact on consumers than traditional advertisements.⁴ Thus, understanding the role of such communities and the impact of consumer-to-consumer interaction on consumption is crucial.

In general, companies first provide the content for an online community, and then the community gets more self-organized and develops its own identities, norms and values over time. Online communities are places where consumers can freely speak with companies and each other on the same footing, and thus enjoy greater speech equality.²⁵

eWOM and viral marketing

Online communities are a place where eWOM turns ballistic.⁴ Viral marketing, in this context, is a process of developing techniques to create visible and influential WOMs inside and outside the online community.

Not every viral-marketing effort can reach success, or appear successful if it does. The level of consumer connectivity to other consumers (degree of connectedness) may play an active role. Some consumers are more connected to online communities (such as fans, loyal consumers) than some others (such as followers or daily readers). Fans are able, even delighted, to pass on information to large audiences. For example, in a recent interview with Thomas Baekdal, he discusses the importance of fans in his calculations of social networks exposure as follows:

'... one active fan is worth 445 people. And you need to reach 14,000 people to get one active fan. Which also means that only 56 active fans can create just as much as exposure than a web site with 25,000 visitors'. (p. 53)⁴

This indicates that active fans leverage their connectivity to spread an eWOM; and perhaps they may create even better e-value than the original web content itself. On the other hand, even initiator consumers do not always have a high level of connectivity with others; the credibility of the consumer plays an important role in eWOM success.

In addition, a powerful story might create a high level of exposure effects on consumers, regardless of who first initiated the eWOM. If the story has a lot to say, and is embedded with the right pictures and videos, eWOM can spread around pretty quickly and reach the whole

market. Using the right content with the right storytelling approaches can enhance the power of eWOM. For example, many ordinary people upload their videos on YouTube, which are accessed by millions of viewers in a short time, thus reaching a high level of exposure than could have been reached by old media.

Since there is no technical social filtering system on the internet, many online communities fill the task of filtering. Online communities are great social filtering systems, determining what is good or bad for consumers in the market.¹ In general, information about products and brands collected by community members goes through a review process (aka ‘collaborative filtering’) and then the evaluated information is shared with other members as is appropriate for the community’s purpose and mission. For example, a consumer can go to Netflix in the US market and learn about his/her friend’s favourite movies instead of going through millions of options. It is increasingly possible that a consumer can sort search results in terms of who they know, their friends or in-groups,⁴ to get more concise and ‘better filtered’ information for their convenience.

Online communities are great places to learn more about your consumers. Many companies are intensely monitoring such communities (especially in Twitter and Facebook) to learn more about their mistakes before possible negative WOM becomes disseminated to whole market.^{13,14} This, in turn, helps companies reduce their consumer service costs in real time. Some others also use such communities to develop new products and brand meanings with the help of co-producer consumers (aka ‘crowd sourcing’). Online communities can also be a great opportunity to outsource some marketing functions to consumers. Clearly, online communities have pushed the company and consumer partnership to a very meaningful level. In either way, connecting to such communities helps companies to strengthen consumer loyalty, develop better content and perhaps bring higher brand visibility, and thus better findability in SEO results.

Lessons learnt:

- Always (24/7) engage in online community conversations to follow and understand recent consumer trends.
- Target your eWOM to the people with high level of connectivity and high level of credibility. Those consumers eventually open the door to new consumers and valuable consumers.
- Work on your message carefully as well. The power of the message is as important as the source or the person who spreads the message.
- The essence of online community communication is worded well by Sterne⁴ ‘You can’t control the conversation but you can guide the conversation’ (p. 130). Thus, accept the idea that you are not the only owner of your own brand. It is highly possible that you could

eventually lose your total control over your branding to consumers on the internet. Try to develop a control mechanism (such as developing a unit in your organization to monitor such communities regularly) that helps you to create frequent checks and balances with consumers. That, in turn, effectively continues your brand ownership.

