Marketing meets Web 2.0, social media, and creative consumers: Implications for international marketing strategy

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Abstract The 21st century has brought both opportunities and challenges in our global, boundaryless world. Importantly, managers face a dynamic and interconnected international environment. As such, 21st century managers need to consider the many opportunities and threats that Web 2.0, social media, and creative consumers present and the resulting respective shifts in loci of activity, power, and value. To help managers understand this new dispensation, we propose five axioms: (1) social media are always a function of the technology, culture, and government of a particular country or context; (2) local events rarely remain local; (3) global events are likely to be (re)interpreted locally; (4) creative consumers’ actions and creations are also dependent on technology, culture, and government; and (5) technology is historically dependent. At the heart of these axioms is the managerial recommendation to continually stay up to date on technology, customers, and social media. To implement this managerial recommendation, marketers must truly engage customers, embrace technology, limit the power of bureaucracy, train and invest in their employees, and inform senior management about the opportunities of social media. © 2012 Kelley School of Business, Indiana University. All rights reserved.

1. Our constantly changing world

Remember the heady days of Web 1.0? In one technological tsunami, consumers worldwide were able to interact with firms and each other on the multimedia platform that became known as the World Wide Web. The great majority of early company websites were little more than what came to be termed ‘brochureware,’ as organizations rushed to have an Internet presence by converting their corporate brochures to simple websites. Yet, this online presentation evolved rapidly to online coordination and commerce, with content spanning from entertainment to education. Companies saw the Web as the new Eldorado and quickly colonized the space.

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However, the world changed yet again! Just as organizations began to feel that they understood and had taken control of the Internet, along came a wave of new technologies that changed cultural norms and innovative praxes that effectively rendered many managers confused and helpless. This is particularly true for marketing executives charged with formulating and implementing marketing strategies internationally—in a world where consumer time zones have become invisible and communication immediate.

In this article, we provide a brief overview of Web 2.0, social media, and creative consumers, and explore the challenges and opportunities that these phenomena present to managers generally and to international marketers and their strategies in particular. We also show that these phenomena have specific and unique implications for international marketing strategy, and we provide five axioms to aid international marketers in exploiting the upside of these phenomena while limiting the considerable downside that can occur far too easily.

2. Web 2.0, social media, and creative consumers

The terms Web 2.0, social media, and creative consumers are often used imprecisely and interchangeably—largely because they are closely related and are, indeed, interdependent. However, they are conceptually discrete, and marketing managers need to understand the nuances of each to better serve the worldwide marketplace. One way of thinking about the differences between Web 2.0, social media, and creative consumers is illustrated in Figure 1, which uses two delineating dimensions of focus.

As seen in Figure 1, Web 2.0 can be thought of as the technical infrastructure that enables the social phenomenon of collective media and facilitates consumer-generated content. The latter are distinguished by the difference in focus: social media can be thought of as focusing on content, and consumer generation on the creators of that content. Simply, Web 2.0 enables the creation and distribution of the content that is social media.

2.1. Web 2.0

Web 2.0 technologies have caused three effects: (1) a shift in locus of activity from the desktop to the Web, (2) a shift in locus of value production from the firm to the consumer, and (3) a shift in the locus of power away from the firm to the consumer. Indeed, Web 2.0 can be thought of as a series of technological innovations in terms of both hardware and software that facilitate inexpensive content creation, interaction, and interoperability, and that put the lay user—rather than the firm—center stage in terms of design, collaboration, and community on the World Wide Web. Contrasting Web 2.0 with Web 1.0 can be thought of in terms of technology that has enabled a shift in focus from companies to consumers, individuals to communities, nodes to networks, publishing to participation, and intrusion to invitation. While Web 2.0 is technological, its effects are sociological and little short of revolutionary in their implications for business.

