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MARKETING 2.0: A NEW MARKETING STRATEGY

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Abstract

The advent of Web 2.0 and its collaborative tools (forums, chat, blogs, wikis) simplified the interaction among various business subjects (company, customers, suppliers). A new model of Enterprise 2.0 communicates interactively with all stakeholders, cooperate with them, listen, create, share and capitalize knowledge. Web 2.0 enhances customer relationships and supports, fully, developments in the field of marketing: from advertisement to participation, from social networking to mobile communication. In this paper we talk about Marketing 2.0 that with interactive web 2.0 tools facilitates the relationships between enterprise and customer. The enterprise communicate with customer, by a bidirectional channel, during pre and post purchase. The customer affections sentimentally and emotionally to brand and company. The enterprise can know, in real-time, reviews of customers on product/service and the degree of satisfaction and behaves accordingly. Marketing 2.0 leds companies to reach business goals using technological tools and social media that exploit, in the interactive dialogue, the old power of word of mouth.

Key words: *marketing 2.0, user generated content, prosumer, enterprise 2.0, social media.*

1. INTRODUCTION

The ubiquity makes relationships independent from space and time but dependent on the network connection. Respect to web 1.0, nowadays the people who use the tools of Web 2.0, are not only users but also content producers. They can express opinions, suggestions, participate in strategic decisions as active users. Enterprise 2.0 collects all these opinions/suggestions and processes them for business purposes and primarily for strategic operations. The interactive approach with customers, the sharing knowledge, makes, without doubt, an added value to customer relationship management.

The paper presents the following structure: in the next section we relate on worldwide statistics relative to use of web technologies. The third section focuses on the new model of Enterprise 2.0. In the fourth section virtual communities and user generated content are discussed. In the fifth section we describe the new figure of prosumer. Sixth, seventh, eighth sections examine topics relative to marketing 2.0. Finally some conclusions are drawn.

2. STATISTICS ON USE OF WEB TECHNOLOGIES

Nowadays many users/customers in the world are connected to Internet. In Table 1 are shown the Internet Users respectively in years 2000 and 2009, the percentage of user penetration on the population and the percentage of growth from 2000 until 2009. The maior percentages of growth, how it is possible to see in the figure, are in Middle East and in Africa. In the last year the maior number of Internet Users was in Asia.

Table 1. World Internet Users Statistics. Source: Miniwatts Marketing Group, 2009
 (adapted by authors)

Regions	Internet Users (12/31/2000)	Internet Users (09/30/2009)	Penetration (% population)	Growth (2000-2009)
Africa	4,514,400	67,371,700	6.8 %	1,392.4 %
Asia	114.304,000	738,257,230	19.4 %	545.9 %
Europe	105,096,093	418,029,796	52.0 %	297.8 %
Middle East	3,284,800	57,425,046	28.3 %	1,648.2 %
North America	108,096,093	252,908,000	74.2 %	134.0 %
LatinAmerica/Caribbean	18,068,919	179,031,479	30.5 %	890.8 %
Oceania/Australia	7,620,480	20,970,490	60.4 %	175.2 %
World Total	360,985,492	1,733,993,741	25.6 %	380.3 %

In the Figure 1 statistics on use of web 2.0 tools/technologies in the years 2007 and 2008 are presented. The technology more used is that of web services; the tool more used is the blog.

