



GUEST EDITORS' PERSPECTIVE

# Just when you thought it was safe to go back into the Web: Marketing meets Web 2.0, social media, and creative consumers

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In this short introduction to our special issue, we provide a brief overview of Web 2.0, social media, and consumer-generated content, and explore the challenges and opportunities that marketers face. At pertinent points in our narrative, we introduce our contributing authors and their seminal ideas.

## UGIS: Understanding the nature of user-generated information systems (Philip DesAutels)

People from around the world are bringing together a variety of information technologies—devices, services, applications, networks, and information—to create personal information systems. This emerging phenomenon is enabled by a convergence of inexpensive, powerful, and ubiquitous devices and applications connected through global networks, motivated by an open ideology and enacted by 'prosuming' users. The author examines this phenomenon of the user-generated information system (UGIS) to better understand its origins and thereby

describe its nature. A formal definition of UGIS is developed and its components described. A model of the ideological and technical forces that contribute to the changing role of the user as information system creator, and to the emergence of this capability and issues, is introduced. Implications for managers are discussed.

## The uninvited brand (Susan Fournier & Jill Avery)

Brands rushed into social media, viewing social networks, video sharing, online communities, and microblogging sites as the panacea to diminishing returns for traditional brand building routes. But as more branding activity moves to the Web, marketers are confronted with the stark realization that social media was made for people, not for brands. In this article, we explore the emergent cultural landscape of open source branding, and identify marketing strategies directed at the hunt for consumer engagement on the People's Web. These strategies present a paradox, for to gain coveted resonance, the brand must relinquish control. We discuss how Web-based power struggles between marketers and consumer brand authors challenge accepted branding truths and paradigms; where short-term brands

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can trump long-term icons; where marketing looks more like public relations; where brand building gives way to brand protection; and brand value is driven by risk, not returns.

### **How to inspire value-laden collaborative consumer-generated content (Albert M. Muñoz Jr. & Hope Jensen Schau)**

Marketing is evolving into true participatory conversations. Once-tidy, controlled marketing communications with distinct, identifiable corporate spokespeople are giving way to a messy tangle of market-based communications consisting of multiple authors including customers, competitors, observers, employees, and interested collectives. Amidst this, we find consumer-generated content (CGC) that is predominantly antithetical to previous studies, which assumed CGC to be inspired by personal brand attachment and/or the desire to see discrete-authored CGC disseminated, or even motivated by monetary reward. Authorship of collaboratively-produced CGC is virtually untraceable, unknown, and monetarily uncompensated. The true reward is the process, and the outcome is not reliant on technical prowess but rather semiotic manipulation, narrative manipulation, and complex brand character development. Consumers—especially those who are members of active consumer collectives—are skillful, proficient, and prolific in the creation of CGC, with high resonance among very engaged consumers. We advocate harnessing collaborative CGC efforts toward long-term marketing objectives, and offer a brief tutorial.

### **The new WTP: Willingness to participate (Michael Parent, Kirk Plangger, & Anjali Bal)**

A key concept underlying competitive strategy is that of WTP, representing the consumer's 'willingness to pay' a premium price for goods or services. Through branding and other efforts, companies strive to push their message out and create a high willingness to pay, whereby consumers feel there are few or no substitutes for what these companies are selling. Social media, however, are making push-based marketing anachronistic. Users of social media typically eschew professional communications forced on them by faceless and impersonal

organizations, in favor of more personal conversations. These individuals seek greater engagement with their preferred brands, and involvement—with or without the company's approval—in creating brand personalities. Their affinity for these preferred brands might well auger the dawn of a new WTP: willingness to participate. This article presents a model of consumer engagement through social media, and argues for re-conceptualizing WTP by utilizing a series of examples which show how companies that engage consumers via social media (e.g., Facebook, Twitter, YouTube) stand to reap the benefits of long-term competitive advantages.