If you can't reduce uncertainties, your future will be uncertain

Commitment

Increasing connectivity between/within consumers and companies made meeting and doing business with strangers easy.^{2,9,26} In addition, if the information presented in the website content or communication content is confusing, false or not up-to-date, it might increase consumer perception of uncertainty, and need for commitment.^{1,9} Although it is expected that no party would exploit another's vulnerability in a trustworthy relationship, today's tech-savvy consumers started to misuse the internet's democratized structure and illegally download many digital products and hack company websites, etc.²⁷

From a marketing point of view, a high level of commitment and credibility is required to reduce future uncertainties and risks that consumers may have. Without consumer trust and company commitment, money and effort spent on connectivity, content and community, would be wasted. For example, if a company delivers a birthday present two days late, the value created with email marketing offers or an easy-to-use website, the purchase support created with the online community would be zero. Some of the commitment issues are in the companies' uncontrollable environment (delivering a birthday package late because of a strike in the transportation sector). However, there are some commitment issues that can directly be controlled by companies (providing compensation for a late birthday package delivery). Thus, online company needs to introduce necessary guarantees to reduce possible uncertainties and repair disappointments.

Although such guarantees can carefully be calculated and developed by the company, if the company cannot clearly explain this in its website content a trustworthy relationship cannot be established.⁹ For example, many consumers drop buying a product in the middle of purchase process because they fear giving out too much information or do not feel safe with the transactions. Clearly, there can be no e-business without customer information and databases. However, companies that commit ethical and respectful collection and use of consumer personal information are able to deal with these kinds of hidden costs.

Although legislators make new laws to regulate markets, and some companies provide new technological solutions (McAfee, etc), consumer trust will continue to be a big issue with today's continuously changing technological environment. Companies might need to develop their own innovative and dynamic solutions to reach and maintain trustworthy market relationships.

Lessons learnt:

- Do not underestimate third-party seal programmes (Truste, BBB, etc). Such seal programmes’ basic mentality helps you understand how to reach effective and commitment-based relationships.
- If you do not use third-party seal programmes, introduce unbiased and updated product/service information without any hidden or undisclosed costs in your website. Most importantly, provide the company’s ethical codes without any loopholes or indeterminate terms on your website.
- Provide more personalization options. Personalization helps consumers not to go through the stress of repeatedly filling personal information forms, etc. That also, in turn, helps consumers to make conscious choices.

Investigation integration and synergy in value creation

Integrated e-marketing value creation

All the aforementioned 4C elements help companies to create marketing value with different capacities in various situations. In other words, ‘How will companies optimize the balance between these strategies to reach some synergy effects on the internet?’ Today’s e-marketing needs an integrated value creation approach. This can be done by discussing the implications of possible roles in various theoretical marketing approaches for the 4C elements.

Integrated e-value and consumer decisions

Consumer decision process

Recently, it was proposed that consumer power can be balanced in the consumer decision process with four major strategies: findability, credibility, convenience and finally consulting.¹ A more detailed integrated approach, in the light of aforementioned discussion, is shown in Figure 2.

In the problem awareness stage, consumer category needs can be under the influence of possible online brands. Thus, brand awareness