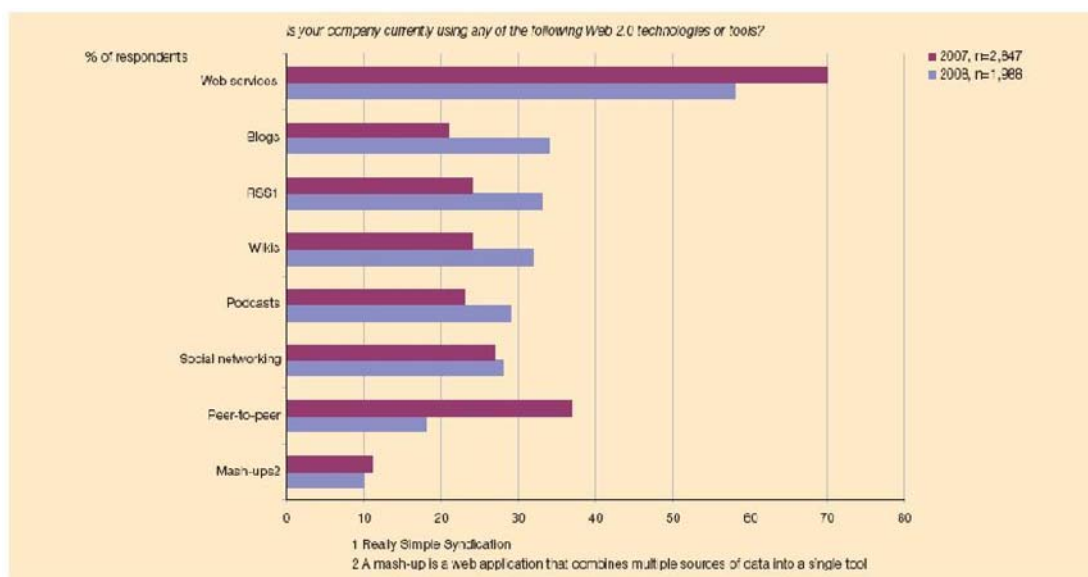


Figure 1. Statistics on web 2.0 technologies and tools.

Source: McKinsey Global Survey Results, The McKinsey Quarterly, July 2008.

In the Figure 2, a report of use of main web 2.0 tools (YouTube, Blog, Facebook, Twitter) is shown.

<p><u>YouTube</u> 70,000,000 – number of total videos on YouTube (March 2008) 200,000 – number of video publishers on YouTube (March 2008) 100,000,000 – number of YouTube videos viewed per day (this stat from 2006 is the most recent I could locate)</p> <p><u>Facebook</u> 200,000,000 – number of active users 100,000,000 - number of users who log on to Facebook at least once each day 170 - number of countries/territories that use Facebook</p>	<p><u>Blogosphere</u> 133,000,000 – number of blogs indexed by Technorati since 2002 346,000,000 – number of people globally who read blogs (comScore March 2008) 900,000 – average number of blog posts in a 24 hour period 77% - percentage of active Internet users who read blogs</p> <p><u>Twitter</u> 1,111,991,000 – number of Tweets to date 3,000,000 – number of Tweets/day(March 2008) (from TechCrunch)</p>
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Figure 2. Report of web 2.0 tools utilization.

Source: Social Media, Web 2.0 and Internet Stats, 2009 (adapted by authors)

3. THE NEW MODEL OF ENTERPRISE 2.0

Enterprise 2.0 is a phenomenon that Andrew McAfee (2006) of Harvard Business School defines as the use in emergent modality of social software platforms within companies or between companies and their partners and customers.

The Enterprise 2.0 makes a large use of web 2.0 technology where the web is considered as a platform: the network becomes the operating system on which applications and programs running. By web 2.0 tools companies are opened to collaboration among peers.

Tools (blogs, forums, wiki, chat) used in the interactive relationship with the customer, in a global context, help to reduce costs, capitalize the knowledge and learn the dynamics of the market.

The Enterprise 2.0, has the ability to be transparent and enables new collaborative processes among employees, partners and customers in an effort of continuous innovation.

In the Table 2 characteristics of Enterprise 2.0 vs Enterprise 1.0 are shown.

Table 2. Characteristics of Enterprise 2.0 vs Enterprise 1.0

Enterprise 1.0	Enterprise 2.0
Centralised model	Distributed model
Web site	Blog, forum, chat, wiki
Sites	Services
Content publishing	Content delivery
Directory (taxonomy)	Tagging (folksonomy)
Copyright	Sharing
Unidirectional communication	Bidirectional communication
Contacts	Relationships

In Enterprise 2.0 respect to Enterprise 1.0, we pass from the copyright to information sharing, from an unidirectional communication to participation and distribution of knowledge, from simple contacts to strong relationships, etc...

4. VIRTUAL COMMUNITIES AND USER GENERATED CONTENT

The communities are social spaces, meeting places, physical or virtual, for the production, management and distribution of knowledge. In the new expanded context, the knowledge is fed by sharing, exchange, participation of information in social groups. Technological tools significantly increases the opportunities of contacts in the communication space (De Rose et al., 2007).

The virtual environment, like the real one, is the place where the interaction takes shape, despite the complexity of its media. Cyberspace allows to aggregate and disseminate information, knowledge, behaviors, procedures and moods.

Probably the fact that people don't have any physical contact, everyone could think that virtual environments are limiting for personal emotions. Conversely, in virtual environments, individuals, more than other social contexts, express truly themselves. In virtual communities people share emotional and rational relationships in an environment of collective minds. The community, in a cooperative perspective, leads to active participation and knowledge sharing. The company to attract customers must have a true story to tell, an interesting story to reach business goals. Don't forget that consumer nowadays is autonomous, selective, demanding, connoisseur of products and increasingly interested in quality and service. By web 2.0, the technological barriers have been reduced dramatically: creating online content is very simple and user isn't a passive viewer but also content creator.

