

Introduction

Stephen Tagg, *University of Strathclyde, Glasgow, UK*
Alan Stevenson, *University of Strathclyde, Glasgow, UK*
Tiziano Vescovi, *Ca' Foscari University, Venice, Italy*

Welcome to this Special Edition of the *Journal of Marketing Management* on new developments in online marketing. Writing in this Journal more than a decade ago, one of the Guest Editors stated that the study and practice of marketing would be revolutionised by the rapid growth of the Internet and World Wide Web. The Web, according to the authors, represented a fundamentally different environment compared to offline marketing, and new marketing paradigms would need to be developed for the emerging electronic age (Hamill & Gregory, 1997).

There can be little doubt about the profound impact that the Internet has had on all aspects of business since the publication of the 1997 paper. Indeed, it is now widely accepted that we have entered a new and even more revolutionary phase in the development of the Net as a global marketing and communications platform; a phase characterised by information 'pull' rather than 'push', user-generated content, openness, sharing, collaboration, interaction, communities, and social networking. New-generation Web-based communities and hosted applications, such as social-networking and social-content websites, blogs, wikis, podcasts and vodcasts, virtual realities, mash ups, RSS feeds, and mobile applications are beginning to have a major impact on customer behaviour across a diverse range of industries, both B2C and B2B. There is growing cynicism and resistance to supplier-led brand messages, with the collective knowledge and feedback of the network beginning to have a more important impact on purchasing decisions.

These new applications (variously called Web 2.0 or the Social Web) represent a fundamental change in the way people use the Internet, their online expectations, and experiences. From a marketing perspective, the most distinctive feature is not the technology involved but rather the growth of a new global culture – a 'Net generation'

culture based on decentralised authority rather than hierarchy and control, online socialising and collaboration, user-generated and distributed content, open communications, peer-to-peer sharing, and global participation. The new Web empowers people, 'tribes', communities, and networks. Success in this new online environment, characterised by people and network empowerment, requires new 'mindsets' and innovative new approaches to marketing, customer, and network relationships. Crowdsourcing, co-creation, customer/tribe engagement, and e-word-of-mouth have become the new buzz terms for online marketing success.

We hope that the collection of papers published in this Special Edition of the *JMM* will make a valuable contribution to knowledge in this area, covering, as they do, recent and future developments in online marketing, including the revolutionary impact of new media. The 11 papers, all double-blind refereed, cover a range of topics, including: information exchange on bulletin board systems and in online consumer portals; Web 2.0 and 'New-Wave Globals'; online tribal marketing; co-creation; industry impact; privacy issues; online advertising effectiveness; and practitioner prognostics for the future of online marketing.

The opening paper by Dave Chaffey examines the value of capability maturity models for assessing the management of digital channels within organisations based on extensive research undertaken in this area. Key digital-management challenges in six main areas are covered: digital channel strategy development; online customer acquisition; online customer conversion and customer experience; customer development and growth; cross-channel integration and brand development; and overall digital channel governance, including change management. The paper makes an important contribution to the literature on digital-marketing success, with pointers being presented for future research in this area. Although not discussed in detail in the paper, capability maturity models could be very relevant to future research on Web 2.0 and Social Media success. The 'New Web' significantly reduces the risks and costs associated with new technology adoption, especially for SMEs. Whether such firms have the internal organisational capabilities for fully leveraging emerging opportunities in this area is another issue.

With the rapid growth of social-networking sites, and Social Media in general, the concept of e-word-of-mouth (eWOM) effects is attracting increased attention in the e-marketing literature. 'Creating a buzz' through engaging with and energising online brand advocates is becoming an increasingly important component of online brand promotion. In a social-media era, the brand becomes the customer experience of the brand, with both positive and negative brand experiences being widely exchanged on a variety of social-media channels.

The second paper by Lei Huang, entitled 'Social Contagion Effects in Experiential Information Exchange on Bulletin Board Systems', provides a number of very interesting insights in this area. The main conclusion of the paper is that the attraction in disseminating a certain topic is dependent on the experiential nature of information on BBS. Compared to cognitive posts, experiential posts demonstrate a contagion effect; that is, when in-and-between posts focus on experiential information at the early stage of communication, more experiential posts appear at the later stage of the discussion on the same topic. Additionally, the involvement of opinion leaders in positive posts also promotes the dissemination of experiential information. These findings have important strategy implications for improving the effectiveness and efficiency of online and offline word-of-mouth communication and for future research in this area.