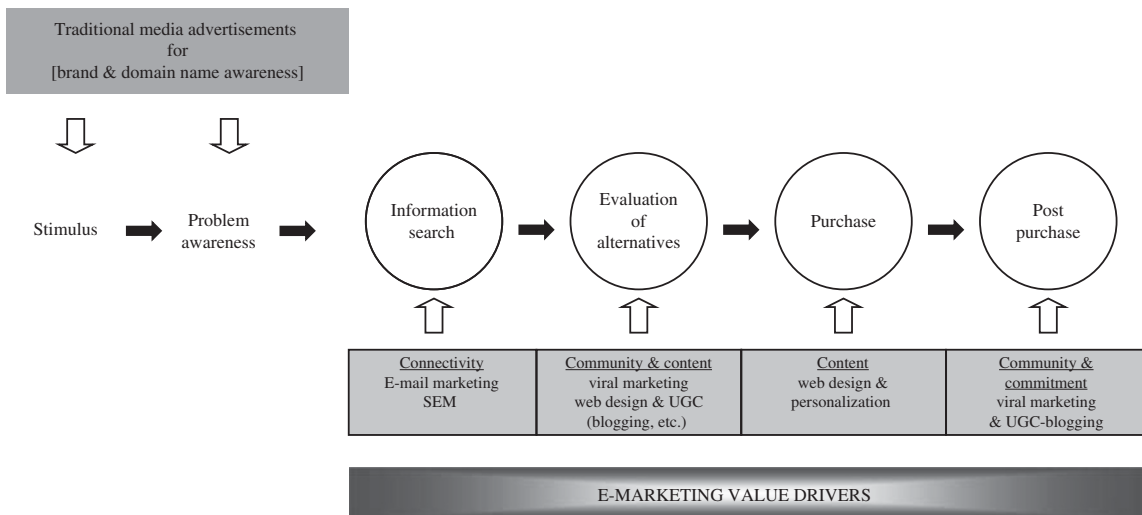


Figure 2: The role of e-value drivers in online consumer’s decision process

of online brand or domain name can help consumers to determine a direction (whether go to a store or online) and requires traditional media advertisement supports. Once consumers enter the digital world, they try to collect information to satisfy their needs. In this stage, connectivity supported with SEM and email marketing can play an important role in providing product, place, and price, choice and information to consumers. Consumers can easily evaluate possible alternatives with the help of a clean and understandable website design and with the support of online communities. Reading the experiences of other like-minded consumers with the possible alternatives, and listening to what is talked about in the market and online communities, now plays a major role in purchase decisions. In the purchase stage, easy ordering and payment options, which can be easily supported with website personalization (eg Amazon's one-click buy system), can bring great navigational conveniences for consumers. At the end of the purchase process, if consumers can get dissatisfied; subsequently, customers can discuss their experiences with fellow consumers in their blogs or communities — disseminating either positive or negative eWOM. Thus, a company needs to understand how this new complaint and complement process works and accordingly develop solutions in the digital world.

Integrated e-value and branding

Brand building

Some consumers go to specific domain names knowing what they are looking for beforehand, while others prefer to search by utilizing search engines and/or company-generated email campaigns. Thus, the first step to create brand awareness can be accomplished by maximizing consumer connectivity to the brand. Once consumers are aware of the online brand, then their attitude towards the brand can be shaped by listening or reading what other consumers/friends are talking about such brands. Thus, online communities are major places where consumers' positive and negative attitudes are spread across the market. If consumers start using your brands, then your company has an opportunity to commit to providing the expected value elements in every occasion that the consumers need your brand. This, in turn, opens the door to loyal consumers as also pictured in Figure 3.

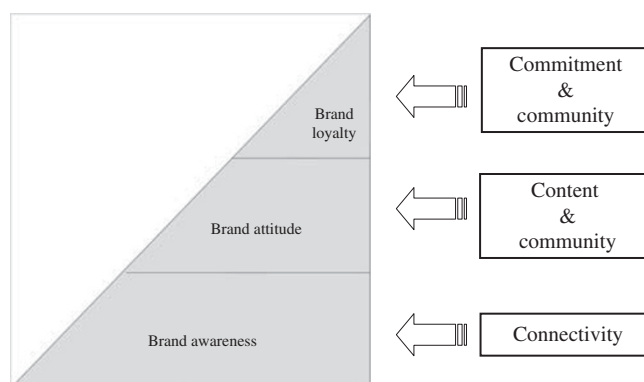


Figure 3: Stages of brand building on the internet

Conclusion

Today's marketers are adding new and innovative digital tools to their marketing toolboxes every day. However, the effectiveness and efficiency of these digital tools in creating market value is not yet clear. Furthermore, none of these digital tools are able to create market value by themselves. Thus, there is a need for clear and detailed discussions of each of the e-marketing value creation elements (the '4Cs', connectivity, content, community and commitment in this study) in order to maximize the market value creation efforts of companies by eliminating unnecessary or duplicated marketing spending and by taking advantage of possible synergies. This study aimed to fill this gap by introducing an integrative approach: 'integrated e-marketing value creation process'. The effectiveness of an integrated approach was also discussed in relation to the consumer purchase decision process and to the companies' brand building efforts. The more the companies attempt to use the new digital marketing tools, the more significant the need will be for understanding possible integrative approaches to digital marketing.

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