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December 2001

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### Recommended Citation

McCarthy, Richard; Aronson, Jay; and Petrusch, Robert, "Enhancing the Consumer Design Web Site Model through Integrated Public Relations Strategy" (2001). *AMCIS 2001 Proceedings*. 136.  
<http://aisel.aisnet.org/amcis2001/136>

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# ENHANCING THE CONSUMER DESIGN WEB SITE MODEL THROUGH INTEGRATED PUBLIC RELATIONS STRATEGY

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## Abstract

*This paper explores the relationship between Web site design, public relations strategy and a consumer's intention to return to a Web site. The relationship is defined through a model that explores the influence of information satisfaction, particularly when the Web site design is congruent with the expectations of the consumer. The public relations dimension extends the consumer Web site design model by interjecting a long-term focus that organizations will need in order to make electronic commerce a viable investment of information technology resources.*

## Introduction

Electronic commerce via the Internet continues to intensify; providing a strategic blend of marketing, public relations, and technology. Projections for the expansion of electronic commerce over the past five years have been consistently understated. The Internet has become a communications vehicle to enable business-to-consumer and business-to-business electronic commerce. Its ease of use has resulted in rapid expansion worldwide. However, while some businesses thrive on the Internet, others have collapsed or are currently on life support.

Information satisfaction contributes to consumer satisfaction, which occurs when the product or service offered by a firm consistently matches the expectations of the consumer. Of course, many on-line customers fail to hit the buy button before they leave a Web site because it does not meet their expectations. By working together, information system professionals and public relations professionals can create a Web-site design strategy that helps ensure that customers not only return more often to a Web site to consider a purchase, but that when they return they have a more favorable image of the organization. An effective electronic commerce strategy is therefore needed to match the desired consumer response with the Web site design.

In the past five years, electronic commerce has exploded. Electronic commerce has had a significant technological impact on business strategy, but has it paid off? Estimates of current use and expectations for the future vary, but in each case the actual use continues to exceed expectations. Most major companies have developed a Web site presence aimed at boosting bottom line results, raising their awareness level, or enhancing customer loyalty. For companies doing business on the Internet, effective Web design and an e-commerce strategy will determine their ability to compete over the next decade. It is vital for a company to have an integrated marketing, public relations and information technology strategy in order to develop a lasting value-added presence on-line. Public relations practitioners have found that technology can be used to supplement tasks such as media list maintenance; media clip analysis and obtaining immediate feedback on the impact of press releases. Specialization and targeting continue to be significant trends in public relations and the vastness of Web based databases support these trends (Wiesendanger, 1994).

The consumer response Web site design model was developed to provide a framework for describing the relationship between Web site design and a consumer's intention to return (McCarthy and Aronson, 2000). This paper extends that model by incorporating the *public relations strategy dimension* to the explanation of a consumers' intention to return. The theoretical basis for the model is explained along with its relationship to information satisfaction. The model purports that information satisfaction affects the strength of the relationship between web site design and intention to return. We posit that information technology web site design strategy is enhanced when an integrated public relations strategy is utilized thereby achieving a state where customers not only return to the web-site more often, but that when they return they have a more favorable image of the organization.

## Literature Review

### *Information Satisfaction and the Web*

Consumer satisfaction occurs when consumers' expectations are aligned with the performance of a product or service. Spreng, MacKenzie, and Olshavsky (1996) extended the definition of consumer satisfaction to include the concept of information satisfaction. Information satisfaction influences the overall feeling of satisfaction that information about a product or service has on the consumer because of the speed at which information is available and the content that is accessible. The importance of information satisfaction is increased when the buyer-seller exchange occurs in an on-line environment through electronic commerce.

Davis, Buchanan-Oliver, and Brodie (1999) identified the marketing interaction that transpires between business and consumer as the creation of *real virtuality*. Real virtuality states that the user's interaction with electronic environments is enhanced by the cognitive experience that is created not just by what is seen on the screen but also the communication of the experience. Real virtuality therefore is enhanced by the amount of information that is made available about a product or service.

