10
Integrated online communication

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10.1 Introduction [Rachel]

[begin indented quote]From much of the industrial world’s perspective, the lexicon of 1990s’ television, radio, print and film was infiltrated by strange streams of nonsensical characters—complete with secret-code-like phrases such as www, dot, slash and dot-com.[end indented quote]

Sherwin & Avila (1997: 11)

Integrated online (or digital) communication, much like the Internet which as a communication medium has the ability to instantaneously impart information to a vast number of consumers (Conway, Ward, Lewis & Bernhardt, 2007), offers organisations new opportunities for building relationships with their consumers and stakeholders. It can also be used to obtain diverse information on a variety of organisations and services. Digital communication refers to any communication message which is sent by means of a communication channel that uses digital technology.

In Chapter 6, the Internet was discussed as one of the elements of the marketing communication mix. In this chapter it is discussed in more detail and is contextualised in terms of the integrated approach followed in this book. It is argued that integrated online or digital communication should not only be viewed from an integrated perspective through the alignment of online communication messages with the corporate brand of the organisation but that it should also be aligned with the traditional communication processes.
In South Africa, the influx of the Internet in 1996 revolutionised the face of communication. This development demands an understanding of the consequences linked to the Internet and World Wide Web. Most organisations that realise the potential of the online world have embraced the so-called ‘superhighway’ at a prodigious rate. The rapid growth and recognition of the Internet and the World Wide Web have transformed the way in which organisations communicate with stakeholders in their efforts to market products and services; transact with intermediaries; communicate with employees; create corporate images, and so on.

This chapter creates a landscape for online communication processes in the organisation in a holistic, logical and comprehensible way by focusing on:

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- the contextualisation of integrated online communication
- the history of Internet development in South Africa
- online advertising
- online marketing
- online public relations
- online crisis communication

10.2 Key terminology for integrated online communication

The following key online communication terminology is relevant to this book:

- The Internet is a system of computers that are linked to each other through a vast array of networks consisting of telephone cables, satellite communication, optical fibre lines, office computer networks and various other means (Kitchen, 1999; Sherwin & Avila, 1997; Barker, 2004). These computers are constantly active (that is, online) to ensure a core of permanently linked units. The message structure of information on the Internet consists of text, graphic images, audio clips and even video images, or a combination of these.

- The World Wide Web (WWW) is a hypermedia information storage system that links resources around the world. It allows users to obtain (or display) information needed to access computer software and programs, and to communicate interactively. A particular site can have a
number of graphic images and text that can contain ‘hot links’ or ‘hyper links’ which will take the user to another site where they can acquire further information. (Koekemoer, 2004; Hurme, 2001: 72; Witmer, 2000; Kitchen, 1999; Sherwin & Avila, 1997).

- **An Intranet** refers to the selective and controlled access via the Internet that certain users use to access certain sites. The Intranet is therefore a private computer network based on the data communication standards and technologies of the public Internet that is accessible only by employees. (Yen & Chou, 2001; Hurme, 2001.)

- **The Extranet** is an Intranet that is selectively open to third parties such as vendors, customers, suppliers and stakeholders. The Extranet provides a site where intimate, internal information can be shared with these third parties to build collaboration and partnerships. It requires connectivity, security, applications for all parties and compatible directory services and messaging systems for all parties (Yen & Chou, 2001; Hurme, 2001).

- **E-mail**, the oldest feature of the Internet, refers to a written message that is delivered from the originator’s computer to the recipient’s computer and involves the transmission of text messages and attached files. (Kitchen, 1999; Sherwin & Avila, 1997; Witmer, 2000; Horton, 2001.) E-mail is the most inexpensive medium available for global communication because an e-mail can be sent to any destination in the world at the cost of a local call (Koekemoer, 2004: 542).

- **Internet phone** and **picture (video) phone** is more advanced than e-mail and enables users who are concurrently online to talk to one another via the Internet or, if they have the requisite facilities, to see one another on their respective computer monitors while they talk at a lower cost than normal telephone call rates (Sherwin & Avila, 1997).

- **Gophers** and **Telnet** refer to sites (the directional plan or pointers to information about various topics) that users can access to obtain general information. These features allow the user to access information stored on other computer systems and are used for finding information other than that which is available on the WWW-sites. Gophers allow the user to search across the entire Internet for information rather than just one area at a time. Telnet is a program that allows users to log on to computer networks other than their own and is a multilevel menu system for organising files of information which are stored at thousands of servers throughout the Internet. (Kitchen, 1999; Sherwin & Avila, 1997; Witmer, 2000.)
• **Usenet** (also referred to as Internet newsgroups or net news) refers to the network of computer users constituting a collection of discussion groups, and is a contraction of Users Network (Kitchen, 1999; Sherwin & Avila, 1997). These discussion groups are collective newsgroups (or online bulletin boards), and are subdivided into two types; that is, moderated and unmoderated. Moderated newsgroups are controlled, entirely open and anyone may post a message there; unmoderated newsgroups are uncontrolled. Usenet can therefore be defined as a collection of forums such as newsgroups, discussion groups and bulletin boards. Usenet is therefore used for discussions and to debate topics of interest (Holtz, 1998: 6; Sherwin & Avila, 1997: 131; Barker, 2004.)

• **Mailing lists** (LISTSERVs) are similar to Usenet but differ in that, instead of being posted to a bulletin board, items are sent directly to users in the form of an e-mail (Kitchen, 1999; Sherwin & Avila, 1997; Witmer, 2000).

• **Commercial online services providers** include CompuServe and Prodigy and offer some services applicable to public relations (Kitchen, 1999; Sherwin & Avila, 1997; Witmer, 2000).