Given the global nature of the WWW, it is surprising that so little research has been undertaken on the role of the Internet in SME internationalisation. Used effectively, the

Internet can help to break down many of the barriers to internationalisation most commonly experienced by SMEs. The paper by Bell and Loane provides an interesting synthesis of the limited literature in this area, before moving quickly to look at 'new-wave' globals. The authors argue that Web 2.0 provides new tools that enable firms to internationalise more rapidly and engage more effectively with customers in a wider range of more complex business activities. The rapid growth of Web 2.0, Social Media, open-source architecture, and open-innovation strategies have led to the emergence of a breed of 'new-wave' globals – firms where the Internet itself is a key driver of business development and speedy internationalisation. Using a number of very interesting case examples of 'new-wave' globals, the authors reflect on the potential impact of Web 2.0 on business strategy, public policy, and academic enquiry. An agenda for further research is presented.

We agree totally with the authors' conclusions regarding the impact of Web 2.0 on public-sector export support policy. The authors argue that public policy in support of SME internationalisation needs to be fundamentally reconsidered. In most countries, this continues to be based on the outdated notion of internationalisation as a gradual stepwise process – a view that is increasingly challenged in the literature and by the behaviour of rapidly internationalising firms. As geographic and firm boundaries become increasingly blurred, Web 2.0-enabled firms are increasingly likely to collaborate with international partners in co-creation and opportunity exploitation. The number of firms involved in these activities, and their potential economic impact, will increase dramatically in the next decade. As a consequence, the authors conclude that the importance of developing new policy approaches cannot be overstated.

Related to the earlier paper by Huang, the contribution from Burton and Khammash examines 'why people read reviews posted on consumer-opinion portals' and related implications for e-WOM. The research uses template analysis of readers' stories and interviews to identify themes relating to the reading of opinions on consumer-review websites, and, within these themes, specific consumer motivations for reading other consumers' reviews. The authors conclude that the identification of reading motives associated with online reading behaviours offers great scope for a segmented approach to understanding and responding to consumers who seek online opinion. Rather than fearing e-WOM and customer-to-customer interaction, managers should embrace and facilitate these opportunities. Marketers should target customers with particular reading motivations in order to influence and encourage them positively to read about their products. They should work with consumer-opinion platform providers and consumers to ensure that they are sufficiently transparent about the issues consumers want to discuss, in order to enable and encourage positive debate.

The topic of tribal marketing, especially on social-networking sites, would rank very highly as one of the major new developments in online marketing. It is very appropriate, therefore, that this Special Edition includes two very interesting papers on this topic, both of which employ a netnography approach.

The paper by Cova and White entitled 'Counter-Brand and Alter-Brand Communities: The Impact of the Web 2.0 on Tribal Marketing Approaches' examines the key concepts of brand community, co-creation, and online community behaviour. Based on a detailed netnographic study of two online communities, the paper concludes that such communities may constitute a significant risk for companies. The two case studies show that consumer groups are capable of developing competitive offerings, that is, alter or counter brands, that present major threats (but also opportunities) for existing brand managers.

According to the authors, the potential implications of community brand creation are profound and could transform business and communication practices and indeed society itself. The authors conclude that with the wide diffusion of networking technologies, collective consumer creation and production is taking on new forms that are transforming the nature of consumption and work and, with it, marketing. Consumer tribes and their brands could counterbalance corporations on the Net, especially corporations seen as acting abusively, unethically, or irresponsibly.