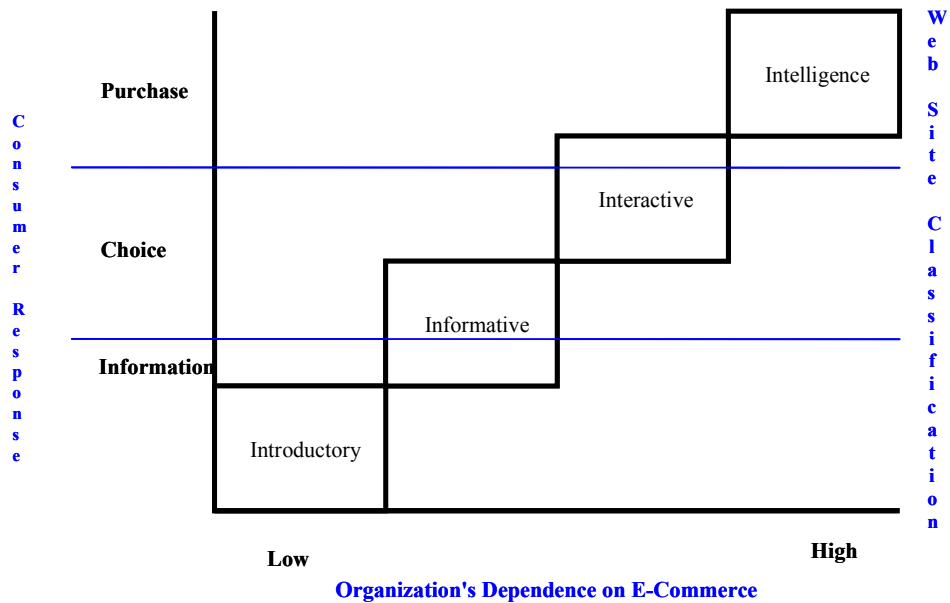
Sheth, Sisodia and Sharma (2000) define customer-centric marketing as seeking to satisfy the needs of individual customers rather than a mass market. Three underlying reasons for the growth in customer-centric marketing have been identified. First, is concern about the effectiveness of marketing activities by senior management. Second, market diversity is increasing the wants and needs of consumers. Finally, new technologies have enabled marketers to better meet the needs of individual consumers. Electronic commerce through the use of the Internet is an enabling technology that allows firms to provide customer-centric marketing. The degree to which people place their trust in using the Internet as a means to enable commerce to take place will affect a consumers' intention to return to a web site. Singh and Sirdeshmukh (2000) proposed that competence trust has a significant influence on consumer pre- and post purchase decisions. Further, competence trust affects consumer satisfaction. Consumers, however, have their concerns on-line. An April 2000 report by the Boston Consulting Group noted that some 65 percent of on-line customers bail out of a transaction before the final step. Professor B.J. Fogg, the director of Stanford's persuasion technology lab has assigned different teams to study why consumers bail out of transactions on the web. He said: "A lot of these on-line transactions hinge on the power of persuasion. The question is how you manifest mood to bring about a commercial event" (Grebb, 2000). Fogg's teams found that human interaction was one way to get consumers to make a buy decision on line. People want reassurance from a real person, according to Fogg. The student teams built a real human into the site as a way to make the buying decision more comfortable for the consumer. Other ways, according to public relations experts, to help consumers make buy decisions on the web and return more often include having a site with high credibility, cachet and strong customer satisfaction.

Marketing on the web dilutes the difference between large and small companies, enabling companies to perform one-on-one marketing. Gillenson, Sherrell, and Chen (1999), define one-on-one marketing as the ability to use information about an individual to market specific products or services to that individual that are assumed to be of interest. This is not a new concept, however, the use of the Internet has opened a new channel of distribution. It is based upon the premise that if a company can somehow develop a personal relationship with a consumer then the consumer will continue to buy more products or services from that company. Gillenson, Sherrell and Chen (1999) define two categories of data as essential in the enablement of one-on-one marketing. The first is the variety of needs an individual consumer is looking to satisfy through the products or services of the firm. The second is the *value skew* of the distribution of profits the current customers generate for the firm. Dividing the variety and value presents a customer differentiation matrix. The matrix of low to high value and skewness can help define the electronic commerce strategy for the firm. One of the useful outcomes of this approach is that a company can learn from the data it collects. If a company begins with the wrong electronic commerce strategy but effectively monitors and controls their web site, they can more easily make interim adjustments until the right mix of differentiation is achieved. Kalakota and Whinston (1996) determined it was necessary to examine the overlapping roles of the user and technical perspectives to create an effective e-commerce strategy.

### **E-Commerce Web Site Design Model**

The E-Commerce web site design model provides a framework to explain the type of marketing and public relations integration needed to support consumer satisfaction. (McCarthy and Aronson, 2001)

The model (Figure 1) purports that consumers in a business to consumer environment access web sites either because; (1) they seek information about a specific product or service, (2) they require specific choices about products or services, including complementary or substitute products, or (3) they seek to make on-line purchases.



**Figure 1. Model of E-Commerce Web Site Design**

The needs of consumers are satisfied through one of four classifications of integrated marketing-technological strategy. These four classifications can be used to explain how an organization chooses to organize and present their web site. The organization and presentation of the web site is a combination of marketing and information technology strategy in order to achieve short terms goals, combined with public relations strategy aimed at achieving long range goals. The classifications help to explain what consumers desire and how consumers will respond. Organizations seek to optimize the response to the desired goal of the web site. Each of the classifications represents a specific set of design characteristics for web sites. The classifications are explained in Table 1.