• **Electronic news and electronic newspapers** can supply new information and add or update existing news as frequently as required. News agencies and newspapers use the Internet facility to update people on the latest news, often as it breaks. (Sherwin & Avila, 1997; Witmer, 2000; Marlow, 1996)

• **Online marketing** is an interactive form of marketing that uses online media to reach a global target audience and allows for more one-to-one communication.

• **Corporate website** refers to the World Wide Web name for a particular kind of document that has been designed to be displayed on a browser by an organisation and not a private individual. In this document, listed choices are available that lead to all other pages that the organisation offers (Ellsworth & Ellsworth, 1995: xviii).

• **Internet resources** refer to Internet applications for online marketing such as the WWW, electronic mail and the corporate website.

• **Online marketing applications** constitute online actions that the marketer can take on the corporate website to foster an organisation’s marketing strategy, for example, e-commerce, customer service, e-mail marketing, and so on.
10.3 Contextualising integrated online communication

Online or Internet communication constitutes web-based communication using a computer linked to the Internet. There are different areas of communication, for example, online marketing and online marketing communications (including online advertising and online public relations). These areas of online communication are usually integrated on the corporate website and support the whole online communication process. A holistic approach is followed in that online marketing, online marketing communications, traditional marketing and marketing communications are components of the communication solution. In addition, and in line with the integrated organisational communication approach followed in this book, all the messages of these processes should be aligned with and support the corporate brand of the organisation.

Integrated online communication includes, inter alia, the integration of online marketing and online marketing communications techniques on the Web. For instance, the organisation’s marketing, advertising, public relations, promotions, media relations, internal communications, investors’ communications and its Internet presence are all co-ordinated and based on its mission and positioning statements to provide consistency in terms of all the organisation says and does (Newsom, Turk & Kruckeberg, 2004: 58).

One outstanding feature of the WWW is hypertext, which provides for a hypermedia environment where information can be presented with pictures, animation, sound and text to a global target audience (Janal, 1995: 47). As the WWW combines the Internet with the concept of hypermedia navigation, integrated online communication is performed in a hypermedia environment which makes it immediate, dynamic (that is, allows for last-minute changes and additions) and multimedia-friendly (Ainscough & Luckett, 1996: 37).

In terms of a holistic approach, online communication processes should be integrated with traditional communication processes in the organisation. It should therefore not take place in isolation but be viewed from an integrated and global perspective.
Gura˘u (2008: 178) points out that for integrated online communication to occur successfully, the messages that the organisation sends to its online target audiences have to be adapted in a three-stage process:

• The message should both identify with and integrate the core corporate values of the organisation.
• The message has to be adapted according to the strategic and tactical objectives of the integrated online communication campaign.
• The message should be developed in accordance both with the specific characteristics of the target audience and the online communication tool.

Various online marketing, advertising and public relations techniques should be combined and used as ‘an online communication mix’, for example, e-mail, discussion forums and the corporate website. Online communication tools all differ in terms of transparency; interactivity; selectivity; and how easy they are to remember. These differences should therefore be considered when an organisation seeks to establish the appropriate communication mix for each target audience.

In terms of the holistic approach mentioned above, the organisation should integrate online communication processes with traditional communication processes. In other words, these processes should not take place in isolation but should be viewed from an integrated and global perspective. It is clear that a new marketing mindset is required, one that focuses on mutual help, support and long-term relationships. This new mindset also needs a unified process in which online communication is used in collaboration with traditional non-online communication in organisations’ integrated communication marketing strategies.

Online communication, however, is also moving toward communications and relations among individual recipients and consumers and is not simply communication that an organisation initiates to communicate with its consumers. This has become evident in the many social media that are available (Owen & Humphrey, 2009: 54) (see Section 10.7).

[A]10.4 The digital divide
The term ‘digital divide’ has become an adage in today’s globalised world. In a era that is characterised by the global expansion of mass media and electronic information superhighways that span the globe, the ‘digital divide’ refers not only to the gap that exists between the wealthy and underprivileged but also to the digital and ICT gap that exists between third world countries and the developed world (Lesame, 2005: 1). Today, terms such as ‘global information highway’, ‘information revolution’ and ‘information economy’ are commonly used to illustrate the profound role information now has in modern societies. While most First World countries are experiencing rapid growth and a technological explosion, South Africa is as much a Third World country as it is a First World country, and will likely continue to be so for some time.

Although there are ongoing attempts to bridge the digital divide (for instance, with the setting up of tele-centres, digital villages and mobile training centres), various factors still contribute to the digital divide in South Africa, the most notable of these being expensive telephone and Internet services, Internet inaccessibility (especially in rural areas), poverty and illiteracy (Graham, 2004: 11).

[10.5] Online processes

In terms of an integrated approach, online communication should be linked not only with other communication processes in an organisation but also with other online processes.

According to Percy & Bodkin (2000), the components of the promotional mix for websites are as follows:

1. Online marketing includes online marketing communication techniques such as online sales promotion and online direct marketing. In terms of online sales promotion the major tools relevant to websites include coupons; refunds and rebates; premium and specialty offers; sampling offers; online demonstrations; contests; sweepstakes; and games. The budget allocation for sales promotion has increased and some organisations spend up to a third of their promotion budgets on out-of-store promotions. Online direct marketing takes two forms. First, the organisation can engage in e-commerce by enabling site visitors to purchase products online.
Second, customer service includes any direct marketing activity that involves auxiliary services such as post-sales communications on tracking purchases or account activities, product use, delivery or problems.

2. Online advertising performs the same function online as advertising does in the physical marketplace. The primary goals are to create awareness, communicate benefits, promote trial of the product or service, and urge consumers to action. This means that the website can communicate information about products, prices and/or distribution.

3. Online public relations includes news, media releases, speeches, educational programmes, corporate identity materials, public service activities, investor information, and lobbying or cause-related information. A close link exists between consumers’ evaluations of corporate ability and of new products. Therefore, the website should provide organisational information as well as product-specific information specially designed to influence customer attitudes and behaviour.