The second paper on tribal marketing by Hewer and Hamilton explores the opportunities and possibilities of Web 2.0 through the 'theoretical lens' of tribes and fandom arguing that social-networking sites centring on iconic celebrities provide a rich context to explore notions of tribal identities and their forms of interaction, connectivity, and creativity. Employing a 'Netnographic Imagination', the paper explores the nature and character of this tribal context to provide insights into the tribal mattering spaces that are constructed around celebrity brands. Based on a detailed analysis of the passions, enthusiasm, and emotions of such communities, the authors conclude that Web 2.0 will have profound consequences for our approach to conceptualising consumers, our marketing practices, and the forms of market research with which we seek to understand consumers. The paper concludes by drawing together some very interesting implications for marketing management, research, and teaching. One of the main observations expressed is the need for marketers and PR professionals to change their business practices from creating compelling communication and one-way dialogue to having bi-directional conversations with consumers, becoming listeners and active participants in the word-of-mouth brand dialogues.

Building on the previous two papers, the contribution by Harwood and Garry continues on the theme of co-creation in virtual communities. The authors argue that interpretations of value and the processes of value creation are rapidly evolving from product- and firm-centric perspectives to personalised consumer experiences. Drawing on the consumption community and co-creation literature, the paper reports a study that examined the nature and characteristics of a specific virtual co-creation context: online gaming. Study findings suggest that consumers are able to take ownership, define and create their own post-product consumption experience, and, through a collaborative process between firm and consumer, continually modify and 'co-evolve' the product in an ongoing and iterative process. This, in turn, has implications for post-product ownership within such contexts.

From music to tourism, from consumer electronics to higher education, Web 2.0 and Social Media are having a revolutionary impact on many industries, especially information-intensive industries. The paper by Kerrigan and Graham provides interesting insights into the impact of Web 2.0 on the regional news industry and the strategic response of major players in the industry. The authors argue that regional news-media organisations are operating in increasingly competitive and fragmented markets for audiences and advertising revenues. Their very survival depends on their ability to find a workable online business model. A growing army of bloggers and amateur citizen journalists, combined with new media technologies, are radically changing the ways in which a news-media organisation functions and achieves profitability. Although significant progress has been made in developing online offerings, a major strategic gap still exists in terms of media organisations' use of the Internet. Few are fully harnessing the unique potential of Social Media to deliver engaging user experiences.

The rapid commercial evolution of the WWW has resulted in an environment where consumers engage directly with businesses in a variety of ways and levels of

interactivity. According to the contribution by Reppel and Szmigin entitled 'Consumer-Managed Profiling: A Contemporary Interpretation of Privacy in Buyer-Seller Interactions', this has resulted in a conflict between the need for identifying individual consumers in buyer-seller interactions through the use of personal data and the consumers' desire to protect this personal data. The paper contributes to this debate by proposing a profiling system managed by individual consumers with a view to allowing role-specific privacy. Rather than organisations being the sole managers of data about individuals, the paper argues that consumers should manage and distribute their own data. Based on consumer research, the benefits and concerns raised by respondents are discussed and a consumer-managed profiling system introduced that could overcome the conflict between the need for consumers to participate in contemporary societies and their desire to seek protection from the unnecessary collection of personal data.

While the last decade or so has seen a growing literature covering a broad range of e-marketing topics, relatively few studies have examined the bottom-line impact of online marketing on actual sales revenue. The paper by Spilker-Attig and Brettel makes a very valuable contribution in this area. Based on a study of 2.7 million online transactions, the paper presents a very detailed analysis of online consumer behaviour and the relative effectiveness of different online marketing channels by tracking advertising impressions and click throughs and their impact on actual sales. The paper concludes that push channels have a minor effect on sales compared to pull channels. In addition, advertising-channel impact is strongly influenced by price. The paper is one of the first to identify significant differences in the effectiveness of different online advertising channels and in different price groups, and establishes a very strong foundation for future research in this area. One of the main conclusions is that customers feel disturbed and annoyed by push marketing techniques like e-mails and affiliate banners. They prefer to search themselves for the desired product information and price offers on the Internet. This has clear implications for online advertisers.

The final paper by Valos, Ewing, and Powell presents interesting observations from marketing practitioners in 'blue chip' Australian multinationals concerning the future of online marketing. It is based on a longitudinal qualitative methodology aimed at capturing the changing perspectives of senior marketers in the period between 2003 and 2008. The paper identifies a major 'gap' between progress made and the potential of integrated online marketing communications.

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Reference

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