Grossman (2006) in Time magazine affirmed "Person of the year are you: For seizing the reins of the global media, for founding and framing the new digital democracy, for working for nothing and beating the pros at their own game".

Content production is no longer the prerogative of the media centers, press and traditional producers but everyone can participate in the discussion and produce content by simple platforms.

This phenomenon is indicated with terms like User Generated Content (UGC) (Strobbe et al., 2010) or Consumer Generated Media (CGM) (Sumi, 2008). These terms are borned in 2005 in the areas of web publishing and new media to indicate the material available on the web produced by users rather than specialized companies.

UGCs are pages of web sites or social networking where individuals put efforts to create something and to add value on the work.

Users for generating contents use different tools: digital video, blogs, podcasts, wikis, Flickr, YouTube, Second Life, Facebook, Wikipedia. Nowadays, these social media produce and distribute content (text, video, audio, etc.) on the network at low cost and everyone has the access on multimedia communication space. The production of these collaborative contents and the exposure to contents produced by all people is changing our global society.

5. THE NEW FIGURE OF PROSUMER AND LITERATURE

Marshall McLuhan and Barrington Nevitt (1972), in the book *Take Today*, suggested, that with electric technology, each consumer would become a producer. In the book, *The Third Wave*, the futurist Alvin Toffler (1980) coined the term "prosumer" and he predicted that the role of producers and consumers would begin to merge (although he talk about in the previous book *Future Shock*). In this book Toffler made distinctions among 1st wave (writing and press), 2nd wave (mass-media) and 3rd wave (self-media). With self-media (mobile, internet, DVD, satellite, virtual reality) the communication is "one by one" and everyone has access both as recipients and as senders.

In the *Revolutionary Wealth* (2006) the author continue the theme of *The Third Wave*. As in the older volume, the book argues that institutions - public, private and social - move from mass production era to a new civilization era constituting the Third Wave society. With the new technology, the concept and reality of the prosumer has established in the world.

In the book *Wikinomics: How Mass Collaboration Changes Everything*, Don Tapscott and Anthony D. Williams (2007), developing the concept of prosumer, coined the related term of *prosumption* (production/consumption) to refer to the creation of products and services by the same consumers.

In the *Cluetrain Manifesto* (Levin et al., 2001), authors affirm that "markets are conversations" and with the digital revolution there was a change of role of consumer from passive consumers to active prosumers. For example, Amazon.com has established itself as a leader in e-commerce for its ability to build customer relationships based on dialogue rather than on product sale. Amazon, in its website, offers space to contribute of customers and supports the exchange of information. The *Cluetrain Manifesto* (Levine et al., 2001) is a set of 95 theses for all businesses operating in a new connected marketplace where organizations and consumers continually interact.

Nowadays customer begins to have an active role in the company as prosumer, consumer and producer at the same time (Consoli et al., 2008). In IKEA customer participates in the logistical and productive processes by transporting and mounting, individually, the furniture at home; in the case of the canadian manufacturer John Fluevog, customer participates actively and creatively desinging new models of shoes. Another example of prosumer was the case of the site "Fiat 500" (500 Wants You - www.fiat500.com) where any consumer contributed creatively to the design of the new car. The Fiat group with the launch of the new "500", was able to reuse the most famous brand of Italian tradition of Made in Italy. The union of hold brand with a new product, the use of the new technology and capabilities, emotional relationships with the brand have contributed to the winning formula. People

perceive the Fiat experience as part of themselves and of their past.

Nowadays the prosumer assumes a more active role in the process that involves the stages of creation, production, distribution, consumption of the product/service inside the company. Consumers increasingly demand personalized requests for customize products and so consumers take part in the process, especially in defining the aesthetic design of products.

Companies involve the end-users to develop final products and services. In some instances, end-users improve products on their own. For example, Lego Mindstorms allows users to download software from website so that the users can freely update the software.

6. INFLUENCE ON MARKETING FROM WEB 2.0 TECHNOLOGY

The evolution of ICT has changed the society. We live in a global system increasingly oriented to internationalization with virtual geographical and cultural boundaries. In the era of the social network everyone is free to express their thoughts: the experience of all members is disseminated by communication channel which favor the formation of real networks of thoughts. Online consumers appear more active, participatory, reflective, daring and social than in other contexts.

For companies, web 2.0, is useful to keep directly relationship with the customer, both to study their attitudes and behavior and to understand their thoughts.