The above three elements function in synergy in the organisation and should all be considered when the organisation develops an integrated communication strategy.

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10.6 Push and pull mechanism

Furthermore, the Web can be seen as a ‘push and pull mechanism’. Push and pull theories of online communication are technology based and, according to Gordon-MacIntosh (2000), it is easier to reach a specific target audience if they are in an ‘information gathering mode’. Internet traffic ‘pull’ refers to the provision of information to individuals on their request and is used when the ways in which a target audience find a particular site is considered and steps are taken to ensure this process is an open and easy option for them. This is done through the use of links to sites and directories. Internet traffic ‘push’ is information that is provided to individuals whether they have asked for it or not and is aimed at persuading the target audience to revisit the site. This is done by making sure that the site has ‘real value’ or relevance to them. According to Horton (2001), the practicality of pushed or pulled data is based on audience preference. A
good strategy would be to start with pull theory by creating and delivering content that users want and then to move from there to the push theory by getting their full consent to provide information without request. Because ‘online’ is user-driven, it is important to build sound relationships with consumers and to consider message-receiver rights (Barker, 2004).

10.7 Information overload

Neher (1997: 58) defines information load as the quantity and rate of incoming information that is to be processed through a single channel whereas information overload, which is more subjective, depends on factors beyond the sheer number of incoming messages. Information overload is therefore when a user receives more information than is needed or wanted for effective functioning or the realisation of individual or organisational goals. As a result, information overload can lead to misunderstandings (Barker, 2004).

Online or Web-based communication enables individuals and organisations to distribute information rapidly and globally and as such can result in information overload and an overreliance on technology at the expense of face-to-face communication. The main risk that excessive use of Web-based communication (for example, e-mail) poses is that it can lead to a loss of clarity of communication. Various strategies can be used to prevent information overload, with the most notable being training staff to handle information inputs and information processing, and the use of computerised management-information systems.

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10.8 Online marketing

When Bill Gates, CEO of Microsoft, said in the late nineties: ‘The Internet is a tidal wave. It will wash over nearly all industries, drowning those who don’t learn to swim in its waves’, he was warning organisations that they should embrace the advantages of the Internet (Gay, Charlesworth & Essen, 2007: 2). Today it is almost unthinkable for organisations not to have an online presence. Nowadays many organisations include online marketing as part of their
overall marketing strategies. However, the Internet has laid down some new rules for marketers. These new rules include greater transparency, more cost-efficiency, more power and options for the consumer, as well as the necessity of building new relationships. Gay et al (2007: 8) define online or e-marketing as ‘the use of Internet and related digital information and communications technologies to achieve marketing objectives’.

This section explores the development and nature of online marketing; the online marketing mix; the ten Cs of marketing; online marketing resources and applications; online marketing as a push and pull mechanism; and the advantages and disadvantages of online marketing.

**[B]10.8.1 Development and nature of online marketing**

The explosive inception and immense growth of the Internet led to the development and institution of online marketing as marketers increasingly realised how the online environment could benefit and enhance their marketing strategies.

According to Richardson (2001), the first online marketing revolution was characterised by rapid growth in the business-to-consumer market. For instance, the online retailer Amazon.com pioneered retailing on the Internet while Yahoo defined the emerging role of cybermediaries (for example, search engines). The second online marketing revolution evolved even faster than the first, with the focus now on the business-to-business market. For instance, Ariba and CommerceOne created global Web-based electronic procurement portals for industrial operating supplies and parts. The third revolution is currently taking place within organisations themselves. Organisations are establishing corporate websites, extranets and intranets, which in turn are transforming customer and employee relationships.

Todaro (2009: 32) identifies two main factors that accelerated the growth of online marketing, namely technological and economical.

Technological factors that contributed to the development of online marketing are:[no line space before bullets]
• better Internet connectivity, namely changes from dial-up to high-speed Internet access;
• more RAM memory speed for computers;
• better online security; and
• the development of new technologies such as Java, JavaScript and dynamic websites technology (ASP, PHP).

Economical factors that contributed to the development of online marketing are:
• reliable online purchasing systems; and
• lower prices of computer hardware and Internet services.

Recent trends in marketing have introduced new concepts—such as online marketing, e-marketing, e-tailing, digital marketing and mass customisation—which propose that the Internet can be used to develop a marketing strategy for a single customer (Cant, Strydom & Jooste, 2004).

To develop a marketing strategy for a single customer it is necessary to take a one-to-one marketing approach, that is, different customers are treated differently. Such marketing can create strong customer loyalty and enhance the profitability of an organisation. With each interaction, the organisation obtains more accurate information about the needs and desires of its individual customers. The organisation then adjusts and customises the market offering and website accordingly (Botha, Bothma & Geldenhuys, 2004).

According to Mersham & Skinner (1999), the WWW allows potential customers to search for an organisation’s offerings as opposed to the organisation being forced to reach out to potential customers. A consumer sits at his or her computer; searches for the product or service he or she needs; compares prices, characteristics and technical specifications; and then might request additional information via e-mail.

Because the WWW is interactive and personal, the traditional mass media model characterised by one-way communication is no longer relevant. The Web-based marketing model has reversed
the traditional message flow of the mass media model so that the message no longer moves from the marketer to the consumer and, instead, moves from the consumer to the marketer.

Traditional marketing media push messages, whereas new media pull information at the request of the consumer (on the condition that the marketer has the individual’s consent).

The major strength of the Internet as a commercial medium is the fact that it allows an organisation to personalise its offer to match the interests and lifestyles of consumers as opposed to simply extensively reaching out to a general audience. Online marketing is now more about reaching the right people at the right time in the right context than about reaching as many people as possible over an unlimited period of time. Being successful online includes anticipating customers’ needs, meeting those needs and retaining online customers. Online marketers and advertisers are especially interested in customer retention and long-term loyalty (Koekemoer, 2004).