The origin of the term Web 2.0 is credited to the O’Reilly Media Web 2.0 Conference of 2004, during which O’Reilly described the Web 2.0 phenomenon...
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as business embracing the Web as a platform and using its strengths; for example, for global audiences (Graham, 2005). Yet, some commentators have questioned whether the term is truly meaningful. The response of Tim Berners-Lee, regarded by many as the founder of the World Wide Web, was that he thought Web 2.0 was merely a piece of jargon and that nobody even knew what it meant (Laningharn, 2006). It is probably more useful to view Web 2.0 as a series of application progressions rather than something new in and of itself. Enabled by technology to assuage the unquenchable thirst for information, it is consumers who have exploited the Web 2.0 platform. Instead of merely retrieving information as was the case in the early state of the World Wide Web, consumers now both create and consume information. These newer interactive websites provide a richer context to users by means of user-friendly interfaces that encourage and facilitate participation. Tapscott and Williams (2007) contend that the economy of ‘the new Web’ depends on mass collaboration with economic democracy as an outcome. Web 2.0 has had two main consequences of importance to global marketers. First, it has given rise to what has been termed ‘social media,’ and second, it has allowed the phenomenon that has been termed ‘creative consumers’ to flourish.

2.2. Creative consumers

Creative consumers are the new locus of value in Web 2.0. It is they—rather than firms—who produce much of the value-added content in social media, and it is their networks of friends and associates that constitute the social. Creative consumers are the dynamo in this new media world. While the marketplace often refers to social media as user-generated content (UGC) or consumer-generated media (CGM), it is important to distinguish between the media and the consumers. The media (e.g., YouTube, Facebook, Twitter) are essentially vehicles for carrying content. This content—in the form of words, text, pictures, and videos—is generated by millions of consumers around the world, and from a marketer’s perspective can indeed be inspired to create value (Muniz & Schau, 2011). From a marketer’s perspective, CGM varies across a spectrum of creativity. The spectrum begins with informal discussions about products and services; for example on Facebook or Twitter. It then progresses to consumers creating structured reviews and evaluations in text or video. Next, consumers become involved in the promotion or demotion of brands through self-created advertising videos (Berthon, Pitt, & Campbell, 2008). Finally, consumers become involved in the modification of proprietary products and services and the distribution of these innovations (e.g., Berthon, Pitt, McCarthy, & Kates, 2007; Mollick, 2005).

2.3. Social media

Social media comprise both the conduits and the content disseminated through interactions between individuals and organizations (Kietzman, Hermkens, McCarthy, & Silvestre, 2011). However, it is overwhelmingly the product of consumers. Web 2.0 technologies transform broadcast media monologues (one to many) into social media dialogues (many to many). Social media is the product of Internet-based applications that build on the technological foundations of Web 2.0.

Social media content comprises text, pictures, videos, and networks. Text was the first social media, which was initially primarily in the form of blogs (short for ‘web logs’). Blogs are websites owned and written by individuals who maintain regular commentaries and diaries that may include text, graphics, videos, and links to other blogs and web pages and are usually presented in reverse chronological order. Micro-blogs (e.g., Twitter) are social networking services that enable users to send and read very short messages, which are usually restricted by the number of characters in the message. Picture-sharing websites (e.g., Flickr) allow users to store and share images, while video-sharing websites (e.g., YouTube) permit users to upload and share videos. Networks (e.g., Facebook) are services on which users can find and add friends and contacts, send messages to friends, and update personal profiles. However, social networks are a qualitatively different type of product than text, pictures, and videos; there is a shift from the individual to the collective, as social networks leverage the power of relationships and the collective wisdom of many.

On the conduit side, social media comprises an array of channels through which interaction between individuals and entities, such as organizations, is facilitated and disseminated. Typically, social media are highly accessible (easy to get to) and scalable (can be used to reach large numbers) (Brogan, 2010; Zarella, 2010). These channels use Internet- and Web-based technologies to transform broadcast media monologues (one to many) into social media dialogues (many to many). These social media support the democratization of knowledge and information, and transform individuals from mere content consumers into content producers. Kaplan and Haenlein (2010, p. 61) describe social media as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content.” As Hanna, Rohm, and
Crittenden (2011) argued, the real power of the social media ecosystem is that “we are all connected.”