Nowadays standard approaches of 4P marketing mix is overcome. Not interested only the product but the emotions, the feelings that the brand evokes in consumers. Thus were born the "brand community" (Jang et al., 2008) that emphasizes the link between product and the role played by consumers. The brand becomes the symbol of connection and communication between companies and consumers. The brand represents a characteristic element and becomes a prodigious multiplier value.

In literature there is also the approach of brand extension, a specific strategy by which the company, with a deep historical tradition, chooses to apply its brand and image to different businesses.

The success of a digital brand is increasingly linked to its ability to maintain a strong and lasting relationship with customers who are able to create a brand community. Brand online communities allow to customer to execute the role of active partner and inspirer of a brand. An example is the online community founded around year 2000 with the success of the famous Ducati group that, in a short time, has become a worldwide meeting place of Ducati motorcycles.

In the community, people are identified with the brand. Many brand communities are recognized as opposition against an enemy brand: Linux versus Windows, Apple against Microsoft.

The challenge is not between products, that are similar but between perceptions, feelings, emotions around products (emotional marketing). Hence the need for the company to transmit sensory stimuli to convince the client to purchase product.

The consumer, beyond rational behaviour of "need-purchase benefit", highlights the subjectivity, emotional and irrational buying process (Abbate and Ferrero, 2003).

This is the focus of multi-sensory marketing, that includes emotional marketing (Consoli, 2009), which offers sales techniques and communication based on the strategic solicitation of all five senses of the consumer. The task of multi-sensory communication will extend their expressive capabilities beyond visual and auditory and involve the consumer on cognitive and passionate processes.

In virtual communities around a brand, a real tribe is formed (Cova B. and Cova V., 2002). In "tribal marketing", virtual people have a strong sense of belonging to a community. Marketing tribal explores precisely this attitude, offering a marketing strategy that aims the creation of a community around a product or service, micro corporate groups, in which individuals establish strong emotional relationships and share similar experiences and vision of the world. The tribe, share opinions, brands, knowledge and identifies with values and ideals of community.

In the Table 3 we show the characteristics of Tribal Marketing versus Old Model of Marketing.

Old Model	New Tribal Model
Employee/Customer	Member of tribe
Communicating with customer	Sharing emotions
Marketing activities	Rituals
Factory	Cult places
Keeping people out	Bringing members in
Winning a race	Fighting together to win
Ceo	Shaman
Discipline	Passion

Table 3. Characteristics of New Tribal Model vs Old Marketing Model
Source: Bernard Cova, 2002 (adapted by authors)

With Tribal Marketing the relationships becomes emotions, sentiments and passions.

7. SOCIAL MEDIA MARKETING

The Social Media Marketing is the branch of Marketing that generates visibility on social media, virtual communities and aggregators 2.0. The term is, in fact, commonly used to describe the management of integrated communication on different platforms of Web 2.0: social networking sites, photos, mp3, podcasts, video, slide sharing, community 2.0, wiki, etc...

The purpose of the Social Media Marketing is to create conversations with users/consumers. The company, through its corporate blog or social networking sites, has a direct relationship with the customer. A common example of Social Media Marketing is the viral marketing that takes place on YouTube or other video sharing sites. The viral effect brings more people to watch the video and, therefore, to ensure that the message is transmitted to many users/consumers.

Social bookmarking is a web-based service, where lists of bookmarks (bookmarks) created by users are available. These lists are freely available and shared with other users in the same virtual community like del.icio.us. (<http://delicious.com/>). Making Social Media Marketing doesn't mean to have an approach "banner-like" to be seen and to sell more but it is important to have in mind a complete plan to directly reach the customer.

Lately often is used the term User Generated Marketing that indicates advertising, messages and

communications created by users like 123brand.com (www.123brand.com) and zooppa.com (www.zooppa.com).

In brand123.com website, users can vote and express their preference in a survey. People can send your suggestions and/or materials in response to a request for advertising and brand. So doing the user transfers automatically to the promoter the broadest intellectual property and copyrights on developments that this suggestion may have.

Zooppa.com is a social networking reality for all creatives that love advertising, graphics and media. Companies launch the context of the advertising proposal in the field of user-generated content. This experience is important for creativity, consumer engagement, viral, brand awareness and for people feedbacks.

The primary objective of Social Media Marketing isn't to sell directly but to gain more brand-reputation and brand-engagement, following a continuous and fruitful exchange of relationship with customers. The Social Media Marketing relies heavily on participation, community and sharing. People are involved to create content for an online community, share content with this community and build a reputation on a specific topic.

