



## Positive marketing: A new theoretical prototype of sharing in an online community<sup>☆</sup>



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### ABSTRACT

Positive marketing champions exchange that benefits individuals, firms, and society at large. One method increasingly used to exchange goods is sharing. Sharing describes the non-monetary transfer of goods between actors. Scholars have called for greater understanding regarding an online community's ability to perpetuate sharing. This study uses empirical research to explain the structural elements that facilitate sharing within the Freecycle community. Fifty-seven in-depth interviews are conducted with participants and analyzed using grounded theory. The authors introduce a new theoretical prototype of sharing, provide insight on how modern consumers engage in a sharing activity, and describe the structural characteristics that facilitate sharing within an on-line community.

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### 1. Introduction

Positive marketing is marketing “in which parties – individual consumers, marketers and society as a whole – exchange value such that individually and collectively they are better off than they were prior to exchange” (Center for Positive Marketing, 2012). This conceptualization of marketing represents a 21st century restatement of Wroe Alderson's (1957) definition of exchange, namely that parties engage in exchange to improve the utility they receive from their personal assortment of goods. Households continually evaluate and manage their respective assortment of goods through market exchanges. Exchange-through-acquisition (i.e., purchasing) is one mechanism through which we improve our personal assortment of goods and, by extension, our quality of life. Marketing and the marketing systems that develop around these exchanges serve to improve quality of life by improving the efficiency and effectiveness of acquisition. The genius of marketing systems is that the assortment of goods that they generate benefit not only the individuals involved, but also society as a whole (Shultz, Burkin,

Grbac, & Renko, 2005). Positive marketing is the study of marketing in this vein.

The majority of our attention within the general marketing literature is devoted toward understanding how individuals and households manage their personal assortment of goods through acquisition. Complex and efficient marketing systems exist to move goods in order for households to acquire their preferred assortments. However, the management of a household's personal assortment of goods through dispossession is just as important. For instance, sometimes we make our lives better by ridding ourselves of things that we no longer use or want, just as we improve our lives through additional acquisition of goods. Surprisingly, we can improve the lives of others through reorganizing our personal assortment of goods, because assortment is as much a societal issue as a household issue. For example, Bardhi and Arnould (2005) note the value of exchange between and among households through the recycling of clothing and other items. As Kilbourne and Mittelstaedt (2012) point out, consumption patterns in coming decades will require that we consume less and consume smarter. Reusing and repurposing are mechanisms through which we can breathe new life into goods and plausibly improve the assortment of goods among households and throughout our collective society. In short, assortment management through dispossession can be a form of positive marketing – exchange that benefits consumers, society, and firms.

Remarkably, most of our efforts in marketing scholarship have set aside this second, but equally important, aspect of household assortment management. The purpose of this paper is to examine a specific example of a marketing system that has developed to address this

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second component of assortment management, namely the Freecycle Community.

The Freecycle Community is a voluntary group. Givers give away goods that their household deems no longer necessary, while receivers request and accept the goods which still have useful life and value for them. The Freecycle Community cannot be described as selling, since nothing is received as consideration. Nor is it gift giving (Belk, 1996), since it is not wrapped up in emotional or relational needs. Nor does it fit into the existing sharing prototypes within the literature (Belk, 2010). The Freecycle Community represents an additional and unexplored form of “critical consumption phenomena” (Belk, 2010, p. 730) and one worthy of study.

The Freecycle Community is comprised of more than 8.5 million households, organized into more than 5,000 networks (The Freecycle Network, 2012). While money does not change hands, it is an exchange involving cost and consideration and through which both parties to an exchange better themselves through improvement of their household assortments. As such, we believe this form of exchange reflects the ideals of positive marketing – the facilitation of individual and collective well-being through exchange – which has been noted in other forms in the literature (Sirgy, 2011). We will demonstrate that Freecycle can aid scholars in understanding the value of positive marketing; it serves as a context within which unique exchange phenomena can be highlighted.

In doing such, we address calls to document the structure of “online cooperative arenas” (Belk, 2010, p. 729). By detailing the praxis of Freecycle, we provide a number of contributions to the positive marketing literature in this area. First, by examining the existing literature on gifting and sharing, we introduce a new theoretical prototype of sharing. Second, we provide insight on how the structure of online communities facilitates mutually beneficial exchange between virtual strangers who are not part of one another's intimate economy. Third, we contribute to the positive marketing literature by describing an exchange system that ultimately creates mutually beneficial exchange and possesses positive higher-order implications to society. That is, as products continue to be used rather than terminally disposed, resources are used more efficiently. In the terms of George Fisk (1974), the reorganization of assortments among and between households represents a previously unexplored provisioning mechanism.

