



From Firm-Controlled to Consumer-Contributed: Consumer Co-Production of Personal Media Marketing Communication

Todd J. Bacile ^{a,*} & Christine Ye ^b & Esther Swilley ^c

^a Loyola University New Orleans, Joseph A. Butt, S.J., College of Business, 6363 St. Charles Avenue, New Orleans, LA 70118, USA

^b Westminster College, Bill and Vieve Gore School of Business, 1840 South 1300 East, Salt Lake City, UT 84105, USA

^c Kansas State University, College of Business Administration, Department of Marketing, 201A Calvin Hall, Manhattan, KS 66506-0506, USA

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Abstract

Fueled by the sociocultural shift from firm-controlled to consumer-contributed media, the researchers explore the idea of adapting a co-production strategy from service marketing to marketing communication sent to personal media. Eleven field experiments with firms, along with a structural model tested on survey data, provide empirical evidence supporting a co-production approach applied as a communication strategy in the context of a text message mobile coupon marketing campaign. The results demonstrate a co-produced direct marketing communication strategy that increases attitude toward the communication, purchase intent, and purchase activity, while also acting as a risk-reducing mechanism. Furthermore, perceived customization of the communication interacts strongly with risk perception and marginally with coupon proneness as related to attitude toward the communication when marketers enter the world of consumers' personal media. A push versus pull framework and a co-produced communication framework are put forth to suggest various areas marketers can make available for consumers to co-produce in a marketing communication exchange.

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“[C]ustomers in contexts other than those traditionally considered service interfaces are in reality involved in service-like processes”—Christian Grönroos (2006, p 329).

Introduction

The rising importance and prevalence of personal media on mobile phones are creating new opportunities for marketers, but a lack of strategies in these communication channels is surfacing (Hennig-Thurau et al. 2010). A key differentiating

element tempering firms' success is personal media that are more important to consumers than mass media, causing many consumers to elect not to receive intrusive marketing messages and to become less tolerant of irrelevant messages. The prominence of identifying effective strategies is amplified by the upsurge in direct marketing communication, hereafter referred to as *communication*, sent to such media. For example, spending for communication sent to mobile and social media will reach \$8 billion and \$5 billion, respectively, by 2016 (VanBoskirk 2011).

For our purposes, personal media refers to highly individualized and important communication tools primarily for interpersonal communication, such as the telephone, chat, text messaging, and social media through a mobile device (Lüders 2008). The mobile phone is the platform extraordinaire for such media as it is personal and drives media use. Both the individual nature and importance of personal media within consumers' lives are apparent (Hennig-Thurau et al. 2010). As

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* Corresponding author.

E-mail addresses: tjbacile@loyno.edu (T.J. Bacile),
eye@westminstercollege.edu (C. Ye), esthers@ksu.edu (E. Swilley).

such, psychological barriers exist which firms must overcome when sending communication through personal media, such as risk perception of a negative outcome including privacy concerns, irrelevant messages, message volume, and intrusiveness (Deighton and Kornfeld 2009; Sultan, Rohm, and Gao 2009). Currently, the primary strategy firms use to reduce risk perception of a negative outcome is to grant consumers the right to opt-in and opt-out (i.e. give or remove permission) to receive communication sent to personal media (Barwise and Strong 2002). However, other than these two all-or-nothing inputs, firms typically do not allow consumers to participate in further decision making inputs into the communication process. This lack of consumer participation is reminiscent of traditional mass media where the firm views the consumer as a passive audience member (Wind and Rangaswamy 2001). Aside from opt-in or opt-out decisions, in both mass and personal media, the time, frequency, subject, and type of communication are generally decided by marketers. This consistency between mass and personal media is surprising, considering labels such as “customized” and “personalized” that often differentiate personal media from mass media (Shankar and Balasubramanian 2009).

The current paper suggests firms view personal media communication as an interactive process with consumers in contrast to the classic one-way marketing communication model. This proposed type of exchange positions personal media communication similar to the modern viewpoint of *service* as interactive firm-consumer processes. Various service philosophies such as service logic (Grönroos 2006), service-dominant logic (Vargo and Lusch 2004), and unified services theory (Sampson and Froehle 2006) each discuss consumers providing inputs to firms during interactive processes as co-producing activities central to service exchange. An example of such inputs includes consumers specifying their desired preferences within a service offering. Thus, the purpose of this research, and one hypothesized to improve firm outcomes and consumer psychological and behavioral responses, is to empirically assess if a service strategy such as co-production can be adapted as a marketing communication strategy in personal media.

This study contributes to marketing theory and practice in a number of ways. The theoretical contribution of this manuscript is to extend the domain of service to marketing communication. Personal media communication is becoming service-like in nature. Technology has rendered complex formerly simple dissemination of firm communication. Marketing communication is evolving from a one-way, firm-controlled message subject with a simple effort allocation approach, to a two-way, consumer participatory service-like exchange merging firm-consumer processes. Firms should engage consumers by enabling the co-production of some aspect of the communication process. This is a unique perspective not present within emerging models of direct marketing via personal media (e.g. Deighton and Kornfeld 2009; Shankar et al. 2010; Sultan, Rohm, and Gao 2009). As shown in two studies, the extension of marketing communication theory is possible with the application of this service strategy. The authors offer a push versus pull framework and a personal media co-production

framework discussing many characteristics of these communication exchanges that are ideally suited to co-produce.

The empirical contribution of the current research demonstrates large improvements in the effectiveness of promotional communication in the form of a text message mobile coupon via a series of field experiments in Study 1. The results imply co-producing communication improves consumer response. Using survey data with structural equation modeling then uncovers mechanisms underlying this effectiveness in Study 2, which hones in on perceived customization as the key driver behind enhanced response to a firm’s mobile coupon promotion. Risk perception is present when communication is sent to personal media, and we show a co-production strategy attenuates this risk. In addition to acting as a risk-reducing mechanism, results suggest co-production improves attitude toward the communication and purchase intent, with perceived customization of the communication interacting strongly with risk perception and marginally with coupon proneness as each relates to attitude toward the communication. The remainder of this paper discusses communication theory and the theoretical development on the ways in which personal media communication is evolving toward a service-like offering. The hypotheses and conceptual model are formulated and assessed in two studies, followed by a discussion of all findings, theoretical implications, and managerial ramifications.

Theoretical Development

Communication Theory

Marketers using traditional mass media to disseminate communication typically follow a process consistent with the transmission model of mass communication (Shannon and Weaver 1949). The basis of this model is information processing and communication theory. These steps within the communication process have been adapted to various communication models, yet the core steps remain the same. Communication is a process, where a breakdown in any step disrupts the entire process. A source creates a message by encoding it into a format conducive for a particular medium. The message is sent via a medium, upon which a receiver must decode the message. Encoding the proper message containing information of interest to a receiver and using the correct medium should result in optimal communication between two parties. Passive feedback is generated back to the source after receiving a message (i.e. ignoring a message, remembering a message for later use, making a purchase, or telling others) with limited ability for specific direct communication in response to a message (i.e. active feedback). This overarching control over one-way communication is consistent with the political economy of communication theory (Graham 2007; Innis 1942), which posits that a select few controlling entities, such as owners of communication networks and resourceful brands, attempt to persuade the thoughts and actions of consumers because these entities have the power to do so. Mass media marketing communication is based upon this format of one-way communication.

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