Online marketing pays particular attention to personal interaction, interactivity and feedback. As a result, marketers tend to use different technologies to accomplish these, for example, with the use of closed-loop technology. Closed-loop technology is an intelligent learning system that delivers personalised Web content and targeted one-to-one communication to individual users. Content, visitors to the site, personalisation and communication are integrated with site analysis and measurement tools. The closed-loop system observes and learns more about a user each time that user interacts with the site; thus the site becomes more ‘intelligent’ with regard to the user. As a result, a customer profile is built up and is updated with each subsequent visit (Koekemoer, 2004).

Online marketing generally has three objectives:

- **Brand development**: the organisation’s online efforts integrates with and complement all traditional marketing efforts.
- **Income generation**: revenue is increased by means of online sales, generation of leads and online direct marketing.
- **Customer service support**: in an online environment the organisation can augment its
customer service and support at a lower cost (Charlesworth, 2009: 28; 29).

In Chapter 5, the traditional marketing mix is explained. Online marketing has become so prevalent in organisations’ marketing strategies that theorists now also refer to an online marketing mix as online product; online price; online distribution and online promotion (Gay et al, 2007: 101):

**Online product**
A distinction can be made between selling physical goods (for example, books, DVDs), virtual goods (for example, information goods), and service products (for example, travel and insurance) online. However, marketers need to know how to appropriately sell and distribute these products using the Internet as a platform. Because it is more difficult to sell products online, marketers still use traditional channels to provide some trustworthiness to their products or services. For instance, if a perfume is being sold online, the customer will not be able to smell the product. Marketers therefore still include samples of perfumes in magazines or have samples available in stores. When the customer has experienced the product in the real world, he or she will be more likely to buy the product online with more confidence. Selling a product online provides some added value to the customer, however, for example, he or she will have access to customer reviews and recommendations, 24-hour online customer service and more available choices.

**Online price**
Because the Internet is a more cost-effective and direct medium to sell products (that is, no intermediary is required), the customer should benefit from price reductions online. Numerous websites are available where customers can first compare the prices of different products. Marketers should therefore be careful not to present prices that are excessively higher than those on offer elsewhere online. Cheaper prices online can, however, be negated by high delivery costs.

**Online distribution**
Some organisations perceive the Internet as yet another distribution channel. Online distribution is a crucial element of the online marketing mix. The way in which a product or service that is sold online is distributed to online customers can give the organisation a competitive edge if its distribution methods are effective. For example, the local online book portal Kalahari.net is branded for its quick dispatching of items that have been ordered online. Because the organisation does not have to deal with an intermediary it can sell products directly to the customer. The customer therefore obtains firsthand experience of the organisation’s customer service.

[C]Online promotion

Online promotion refers to online marketing communication (see section 10.5). Different authors include different elements in the promotional mix for websites, but the most prominent are still online direct marketing, online sales promotion, online advertising and online advertising. Whichever online promotional mix element marketers make use of for online marketing purposes, the message should be clear, creative and tailor-made in order to compete with the countless marketing messages on the Internet.

[B]10.8.3 The ten Cs of online marketing

In addition to an online marketing mix, Gay et al. (2007) also identify 10 Cs which are considered fundamental to online marketing success. These can be explained as follows:

[C]Customer

The customer should always be the central focus of any marketing action, even in an online environment. Customers’ needs should be addressed and they should be satisfied with the market offering online. Online customers also have more power and control online.

[C]Corporate culture

The organisation’s corporate culture should be evident online. For instance, its vision and commitment to online customers should be the same as for its other operations. In an online environment an organisation's vision should be extended to include new alliances and
partnerships to deliver better service to online customers. An entrepreneurial culture and willingness to adopt new technologies are some of the aspects that are considered important.

[C]Convenience
Customers purchase online because it is convenient, flexible and offers them greater freedom. They do not need to go to busy shopping centres after work or waste valuable time queuing. Marketers should therefore ensure that customers’ experience online is sufficiently convenient that these customers will be retained.

[C]Competition
Marketers face much competition on the Internet. However, in an online environment, the competition often is widely dispersed and changeable. Competition can emerge in the form of traditional competitors that are now also available online, newly formed alliances and partnerships, or new organisations from abroad. Marketers should plan strategically so that they are able to contend with emerging and existent competitors online.

[C]Communication
Organisations should carefully consider the promotional mix elements that they choose for their websites (see Section 10.5). Communication in an online environment is one-on-one and tailor-made. Ample opportunities for feedback should be available to the consumer.

[C]Consistency
Online messages should be consistent and complement traditional marketing messages. Communication used in the promotional mix elements for websites should reinforce and not conflict with the organisation’s brand and traditional marketing messages.

[C]Creative content
To attract more online traffic, content used for online marketing purposes should be creative and encourage online customers to become engaged in the online marketing messages.

[C]Customisation
Online customers should be able to customise their online experience to satisfy their individual requirements. For instance, customers could be given the opportunity to set the organisation’s website to show only product information that pertains to their particular region or city.

[Co-ordination]

All departments working with online purchases should carefully co-ordinate the purchasing process, for instance, from providing information about the product and processing the online transaction to delivering the product to the online customer. The process should be transparent enough to ensure good customer service even after the purchase has been completed.

[Control]

Marketers can closely monitor online activities by having access to numerous Web analytic tools. These tools provide them with some control over online marketing activities. Marketers should, however, know what to do with these online statistics so that they can further benefit the organisation's online marketing efforts.