3. Power and value in the new dispensation

The new global marketing environment is littered with success and disaster stories for many well-known brands. However, all tend to have one thing in common: the shift in power away from the firm toward individuals and communities. A recent example is the case of Dave Carroll and ‘United Breaks Guitars.’ After a United Airlines flight to Chicago, Carroll found that baggage handlers had broken his guitar. After spending a year trying to have his claim for damages honored and finally refused, Carroll informed United Airlines that he would write a song and create a video of the incident. This he duly did, uploading the song and video to YouTube and advertising the fact on Twitter. Traditional media then became interested in the story and within a short time, Carroll’s tale was aired on CNN and other television channels. Interestingly, however, it was when the story went international that United seemed to feel the real impact. On the day it was published in The Times of London, United Airlines’ market capitalization declined by around 20%—a loss in value to shareholders of around $180 million at the time (Ayres, 2009).

There are also many success stories in social media that illustrate the change in locus of value creation from the firm to the individual or community. Justin Halpern, a journalist, went to live with his 78-year-old father when he broke up with his girlfriend. Amused by the crabby sayings of his father, Halpern began to record and tweet the aphorisms. Within a very short time, he had more than 1.5 million followers on Twitter. A publisher became interested, and the resulting book named Shit my Dad Says became a runaway success, staying at the top of The New York Times best seller list for more than 3 months. The book went on to become a best seller in other English-speaking countries, such as Australia and the United Kingdom. Its success also resulted in Halpern being invited to collaborate on the creation of a sitcom series of the same name starring William Shatner.

However, although firms are not the sole creators of value they once were, some astute companies are leveraging social media to good marketing effect. Consider Procter & Gamble’s Old Spice brand. This veteran brand was almost certainly in the decline phase of its product lifecycle when an ad was created featuring NFL star Isaiah Mustafa as the ‘Old Spice Guy.’ The ad won the Golden Lion award at the Cannes Film Festival in 2010, but the real success came from its posting on YouTube with millions of downloads, very successful humorous tweets on Twitter, and the creation of a hugely popular fan page on Facebook. Sales of Old Spice increased by 55% between April and June 2010 (Pitt et al., 2011).

At first blush, social media looks easy from an international marketing perspective. It seems to be as simple as establishing a fan page on Facebook, tweeting regularly, and perhaps placing some of a brand’s ads on YouTube. However, it is not easy. It gets especially hard when firms attempt to target Generation Y, arguably the generation that has grown up with social media. So, what is the international marketing strategist to do? In the following sections, we seek to answer this question by positing a series of five guidelines: ‘dos’ that are critical for marketers to follow if they are to understand and flourish in the new dispensation.

4. A guide for the perplexed: Five axioms for using social media and creative consumers in international marketing strategy

To help international marketing strategists make effective use of social media and constructively engage creative consumers, we propose five axioms marketers should keep in mind. These axioms relate to how social media and creative consumers arise, how the information that is distributed over social media has both local and general components, and how the technological infrastructure that enables social media is historically contingent. The axioms, summarized in Figure 2, include the following:

1. Social media is a function of the technology, culture, and government of a particular country.

2. In the age of social media, local events seldom remain local.

3. In the age of social media, general issues seldom remain general; that is, macro issues tend to be (re)interpreted locally.

4. The actions and creations of creative consumers tend to be a function of the technology, culture, and government of a particular country.

5. Technology tends to be historically dependent; that is, technologies in different countries evolve along unique trajectories due to inertia rather than because they are the optimal solution.
4.1. Axiom #1: Social media is a function of a country’s technology, culture, and government

We propose that the social media profile of a particular country—that is, the most prominent social media types and how they are used—will be determined by three things about that country: technology (the infrastructure enabling social media), culture (shared values), and government (institutional rules and regulations).

First, the country’s level of technological advancement, such as the average bandwidth and speed available, will make some media more or less prominent than others. For example, YouTube is less popular in emerging markets where it consumes considerable bandwidth than it is in countries in North America and Western Europe. Second, the popularity of a social medium in a country will also depend on the attitude of that country’s government about the particular social medium. For example, the Chinese government has banned the social networking site Facebook. Not only can locals not access the popular social networking site, visitors are inevitably surprised to find that they cannot access it when visiting China. Third, the choice and popularity of social media is also determined by cultural norms and values.