Brand Engagement is a term used to describe the process of forming an attachment (emotional and rational) between people and brands. The brand engagement is created by institutions and organizations but also by perceptions, beliefs, attitudes, and behaviors of those subjects with whom these institutions are communicating or engaging with.

Earning reputation and customer loyalty are useful to create brand affinity toward a company, but these require not only investment but mainly time to build a lasting relationship. For this reason the objectives and results of the Social Media Marketing are measurable in the medium, long term (not short like an advertising campaign) in term of quality and not quantity.

8. MARKETING 2.0 INFORMATION SYSTEM

The information coming from the Web 2.0 are unstructured textual information. Unstructured information refers to content of different types and formats such as newspapers, magazines, contents of web sites, e-mail, forum, chat, blog. The World Wide Web is surely the richest and most dense data source.

Nowadays the company must seek, monitor, analyse, filter, classify, index, retrieve and interpret many data. The growth of data sources both within and outside the company is increasingly exponential. The too much information doesn't provide any added value. Indeed the manager/entrepreneur is dispersed in a sea of data without centering corporate strategic goals. Over 80% of the information on which companies base their business is typically in textual/electronic format (Tan, 1999). The quantity, different formats, different origin of the information makes the information processing a complex and expensive activity.

Inside companies it is very important an Enterprise Information Systems for the management of this huge amount of information to extract only that useful for strategic business planning. In the Figure 3 is shown the structure of our model of Marketing 2.0 Information System.

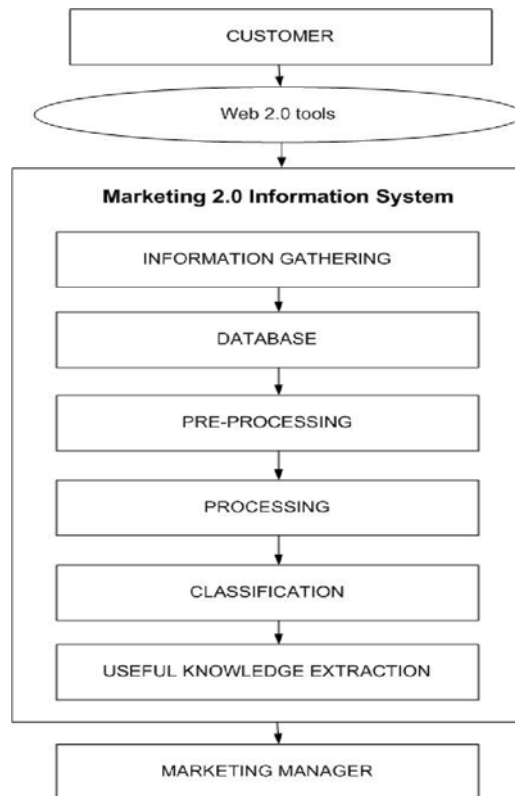


Figure 3. Modular structure of Marketing 2.0 Information System

The information gathering, from web 2.0 content, is composed by a set of crawler agents specialized in different protocols to inspect and retrieve information, respectively, from web sites, blogs, chats, e-mails, newsgroups and so on. Each agent can be configured with policies to extract only texts with advanced techniques of NLP (Natural Language Processing).

The data captured from the Web, by agents, are stored in a database. Since the opinions are expressed in natural language it is necessary to use a specific pre-processing to prepare and convert them into a specific structured form: elimination of stop-words (articles, conjunctions, prepositions), division of the phrases into single words, identification of different parts of speech POS (nouns, verbs, adjectives), lemmatization, and numerical representation of text data (Berry and Castellanos, 2007).

After pre-processing, structured data can be processed and classified appropriately for topics to have useful information for marketing manager and so for business goal.

To manage and classify this information algorithms of Data and Text Mining (TM) (Bolasco et al., 2005) are applied.

These mining techniques operate both at the level of text units (words) and context units (fragments

/documents). A linguistic-semantic approach deeply digs into this mass of data to identify and extract strategic information (Information Mining). The TM module extracts, automatically, useful information from documents of heterogeneous sources by identifying relationships not visible to users.

9. CONCLUSIONS

The real value in the third millennium of companies and managers will not be the produced revenue but the number and quality of relationships established with the target audience. Nowadays customer impose to enterprise to shift from a logic of the transaction to that of relationship. Relationships customer-enterprise becomes the core of new enterprise strategies. Marketing 2.0 use, in an intensive manner, web 2.0 to activate a bidirectional change with customer to monitor their degree of satisfaction. Markets are conversations and dialogue between equals. In virtual communities people (of tribes) are tied to brand and express their emotions and sentiment. The customer love company brand and become a passionate fan.

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