[A]10.8.4 Differences between online and traditional marketing

Online and traditional marketing have the same objectives, namely, to increase an organisation’s sales and profits. Online marketing aims to complement and achieve synergy (harmonisation) with the traditional marketing plan. A traditional marketing plan, for instance, uses traditional media to make the publics aware of the organisation’s corporate website and its various products and services. However, the approach of online marketing differs, mainly owing to the global target audience and long-term nature of the marketer-consumer relationship (Todaro, 2009: 19). Conversely, Krishnamurthy (2006: 153) points out a different approach in terms of traditional and online brand management. Where traditional brand management focuses primarily on the product and profit, online brand management is more concerned with the organisation’s relationship with the customer. A relationship with the online customer is built through, for instance, personal profiles, more opportunities for interaction and knowledge of the online customer.
In traditional marketing, the organisation, once it has selected the appropriate audience through market research, attempts to reach its target audience through marketing communication messages (Cant et al, 2004). In online marketing, however, online customers find the organisation’s website by being attracted to the benefits it offers, and then they select the messages they want. By choosing from the tailor-made options, they segment themselves based on desired product benefits. Online marketing measures the number of website visitors who click on an online advertisement. Usually, these visitors are asked to complete an online form so that the marketer can obtain their demographic information.

Table 10.1 summarises some of the differences between traditional marketing and online marketing.

<p>| <strong>Table 10.1: Differences between online and traditional marketing</strong> |
|---|---|
| <strong>Online marketing</strong> | <strong>Traditional marketing</strong> |
| Includes direct selling to an individual using an Internet resource tool. | Includes marketing to the masses. |
| Includes a ‘pull’ marketing environment; in other words, customers find the organisation’s website by being attracted to the benefits it offers. Online customers then select the messages they want. | Supports a ‘push’ marketing environment; in other words, the organisation attempts to reach its target audience through marketing communication messages after it has selected the appropriate audience through market research. |
| Supports two-way marketing. More feedback is involved than in traditional marketing. | Supports one-way marketing. There is little feedback from the target audience. |</p>
<table>
<thead>
<tr>
<th>Includes environmental scanning on the Web while entailing a more specific approach, including competitive, technological and cultural scanning.</th>
<th>Market segmentation and demographic research on the Web are not yet reliable.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental scanning entails a broader approach, including competitive, technological and cultural scanning.</td>
<td>Market segmentation and demographic research are more reliable.</td>
</tr>
<tr>
<td>Online brand management is mainly consumer-centric.</td>
<td>Brand management is more product and profit focused.</td>
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</table>

Sources: (Cant et al, 2004; Krishnamurthy, 2006; Todaro, 2009)

[B]10.8.5 Internet resources for online marketing

Within an online marketing context, Internet resources refer to an Internet platform that will support the organisation’s online marketing strategy and messages. In other words, it is the place(s) on the Internet where customers will be able to access online marketing messages. Various Internet resources are available, for instance, corporate websites, electronic newsletters, e-mail, discussion forums and multimedia (Trinkle & Merriman, 2006:19–34).

Owing to global accessibility, the corporate website is still seen as the organisation’s most powerful marketing tool and therefore one that should be developed with care. The website is increasingly regarded as a direct selling medium; it provides another distribution channel for the organisation’s products as well as the opportunity for the organisation to reach a global target audience. In addition, even small organisations have the opportunity to sell their products to much larger audiences. In order for a website to be successful it should be appealing, user-friendly and functional; it should also offer sufficient value to retain customers. In addition, the information on the website should be regarded as credible and trustworthy (Sweeney, 2006: 20).

The organisation can proactively offer the e-mail (or product) newsletter as part of its online customer service and marketing strategy; this keeps customers informed of new products and
services. The newsletter usually comprises industry news, product promotions and helpful hints. In some cases, the newsletter includes comments from customers which reflect favourably on the organisation’s products and services. Marketers therefore also attempt to include information that will lead to viral marketing; that is, customers forward the newsletter to their friends and peers. Customers or users should preferably sign up to receive product newsletters via email (Blumberg, Forman & Miller, 2006: 18).

E-mail has existed since the inception of the Internet. It was developed in the early 1970s to allow computer users to send messages and share text files with other users on the same network. Not only does it facilitate the organisation’s interaction with its customers, it can also play a role in the formation of long-term organisation–customer relationships. E-mail can impact on the corporate image of the organisation and the organisation should therefore consider e-mail in the formation of its policies and procedures (Burke, 2001). (See also Section 10.6.6, with regard to e-mail marketing, which is regarded as an online marketing application.)

Multimedia are interactive databases that allow users to access online information in various formats, for example text, graphics, video and audio. The use of multimedia ensures impact, immediacy and selectivity of the online marketing message. Media products can now also be streamed live. It is possible to do live audiovisual presentations, interactive live chats, and live videoconferencing (Jones, 2009: 181).

Marketers also use online marketing forums, bulletin boards, newsgroups and mailing lists to keep abreast of trends in marketing strategies. These types of forums are useful Internet resources which facilitate discussion and debate of topics of interest. The messages posted to a newsgroup are organised by a host computer which determines how long they should remain active before they are then removed. There are thousands of newsgroups and mailing lists through which users discuss thousands of topics. Using the power of these forums, marketers can solicit the advice and opinions of experts around the world (Scott, 2010: 48–51).

[B]10.8.6 Online marketing applications
Online marketing applications comprise those online actions (or dealings) which the marketer can apply on the corporate website to implement an organisation’s marketing strategy. These include e-commerce, online market research, online customer service and support, e-mail marketing, SMS marketing and online advertising.

[C] E-commerce

According to Norris, West & Gaughan (2000: 2) e-commerce ‘embraces all aspects of buying and selling products and services over a network’, such as the Internet.

E-commerce can take many forms, for example cybermalls. Cybermalls are virtual marketplaces that consist of individual websites linked under a general site (Learn2succeed.com, 2004). Two kinds of cybermalls exist. The vertical cybermall consists of cyberstores which all sell the same type of product; the horizontal cybermall is composed of, for example, a bookstore and a jewellery store; that is, stores which sell different kinds of products. An example of a horizontal cybermall would be the highly successful South African online shopping portal, Kalahari.net (Mardenfield, in Palumbo & Herbig, 1998).