To discuss the third point more specifically, there is evidence of a relationship between cultural norms and values and the relative interest in a social media site across different countries. Table 1 shows how this can differ quite markedly among a small sample of nations and across a range of social media. The numbers on the graph reflect how many searches have been done for a particular term in one of the five nations relative to the total number of searches done on Google over time. The numbers do not represent the particular social medium’s popularity within a country; rather, they represent relative interest in that medium as revealed by Google searches. They also do not represent absolute search volume numbers because the data is normalized and presented on a scale from 0–100. Nevertheless, there is sufficient richness in this data to show that relative interest in particular social media differs markedly across countries. For example, Facebook and LinkedIn attract high

| Relative Frequency of Search Terms from Google Insights: Social media by country |
|---------------------------------|--------|---------|---------|---------|---------|
| Source: Data collected from Google Insights, September 12, 2011 |
interest in the United States, India, and South Africa, while interest in Mixi and Gree is almost exclusive to Japan where there is little interest in Facebook or LinkedIn. Orkut seems to attract interest only in Brazil.

From an international marketing strategy perspective, this means that firms cannot follow a one-size-fits-all or standardized approach when it comes to social media usage. A company will need to customize the social media aspects of its global marketing strategy to fit and accommodate national differences. While a company might be tempted to follow Levitt’s (1983) dictum of global standardization and might well find it possible to standardize aspects like product, pricing, and distribution strategy, it will be risky if not impossible to standardize on the social media component of its communication strategy.

4.2. Axiom #2: In the age of social media, local events seldom remain local

In pre-social media times, the risk of a multinational corporation having its marketing operations affected globally by an occurrence in one country was much less likely than it is today. For example, a leak of methyl isocyanate gas occurred in December 1984 at the Union Carbide India Limited pesticide plant in Bhopal, India. Severe as the tragedy was, it did not have a considerably adverse effect on the company’s brands internationally, which included Eveready batteries. Much of the communication concerning the incident was conducted by the international news media on the one side and Union Carbide’s public affairs department on the other. There was little opportunity for the general public in India, the United States, or any other country to engage directly in dialog concerning the disaster. What was local, for all intents and purposes, remained local.

In this age of social media, what is local almost inevitably becomes global, whether the firm wishes it to or not. An excellent recent example of this occurred with Nestlé and its well-known Kit Kat brand. Greenpeace targeted the brand because Nestlé is a major purchaser of palm oil. Palm oil is grown in rainforest areas, mainly in Indonesia and Malaysia, where natural forests are often destroyed in order to plant oil palms. This is particularly devastating to the orangutans and other wild creatures that live in these forests. Greenpeace created an ad that featured an individual consuming a Kit Kat only to have the tasty chocolate bar turn into bleeding orangutan fingers when the consumer bit into it. Greenpeace placed the ad on YouTube, and Nestlé quickly requested that it be taken down. It was taken down, but just as quickly, it was then replaced by other consumers who had already downloaded it. Very soon angry consumers from all over the world began to gather as fans on Nestlé’s Facebook page for fans of the Kit Kat bar. They demanded that the video be reinstated. The young intern responsible for managing the fan page began to remonstrate with them, and the slanging match continued to the point where Nestlé was severely embarrassed. On May 17, 2010, Nestlé finally announced a break for the orangutan, as well as the rainforests and peatlands, by committing to stop using products that came from rainforest destruction. While the dialog had been initiated initially by Greenpeace as the protagonist and Nestlé as the target, mainly in Malaysia and Indonesia, the conversation spread like wildfire as consumers internationally used social media to join the discussion.

From an international marketing strategy perspective, this means that company executives must continually monitor local news concerning a firm’s product offerings and brands, and gauge the impact of seemingly local events on overall strategy. What seems like a minor irritation in a local market could blow up into a major global catastrophe for the firm. Similarly, an apparently local triumph for the firm could turn into a significant international marketing opportunity.

4.3. Axiom #3: In the age of social media, general issues seldom remain general

The third axiom in strategic social media is a complement to the second. Just as local events become global, global phenomena are often (re)interpreted locally. That is, the general is always interpreted and enacted at the local level. Thus, global issues—such as global warming, the financial crisis, and democracy—are viewed and processed in very different ways by different countries, states, and regions. By and large, this has always been the case. However, social media has sped up this process dramatically and added an increased element of unpredictability. Things happen more quickly and with less certain outcomes.