**Table 1. Web Site Classification**

<b>Web Site Classification</b>	<b>Desired Response Definitional Criteria</b>
<i>Introductory</i>	Firms in this category establish a web site for the purpose of identifying their products and services
<i>Informative</i>	Firms in this category use their web site to direct customers to specific locations, including other web sites in order for purchase transactions to be completed.
<i>Interactive</i>	Firms in this category design web sites that interact with consumers, primarily in the form of transaction processing. Immediate feedback is given to a consumer, once a purchase transaction has been completed.
<i>Intelligence</i>	Firms in this category utilize intelligent agents to build and maintain customer profiles. Web sites are personalized to respond to the individual consumer needs.

Each web site classification (introductory, informative, interactive, and intelligence) should have a public relations dimension as way to build customer loyalty and to enhance the probability that the customer will return to the site more often to buy products. Each interaction with the customer is a chance to make a sale and enhance the market appeal of the firm. The public relations dimension can build support a site in three important ways: credibility, cachet, and community. “Credibility adds value and generates an audience’s willingness to believe that the business will succeed”(Middleburg, 2000). Cachet or buzz as it sometimes called provides a special feeling on the site that makes it interesting for consumers to return again and again. Key influencers can drive traffic to a site based on a mention in a major magazine, national newspaper, or major network. Finally, the community is on-line customers that engage the organization in dialogue through e-mail or other feedback mechanisms and share their interests and concerns about the organization’s product or service. Sony and Yahoo have strong public relations dimensions on their sites that help build customer trust and loyalty.

## Integrating the Public Relations Dimension

The introductory strategy might have a distinctive logo, a tailored message from the CEO, an annual report or press releases to help build good will and customer loyalty.

The informative strategy may choose to use testimonials from satisfied customers or famous people that have used the products or services. The customer may be directed to other sites for more information about the product or service with well-placed graphics and key targeted messages.

The interactive strategy may choose to include a video message from the CEO, interactive chat or a video that shows how the transaction is completed and how the product will be sent to your home. A pledge or endorsement similar to the Good Housekeeping Seal of Approval may be used to build credibility or trust.

The intelligence Strategy might have options for personal customer feedback and opinions and it might include a money back guarantee with the option to talk with someone on an 800 number if that what it takes to close the sale. It might also include targeted surveys based upon the past experience and knowledge gained of the customers from web site visits. It could also include targeted marketing opportunities such as email coupons, based upon prior spending patterns. Community dialogue options and cachet is for important for this site to keep customers coming back.

Organizations that compete in the world of e-commerce, and wish to do so over the long term need to ensure that an e-commerce strategy is in place that includes dimensions of marketing and public relations. The strategy should define which types of e-commerce Web site classification they employ. The strategy must be updated as the needs of the organization change, particularly as they become more dependent upon e-commerce. Organizations' needs continuously change over time. The organization's Web site strategy should be updated as the needs of the organization change. Organizations with a much greater dependence upon e-commerce will be more likely to utilize interactive and intelligence based Web site designs. The e-commerce Web site design model has been extended to include the dimension of public relations through the following, testable hypotheses:

*H1: Consumer response is affected by Web site design*

*H2: An organizations Web site design is affected by their dependence upon e-commerce as a channel of distribution*

*H3: Consumer satisfaction increases when the web site design classification matches the desired response.*

*H4: Consumer satisfaction increases when the public relations strategy matches the web site classification.*

Consumer satisfaction will be an important determinant in the evaluation of electronic commerce as a long-term strategic technology that adds value to the firm. A well thought out public relations dimension as part of that strategy would enhance customer satisfaction and loyalty.

## Implications for the Future

Calloway (1991) purports that public relations can exploit information technology to define a just in time integrated toolset that will enable rapid response to any crisis within an organization. However, we purport that the corollary to that proposal is that information technology must exploit public relations in the effective design of e-commerce Web sites to build systems that will be perceived to provide real value to the consumer. To maintain an effective Web site presence, consumers will have to perceive real value if it is to be viable in the long term.

The model provides a framework to analyze the affect of Web site design on consumer satisfaction. Further empirical testing is needed to validate the relationship between Web site design classification and consumer satisfaction. The model is further extended to include the dimension of public relations strategy. More studies both quantitative and qualitative are needed to help understand how persuasion and public relations influence consumer-buying decisions over the Web.

Data mining on the Web is an emerging technology. Companies that have high dependence upon electronic commerce and are utilizing intelligence based web sites are interested in evaluating a consumer's purchasing and browsing patterns (Hedberg, 1999). Future work could center on how public relations strategies can be modified to take advantage of the wealth of information available about consumer response to web sites.

Finally, in addition to the business to consumer analysis of web site design strategy, an analysis of how public relations firms are utilizing electronic commerce to more effectively market their services will be analyzed.

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