Lin & Atkin (2007: 211) regard the following as motivators for online shopping:
1. Consumers can save money and time as a result of not having to travel.
2. There is a wider choice of products from which the customer can choose.
3. Experiential users enjoy the online shopping experience.

However, there are still some concerns in terms of online security and the completion of transactions which continue to make numerous users wary of using the Internet to purchase products or services.

To attract customers to their websites, organisations use promotional tactics, such as free product samples, contests, quizzes, coupons and special time-restricted offers (Botha et al, 2004).

Although e-commerce is becoming a flourishing industry in South Africa, organisations nonetheless need to learn more about how to maximize the commercial advantage that their
websites can offer them. Online retailers such as Kalahari.net, Mweb Shopping Mall, Digital Mall, Exclusive Books, Netflorist, Cybercellar, Woolworths and Pick ’n Pay are some of the more popular e-commerce portals in South Africa (Shopping online in South Africa, 2009).

The practice of e-commerce, however, requires the proper infrastructure, basic technology, standards, language and Internet protocols (each machine on the Internet has a unique identifying number, known as an Internet protocol (IP) address). Interlinked communication and suitable hardware are also necessities (Botha et al, 2004).

[C] Online market research

Internet usage statistics are, as a rule, captured by means of Web analytics. This means log files are written which capture Web trends, unique visitors, users’ page views, top exit pages, and website engagement, to name but a few. Various Web analytic tools are available to organisations although some of these tools do not necessarily provide functional information that can be used by marketing management for the marketing strategy (Kaushik, 2007: 3).

To target the right customers with tailor-made messages, marketers need to build up a customer profile. They therefore need to know the identities of their visitors and the reasons for their visits. Even though market research on the Internet is not considered to be totally reliable, the Internet is nonetheless a valuable research tool and various resources can be used to gather information on website visitors to build up a profile of these visitors. As website visitors have neither the time nor the inclination to complete lengthy questionnaires, marketers might use the following tactics to capture the data they need (Janal, 1998; Grossnickle & Raskin, 2001: 141):

- Feedback about the actual website is requested;
- A postal code is asked for when the user fills in requested information. In this way, marketers can establish in which city and province the user lives;
- A contest or free product is offered in order to obtain addresses;
- Registration is required to access deeper levels of the site;
- A survey or opinion poll is conducted on the website, and the ‘yes’ and ‘no’ buttons are in fact ‘mail to’ (e-mail) buttons that send the participant’s e-mail address to the organisation;
- Online visits are monitored through software programs that can track online usage;
• E-mail surveys can be used if the organisation has developed a list of e-mail customers.

[C] Customer service and support online
Customer service and support online are as important as when the product or service is bought through traditional channels. Good customer service results not only in customer loyalty and retention but also in positive viral marketing (word of mouth). The advanced customer-relationship (CRM) technology that is available today provides the organisation with an opportunity to build a special relationship with online customers. Corporate websites that allow for both first-class customer service and support online are the best marketing tools that organisations can have (Reynolds, 2004: 273). Reynolds (2004: 275) also argues in favour of a customer service strategy that is created especially for online customers. This can include detailed information on the corporate website about all products and services; a section for frequently asked questions (FAQs); product specifications; as well as articles and even case studies (knowledge content). Customer service and support online are also fostered by using tools for interactivity; in this way the organisation can build a ‘learning relationship’ with the customer. Organisations that truly understand their key customers are able to deliver better online customer service by adapting to their specific needs (Peppers & Rogers, 2004: 192).

[C] E-mail marketing
E-mail marketing has become an integral part of online marketing and can play a valuable role in any online marketing campaign’s success if done in the correct manner. E-mail marketing should preferably be part of the organisation’s online marketing strategy and have specific objectives in mind. It can even be an effective replacement for direct mail because it costs far less and better-targeted messages can also be sent. In addition, reminders about a sales promotion or event can be sent to the target audience (Chaffey, 2007: ix; 8). According to Mullen, Daniels & Gilmour (2009: 6), five types of e-mails are usually sent for marketing purposes:
• To create awareness of a product and/or service;
• For consideration of a product and/or service;
• To communicate specific information about the product and/or service;
• To increase product and/or service usage; and
• To increase customer retention and loyalty.
Each type of the above of e-mails can play a distinct role in establishing the organisation’s brand message with a customer.

Spam e-mail is, however, still considered to be one of the most significant threats to the future of online marketing and, as a result, in April 2004, the Marketing Federation of South Africa (MFSA) released a set of landmark guidelines which are designed to combat spam e-mail and boost legitimate e-mail marketing. One of the guidelines, for example, stipulates that marketers should not acquire e-mail addresses through automated mechanisms that do not specifically gain the consumer’s consent (‘MFSA launches anti-spam campaign’, 2004).

[C] SMS marketing

SMS is the acronym for short message service, which involves the delivery of text messages to cell phones. Marketers use SMSes as a permission-based, cost-effective, high response-rate marketing tool to help them acquire and retain consumers, and to promote and sell products. Databases on the corporate website provide marketers with access to clients’ cell phone numbers, although these can also be obtained in other ways.

Although e-mail is beneficial in terms of personal, one-to-one marketing SMSes are even more personal because the marketing message can be customised. However, SMS is less intrusive than other media only when it is permission-based, relevant and meaningful (Botha et al, 2004). (See Section 10.8 for a discussion of mobile marketing.)

[C] Online advertising

Online advertising is still a significant marketing application. (See Section 10.9 for a detailed discussion on this.)