Consider the recent ‘Arab Spring’ where the issue of democracy became catalyzed across the Arab world. Social media played such a pivotal role in the dissemination of information and the coordination of action that some have called this the ‘Twitter Revolution.’ Pertinent to the current theme is that the democracy movement was interpreted and acted upon in very different ways in disparate parts of the Arab world. Some communities, such as Libya, chose violent insurrection, while others, such as Egypt, chose peaceful protest (Mourtada & Salem, 2011).
Similar patterns can be found in the more mundane but financially driven world of fashion. Fashion is a popular topic in social media; however, what constitutes fashion—that is, what is hot and what is not—varies widely from region to region. Consider high street fashion outlets in different parts of the world. An analysis of European social media reveals that while Zara and H&M are the two most blogged, tweeted, and discussed brands in all three countries, the Spanish are differentially obsessed by Benetton, the French by Promod, and the British by Mango (Aramendia, 2010).

From the above discussion, particularly axioms #2 and #3, we can conclude that social media perform a number of different functions in the international context: (1) they facilitate the rapid dissemination of information; (2) they allow the accelerated spread and coalescence of interpretive frameworks that make sense of that information; and (3) they allow the swift coordination of action—or, to be more precise, inter-action. In the latter case, this is emergent or contextually rooted rather than pre-planned and hierarchical, although it can be used for this, too. These three elements are reciprocally linked and illustrated in Figure 3.

4.4. Axiom #4: The actions and creations of creative consumers tend to be a function of a country’s technology, culture, and government

The ‘creative consumer’ phenomenon refers to the fact that there are consumers worldwide who adapt, modify, or transform firms’ proprietary offerings (e.g., Berthon et al., 2007; Mollick, 2005). These modifications and adaptations range from the very simple, such as creating a whole home’s furniture out of FedEx boxes (Morrissey, 2005), to modifying entire automobiles, as Ron Gremban did with his Toyota Prius (Molloy, 2005). These consumers are not synonymous with what von Hippel (1986) referred to as ‘lead users.’ Lead users are actively sought by firms as those customers whose current strong needs will become general in a marketplace months or years into the future. Creative consumers tend to mess with products, often modifying them in ways that have little to do with the product’s original purpose and frequently at odds with the original need the product was intended to fulfill.

Creative consumers represent an enthralling contradiction for firms (Berthon et al., 2007). They appropriate firm value and revenues with their blatant disregard for copyright and the notion of intellectual property. By tampering with proprietary products, they can often produce something truly dangerous. However, they can also be a gold mine of ideas and business prospects, as they identify opportunities that become sources of revenue and growth for the firm.

Creative consumers have always existed. For example, farmers in the early 1900s modified their Model T Fords to perform all kinds of agricultural tasks. However, the age of Web 2.0 and social media has placed the phenomenon into hyperdrive. The Internet and social media permit connections between creative consumers and the dissemination of their ideas. For example, site memberships devoted to hacking the iPhone or Sony’s PlayStation 3 outnumber many countries’ Facebook membership. The phenomenon is also boosted by the programmability and malleability of software and components that have evolved in the last two decades, as well as an overall cultural shift toward customization and individualization (Franke & Schreier, 2010).

The framework introduced in Figure 2 implies that the existing level of technology in a country will determine what creative consumers do with existing and new products. Consumers’ motivation to create and the ways in which they do so will also be related to their culture, especially the extent to which it is open to innovation and to the expropriation of others’ intellectual property. Furthermore, creative consumers will be restricted or given freedom by the nature of the legislation within the country and their interpretations of it.

When it comes to creative consumers, international marketers need to realize that consumers in some countries will hack and modify offerings, while those in others will not or will change them in different ways. While Japanese consumers loved Sony’s AlboPet robotic dog and cared for and nurtured it,
Americans just did not ‘get it.’ A number of owners, disappointed that a $3,000 toy could do so little, hacked the dog’s software and made it do things Sony never intended, such as jiving and dancing (Kohler, 2005).