To meet our research goal, our paper is presented in the following manner. First, we describe the Freecycle Community. Next, we contrast the exchange within the Freecycle Community with similar forms of exchange, namely gift giving and sharing, and expand upon the literature by presenting a new prototype of sharing. Then, we describe the method we used to analyze the community of Freecycle. We present a conceptual model that aids us in describing our discoveries of the structural elements of an on-line exchange community. Our paper concludes with a description of our contributions to the academic literature and managerial thought.

## 2. Literature review

Freecycle.org is a nonprofit organization developed initially by Deron Beal in Tucson, Arizona, as a recycling organization (The Freecycle Network, 2012). The initial idea was to create an efficient and easy method to allow people to dispose of their unwanted goods by matching them with people who were looking for those goods. In doing so, the useful life of the unwanted goods could be extended. This would provide a potential reduction in the amount of resources devoted to construction of new goods and the amount of resources devoted to retaining the disposed products in a landfill. Since that time, Freecycle expanded into a network of almost 5000 groups comprised of 8.5 million individual global members and volunteer directors. In order to understand the Freecycle phenomenon, we outline two separate but distinct theoretical concepts, gifting and sharing.

### 2.1. Freecycle resembles some forms of gifting

Freecycle is often referred to as a gifting economy both internally (i.e., changing the world one gift at a time) and by researchers investigating the phenomenon (i.e., Nelson, Rademacher, & Paek, 2007). The Freecycle Network's mission states its goal is “to build a worldwide gifting movement that reduces waste, saves precious resources, and eases the burden on our landfills while enabling our neighbors to benefit from the strength of a larger community” (The Freecycle Network, 2012). However, we will argue that gifting does not correctly characterize the form of exchange inherent within Freecycle. The goods that are typically exchanged within the Freecycle network do not appear to meet all of the characteristics of gift-giving as outlined by Belk (1996). First, the giver is not necessarily making an extraordinary sacrifice, as he or she is attempting to dispose of unwanted or no longer necessary items. Second, the recipient is not necessarily surprised by the receipt of the product, as he or she seeks the item in the first place. Third, the gift is not necessarily a luxury and may actually consist of a mundane item the recipient requires to complete a task. Fourth, the giver may not know the recipient nor be concerned with pleasing that individual.

Similarly, the Freecycle network does not necessarily fit into the model of gift-giving proposed by Sherry (1983). In particular, Sherry notes that during the gestation stage or the “period during which the ‘gift’ is transformed from the conceptual to the material realm” (164), the donor considers the recipient as he or she determines the nature of the gift. During this process, the donor engages in both internal and external searches in order to determine the most appropriate gift for the recipient at hand. However, in the Freecycle Community, the giver does not know the recipient and does not need to consider the nature of the relationship with the unknown individual. Furthermore, there is no direct reciprocal requirement that any members of the Freecycle network give, receive, and reciprocate the gift (Gouldner, 1960; Mauss, 1924; Sherry, 1983). Given this, the Freecycle organization does not possess the theoretical characteristics consistent with gifting. Instead, Freecycle may better align with the theoretical understanding surrounding the notion of sharing (Belk, 2010).

### 2.2. Freecycle resembles some forms of sharing

Sharing is a fundamental behavior enacted by consumers (Belk, 2010) and an intimate economic activity that exists between consumers (Price, 1975). As such, sharing—either directly (e.g., Belk, 2007, 2010) or indirectly (i.e., Giesler, 2006; Kozinets, 2002)—has come under increased interest within marketing academia in recent years. But what is sharing? According to Belk (2007), sharing is a means of acquiring and consuming goods as an alternative to purchasing them or receiving them as a gift where “two or more people may enjoy the benefits (or costs) that flow from possessing a thing” (127). Such a definition emphasizes the joint ownership associated with thinking of a possession as *ours* rather than *mine* and *yours*. Price (1975) defines sharing as the “allocation of economic goods and services without calculating returns, within an intimate social group, and patterned by the general role structure of that group” (4). Like Belk, Price's definition focuses on joint as opposed to individual ownership, but it does so under the rubric of resource allocation. In both definitions, the sharing activity attempts to distribute resources in such a way that all individuals within the dyad or small group benefit, and the individual or the joint entity retain ownership. This premise suggests that sharing is a form of a higher-order resource allocation system. But what of a group like the Freecycle organization where ownership of goods is relinquished by individuals and effectively transferred to other individuals within the community? Current conceptualizations of sharing may need to be expanded in order to more accurately describe the exchange within the Freecycle Community.

To understand the sharing phenomenon, Belk (2010) presents two basic metaphors, or *prototypes* of sharing, rather than a comprehensive,

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