[B]10.8.7 Integration of online marketing with traditional marketing

Online marketing should be fully integrated with the organisation’s marketing mix and not considered to be a separate campaign. If synergy with the traditional marketing plan is
achieved, online marketing becomes much more valuable to the organisation’s overall marketing objectives (Carmody, 2004: 294). Bayne (2000) reiterates that the most important aspect of an online marketing plan is to achieve synergy with the traditional marketing plan, and to use traditional media to make the public aware of the organisation’s corporate website and online activities. Numerous organisations conduct business online yet still make use of traditional media to advertise their online business objectives. Organisations that successfully integrate their marketing strategies with different media currently also integrate their online and traditional marketing efforts with Web 2.0 technologies (Mohr, Sengupta & Slater, 2009: 391). (See Section 10.7 for a discussion of social media marketing.)

[B] 10.8.8 Online marketing as a push and/or pull mechanism

[C] Online marketing as a push mechanism

Traditional media such as print, radio and television are ‘push’ media, which means that communication is usually one-way, with little opportunity for feedback unless a direct marketing response mechanism is included. Marketers often push Web pages in traditional media so that customers can find them. Web pages can also be pushed by means of new media, for instance through push technologies such as Web casting, which imitates television. With Web casting, consumers subscribe to ‘channels’ that are published online by advertisers. Advertisers send information and advertisements to the consumer according to a schedule that has been determined by the consumer. For instance, a user can subscribe to a news channel and specify that they wish to read business news updates every hour, although specifically targeted advertisements are included. Advertisers also use advertisements as screensavers. Each screen view can contain news, a stock ticker and an unobtrusive advertisement. The consumer can select the news categories, organisations and industries he or she would like to monitor. Advertisements are hyperlinked to the advertisers’ websites and the advertisers’ aim is to encourage consumers to react to them (Baker & Hart, 2008; Janal, 1998).

[C] Online marketing as a pull mechanism

The consumer is not pushed to find a website; instead he or she is ‘pulled’ to the site because he or she is attracted to the benefits that it offers. Online customers are therefore proactive in that
they select the messages they want and can then enter into a dialogue with the organisation. Marketers therefore need to implement strategies to attract online customers to their websites and to ensure that the website is purposeful and useful to the online customers (Baker & Hart, 2008: 506).

[B]10.8.9 Advantages and disadvantages of online marketing

Online marketing has numerous advantages and disadvantages, as demonstrated in Table 10.2 below.

<table>
<thead>
<tr>
<th>Table 10.2 Advantages and disadvantages of online marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advantages</strong></td>
</tr>
<tr>
<td>Marketers can reach a global target audience.</td>
</tr>
<tr>
<td>Advertising expenditure is spent on a target audience that is extremely receptive to the marketing message.</td>
</tr>
<tr>
<td>The target audience can read marketing messages 24 hours online purchasing.</td>
</tr>
<tr>
<td>Many organisations still do not know how to take commercial advantage of their websites.</td>
</tr>
<tr>
<td>People who are able to afford the organisation’s product or problems with regard to service tend to react to online correct and secure online payment marketing messages.</td>
</tr>
<tr>
<td>South Africa continues to encounter problems with regard to correct and secure online payment systems.</td>
</tr>
</tbody>
</table>
### Marketing

Marketing occurs through a customer-driven channel. Many organisations’ websites are not perceived as credible. Marketers deal with customers at the point when they are ready to buy. Many organisations still do not know how to fulfil consumers’ online needs, or how they are ready to buy. to retain online customers.

Multimedia makes the marketing message more appealing and creates relationships with customers.

It allows organisations to link directly to consumers, which enables new relationships and interactions. The organisation can make more profit by cutting out salespeople, warehouse costs and distributors.

In comparison with other media, it is cost-effective.

Small organisations can compete on an equal footing against larger organisations.

Sources: Fritz, Dholakia & Mundorf (2002); Janal (1998); Todaro (2009).

#### [A]10.9 Social media marketing

Social media marketing has its roots in viral marketing and electronic world of mouth (eWom),
which is discussed in detail below.

[B]10.9.1 Electronic word of mouth (eWOM)

After the establishment in 2004 of Web 2.0, numerous applications such as social media networks became more accessible to the general public. Web 2.0 is a new technology that allows users to generate their own Web content and to actively participate in the communication process (O’Reilly, 2005). Social media also create the ideal platform for consumers to instantly spread the word about an organisation’s products and services by means of eWOM. eWOM is the same as viral marketing but uses the Internet as the platform on which to spread the communication message.

eWOM communication is any positive or negative story, via the Internet, from potential, actual, or former consumers that concerns an organisation’s product and/or service. With eWOM consumers obtain information about products and services from people known to them as well as from consumers who have actually used these products and services (Cheung, Lee & Rabjohn, 2008: 229). Marketers therefore use the benefits of eWOM to create awareness of the organisation's products and services or, using different social media content platforms, for brand-building purposes by means of social media marketing.

[B]10.9.2 Social media content platforms

Marketers are increasingly using various social media content platforms for the purpose of viral marketing, or eWOM, to complement their traditional and online marketing strategies. Social media can be defined as ‘user-generated content created or produced by the general public rather than by paid professionals and primarily distributed on the Internet’ (Daugherty, Eastin & Bright, 2008: 1).

Different social media content platforms exist. Cosmo (2008) classifies and explains these as follows:

■ Networking sites (for example, Facebook; MySpace): Used for locating and keeping in touch
with friends and family or participating in online groups or fan clubs which have different topics of interest.

- **Social bookmarking sites** *(for example, Digg; Delicious):* Social bookmarking allows users to locate and save websites that are of interest to them.

- **Social news sites** *(for example, Propeller; Reddit):* Social news websites are online communities that allow their users to submit news stories, articles and multimedia to share with other users or the general public.