Two far simpler examples from emerging markets illustrate why international marketing strategists need to be aware of how products may be completely repurposed in different countries. Large plastic soft drink bottles represent a major dilemma to companies like Coca Cola and Pepsi Cola in North America and Europe. The bottles are a convenient, efficient, and inexpensive way to package products, but their disposal can create major problems. Yet, these same plastic soft drink bottles are changing the lives of thousands of less affluent consumers in countries like the Philippines and Brazil. Thousands of poor people in cities like Manila, a city with the highest electricity costs in Asia, have a problem. Their houses, usually without windows, are so close together that all the light is blocked and does not reach homes even on the sunniest of days. A group of students at the Massachusetts Institute of Technology came up with a simple and appropriate innovation that utilized plastic soft drink bottles in a unique way (Ecopreneurist, 2011). The plastic soft drink bottles, in conjunction with a piece of corrugated roof and sealant, allowed for natural sunlight to filter into otherwise dark houses—the equivalent of a 60 watt light bulb (Oshima, 2011).

In another example, rebels fighting the Gaddafi regime in Libya adapted a relatively inexpensive toy by turning it into an unusual but effective weapon. An engineer in the rebels’ ranks transformed a Fisher-Price Power Wheels Jeep into an armed unmanned vehicle by equipping the toy ride with a video camera and remote control unit, and mounting a machine gun on top. As Ackerman (2011) points out, ”The robo rebel is a vivid illustration of the potential implications of a rapidly descending barrier to entry for this kind of technology. Anyone can—on principle, at least—build a robot, and given the need or the motivation, anyone can put a gun on one, too.”

The soda bottle as a light bulb and the child’s toy as a weapon show that consumers in different countries will repurpose firms’ offerings in creative ways to suit local circumstances. This repurposing will often have little to do with the product’s original intention. Both its availability and the methods used in its repurposing can be rapidly disseminated by means of blogs, video hosting sites, and social networks. From an international marketing strategy perspective, this means that marketers must realize that consumers all over the world will be appropriating, modifying, and adapting proprietary offerings in ways that will change those technologies and their intended purposes significantly. More specifically, marketers need to recognize that the value paths induced by this product or service meddling may vary considerably across international contexts. Once again, marketers will need to monitor both broadcast news and social media to keep abreast of such developments.

4.5. Axiom #5: Technology tends to be historically dependent

Because the technologies that become incumbents in different countries and contexts are the result of existing infrastructure, culture, and government (as shown in Figure 2), the technologies evolve along unique trajectories due to inertia rather than because they are the optimal solution. The case of MXit in South Africa is an interesting example of this axiom. MXit (pronounced ‘mix it’) is a free instant messaging application that runs on multiple mobile and computing platforms. Users can connect to each other on the MXit protocol and also to other platforms, such as Yahoo, ICQ, Google Talk, Facebook, and Windows Live Messenger.

MXit has more than 27 million subscribers, making it the largest social network in Africa with 40,000 new subscribers joining every day. Indeed, it is far larger than Facebook in South Africa with regard to number of total members. MXit allows users to send and receive one-on-one text and multimedia messages to and from other users and in general chat rooms, which makes it very similar to BlackBerry Messenger. Like BlackBerry Messenger, it is also essentially free, which is a big draw in a country where phone plans are very expensive by international standards and where regular text messaging is not really an option for young consumers.

While MXit has been released in many other countries, its real success has only been in its home market. Penetration of the South African market is well explained by the forces of technology, culture, and government. Majority ownership of the landline telephone system in the country—by a company called Telkom—is still largely vested in the national government, and while there is some free competition in mobile phone services, Telkom holds a major shareholding in the largest provider, Vodacom. As a result, competition among the cellular service providers is hardly fierce, which means that users pay high cellular phone rates, including text messaging and data plans. Furthermore, because of Telkom’s complacency, investment in Internet infrastructure has been relatively small until recently and also slow by international standards. For example, The Economist (2006) rated South Africa’s connectivity as 2.7 (on a 10-point scale compared to Denmark 8.7, Canada 7.75, and the United States 7.8) in a 2006
5. Technology, creativity, and power

The theme of this special issue is strategic marketing in a changing world, and in this article, we have taken the term ‘world’ in two senses. First, we use it in the sense of the world of marketing and second in the sense of marketing in the world (i.e., international marketing). Thus, we explore some of the primary drivers of change in the world of marketing and how these impact international marketing strategy. Moreover, we show that rather than marketing being reactive to a changing world, it is in fact one of the primary drivers of change.