### **Unveiling user-generated content: Designing websites to best present customer reviews (Qianqian [Ben] Liu, Elena Karahanna, & Richard T. Watson)**

Online customer reviews are an important type of user-generated content, through which consumers share their experiences with products and services in order to help others make informed purchasing decisions. We discuss the goals of online customer reviews and develop practical, actionable principles that can be used to improve the presentations of customer reviews. We identify four goals—two ultimate, and two intermediate—of online customer reviews. The two ultimate goals are: (1) to assist consumers in making accurate choices, and (2) to reduce the cognitive costs of making such choices. The two intermediate goals are: (1) to help consumers form an unbiased understanding of the product, and (2) to construct a set of evaluative criteria. Drawing on the constructive view of consumer judgment and choice, we present a conceptual model of online-review based consumer judgment and choice. We report principles that will improve the presentation of reviews, and discuss the benefits of the new design over the traditional presentation of online reviews.

### **Social media? Get serious! Understanding the functional building blocks of social media (Jan H. Kietzmann, Kristopher Hermkens, Ian P. McCarthy, & Bruno S. Silvestre)**

Traditionally, consumers used the Internet to simply expend content: they read it, they watched it, and they used it to buy products and services.

Increasingly, however, consumers are utilizing platforms—such as content sharing sites, blogs, social networking, and wikis—to create, modify, share, and discuss Internet content. This represents the social media phenomenon, which can now significantly impact a firm's reputation, sales, and even survival. Yet, many executives eschew or ignore this form of media because they don't understand what it is, the various forms it can take, and how to engage with it and learn. In response, we present a framework that defines social media by using seven functional building blocks: identity, presence, relationships, conversations, groups, reputations, and sharing. As different social media activities are defined by the extent to which they focus on some or all of these blocks, we explain the implications that each block can have for how firms should engage with social media. To conclude, we present a number of recommendations regarding how firms should develop strategies for monitoring, understanding, and responding to different social media activities.

### **Two hearts in three-quarter time: How to waltz the social media/viral marketing dance (Andreas Kaplan & Michael Haenlein)**

The concept of viral marketing has been discussed in the literature for over 15 years, since Jeffrey Rayport first introduced the term in 1996. However, the more widespread use of social media has recently pushed this idea to a whole new level. We provide insight into the relationship between social media and viral marketing, and illustrate the six steps executives should take in order to dance the social media/viral marketing waltz. We define viral marketing as electronic word-of-mouth whereby some form of marketing message related to a company, brand, or product is transmitted in an exponentially growing way—often through the use of social media applications. We consider the three conditions that need to be fulfilled to create a viral marketing epidemic (i.e., giving the right message to the right messengers in the right environment) and present four different groups of social media viral marketing campaigns (nightmares, strokes-of-luck, homemade issues, and triumphs). We conclude with five points of caution that managers should heed when trying to launch their own viral marketing campaign.

### **We're all connected: The power of the social media ecosystem (Richard Hanna, Andrew Rohm, & Victoria L. Crittenden)**

Consumers are adopting increasingly active roles in co-creating marketing content with companies and their respective brands. In turn, companies and organizations are looking to online social marketing programs and campaigns in an effort to reach consumers where they 'live' online. However, the challenge facing many companies is that although they recognize the need to be active in social media, they do not truly understand how to do it effectively, what performance indicators they should be measuring, and how they should measure them. Further, as companies develop social media strategies, platforms such as YouTube, Facebook, and Twitter are too often treated as stand-alone elements rather than part of an integrated system. This article offers a systematic way of understanding and conceptualizing online social media, as an ecosystem of related elements involving both digital and traditional media. We highlight a best-practice case study of an organization's successful efforts to leverage social media in reaching an important audience of young consumers. Then, we conclude with several insights and lessons related to the strategic integration of social media into a firm's marketing communications strategy.

### **Social spending: Managing the social media mix (Bruce D. Weinberg & Ekin Pehlivan)**

There is incessant demand for 'proof' of return on investment (ROI) for social media spending, and a significant degree of uncertainty among marketers with respect to allocating effort and budget to social media. In this article, we address these issues by identifying different ways that organizations use social media, highlighting important distinctions in these approaches and describing how to frame the spending decision for social media. In addition, we identify dimensions that can be used to differentiate important types of social media in a social media mix, and relate this to tactical marketing execution. We also highlight the different nature of social objectives, the 'backward' process for meeting them, and the importance of establishing a social media 'mission control' as part of that process.