To recap, Web 2.0 technologies have enabled three main changes: a shift in activity location from the desktop to the Web, a shift in locus of value production from the firm to the citizen, and a shift in locus of power from the firm to the individual and the collective (Figure 1). To help international marketing strategists, we articulated five axioms that underpin the new marketing dispensation. To manage these, we offer a series of recommendations and highlight the barriers to implementation of a successful international social media strategy.

Our first recommendation is that international marketing strategists understand the technology that underpins social media and creative consumers. Web 2.0 is a collection of technologies, and whether they like it or not, marketers have to comprehend how these technologies work and the phenomena they enable. Our second recommendation is to understand the consumer. Technology has transformed the traditionally passive consumer into a major source of creative talent. For marketers, the tables are now turned, and there has been a shift in the relative locus of power from the firm to the consumer. International marketers have become susceptible to consumers who formerly possessed little in the way of traditional power but can now direct the new powers of networks and influence afforded by social media. While it is one thing to learn how to relinquish control of a brand, it is another when value creation shifts from the firm to the customer. Marketers used to seek people to consume their products; now, they seek people to produce the value they seek to leverage. Given this unsettling scenario, the goal shifts from ‘telling the customer’ to enticing customers to participate in value creation. Our third recommendation is to understand social media. This entails two elements: the social and the media. The social involves the dynamics of networks, the power of the collective, and the wisdom and folly of the crowd. The media involves questions of how new media fit or integrate with traditional media and how marketers should manage and direct marketing dollars in the new ecosystem. These three shifts result in a number of substantial barriers to the implementation of a successful international social media strategy:

1. The attitude and language of engagement is one major barrier. Marketers will have to listen and learn, rather than preach. In doing so, they will need to adopt the right tone and take the right actions. They will need to learn to engage, not bully customers; and to take a personal, not an officious, tone in conversations with consumers.

2. The successful implementation of social media plans has to do with technology. There is the paradoxical situation in many of today’s organizations where they are attempting to engage stakeholders by means of social media, while at the same time prohibiting their own employees from using social networking tools at work. There are too many reported instances of employees being banned from using the social networking tools they are told to use.

3. Bureaucracy is an impediment to the implementation of social media plans. Social media strategy requires speed and flexibility. However, bureaucratic rules can kill, or at least stifle, the successful implementation of effective social media plans.
4. An obvious barrier to social media plan implementation is that employees lack IT and communication skills. Frequently, these skills are not included in fundamental training. For example, a Deloitte LLP (2009) study found that while 74% of employees surveyed said it is easy to damage a company’s reputation on social media, a mere 17% of companies have programs in place to monitor and mitigate the potential reputational risks related to social network use. According to Leonard (2009), there is a clear consensus among social media experts that establishing social media guidelines and training employees on the proper use of social media within those guidelines is paramount to running a successful company. The author goes on to state, however, that very little training in this regard is actually being delivered.

5. Many organizations are still oblivious to what has been termed the ‘digital divide,’ a situation in which many parts of the population—even in developed countries—do not have access to basic computing tools, such as desktops and broadband Internet access, let alone more sophisticated social networking tools.

6. Finally, it is still true that senior decision makers in some organizations see social media as the wasteful pastime of teenagers. A recent survey found while 58% of executives agreed that reputational risk and social networking should be a boardroom issue, only 15% said it actually was an issue (Deloitte LLP, 2009). However, for social media plans to succeed, they need the buy-in and support of senior managers who really understand how to move from ‘Big Brother’ to ‘engagement at a par.’

The 21st century has brought both opportunities and challenges in this global, boundaryless world. Marketing managers face a dynamic and interconnected international environment. As such, they have to consider the many opportunities and threats that Web 2.0, social media, and creative consumers present, and marketing managers need to learn to work within the resulting respective shifts in loci of activity, power, and value.

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