- **Video sharing communities** *(for example, Youtube):* Video sharing and hosting sites allows any and every video to be posted online. More recently, there are video sharing and hosting sites that specialise only in short-form, original content *(for example, Metacafe).*

- **Photo sharing sites** *(for example, Flickr):* These sites allow for worldwide photo sharing, commenting, and photography-related networking sites.

- **Professional networking** *(for example, LinkedIn):* These are social networking sites created primarily for business and professional networking.

- **Web-based encyclopaedias** *(for example, Wikipedia):* Free, Web-based encyclopaedias that are written and edited by volunteers around the world.

- **Community answer sites** *(for example, answer.com):* These sites provide an online question-and-answer platform, where questions are both asked and answered by members of the community.

- **Blog networking communities** *(for example, Open Diary):* Blog networks host a huge variety of different sites and usually remunerate users either with advertisement revenue, a salary, or on a per-post basis in order to load their sites with excellent content.

[no line space]

- **Social media aggregators** *(for example, Friendfeed; Streamy):* These websites accumulate information on everything that users do on social networks or websites and then integrate it all in one location. These websites allows users to follow exactly what other users are doing on social media.

[no line space]

- **Micro blogging** *(for example, Twitter):* The content is usually much smaller, in both actual size and total file size, than that of a regular blog. A micro blog entry might consist of only a short sentence, an image, or an attached video. Users can also select to follow other users’ tweets.
Blog publishing (for example, wordpress.org): Publishing platforms allow users to both create and publish their own blogs.

Social Web content discovery (for example, RSS feeds): Users can find appealing Internet content by subscribing to a feed.

Social media searches (for example, Socialmention): Social media search engines search user-generated content such as blogs, comments, bookmarks, events, news, videos and so on.

Social event calendars (for example, Google calendar, 30 Boxes, social web): Community-driven websites allow users to find and promote any social events for free.

Mobile phone platforms (for example, MXit, The Grid): Mobile phone platforms assist users in locating friends and family and then staying in touch with them (see also Section 10.8).

[10.9.3 Social media marketing]

Many definitions of social media marketing exist (some theorists refer to it as social influence marketing). Singh (2009: 10) defines social influence marketing as ‘a technique that employs social media and social influencers to achieve business’ marketing and business’ needs’. Evans (2008: 13) refers to social media marketing as a social media application that strategically uses ordinary conversation primarily for brand-building purposes.

Social media marketing is an addition to online marketing but its focus is more on social media content and communities (Cosme, 2008). Social media marketing can, however, also pose a risk to an organisation’s online reputation if they receive negative eWOM (Evans, 2008:158).

[10.9.4 Creating a social media strategy for the organisation]

When developing a social media strategy, organisations usually consider either a competitive differentiation; market share growth; or brand expansion as their most important marketing objective (Borges, 2009: 73). When an organisation makes use of a competitive differentiation strategy, it usually increases its visibility in various social media by creating new social media content or through online content commenting. When growth of market share is the main consideration for using social media, an organisation aims to increase its revenue in a specific
market segment. The organisation then commits itself to creating new social media content. In the case of brand expansion, the organisation develops a powerful social media content creation strategy and creates new and appealing content in different social media content platforms (Borges, 2009: 73–76).

Social media marketing uses social media content platforms to reach the target audience by means of numerous social media marketing communications tools and tactics. Charton (2007), Luckhoff (2009, Schrecker (2008) and Zarrella (2009) describe some of the more popular social media marketing communication tools and tactics:

[no line space]

Twitter and micro blogging: This involves promoting content about the organisation’s products and services by sending short messages (tweets) to followers (for instance, using no more than 140 characters).

Beacon: This is an advertisement system on the social media site, Facebook. Data are sent from external websites to Facebook to communicate with targeted advertisements while users can share their activities with their friends.

Fan page: This is a page that is set up either by or for a celebrity within a social media site such as Facebook or MySpace. Many organisations also create a fan page for a brand.

Blogs: An individual provides commentary in the form of a personal diary about various topics of interest. Visitors to the blog may respond to messages.

Product blogs: An individual or organisation provides commentary in the form of a personal diary about its various products.

Blog press room: This is a press-related blog that is maintained by an individual or an organisation in which information is fed to the media by means of press releases, videos, photos and screen shots.

Review blog: This is an extension of a blog but its focus is on promoting new products and services and providing opportunities for professional reflections and viewpoints.

Sponsoring of content category: Organisations are given a category in a suitable section of a social media site (for example, on Facebook), where they can post original content.

Message board: An electronic platform in the form of a forum where various messages about different topics can be posted.
Podcast: A digital media file which users can download from the Internet and play back with the use of various Internet and communication technologies.

Vlog: This is similar to a blog but the medium is a video in which users can see and hear the message.

Wiki: An organisation makes available a web page or several web pages where users who access these pages can modify the content.

Really simple syndication (RSS) feed: By subscribing to a feed, users can be connected to Internet content about the organisation’s products and services.

Widget built into social media sites: An applet which can be built into an HTML Web page to add content and to make it more interactive.

Games, competitions, incentives: These are set up to provide entertainment to online community members while they surf the website.

Video advertisement: An engaging audiovisual advertisement that is generated by users and which is available on sites that are part of the Google content network.

Online social media press release: A press release with multimedia features that users can access online.

Mobile platforms: Organisations can use mobile social conversation sites to reach online consumers or to build the organisation’s brand, for instance, with MXit and The Grid (see the Section 10.10 below).

**[A]10.10 Mobile marketing**

Because a cell phone is usually switched on, is within immediate reach of the consumer, and is also a very individual device, marketers can communicate content about their products and services to their target market through what is known as mobile marketing. Pousttchi & Wiedemann (2006), define mobile marketing as a ‘form of marketing communications using mobile communication techniques to promote goods, services and ideas’.

Mobile marketing is reliant upon mobile marketing applications such as wireless application protocol (WAP), short message service (SMS) and multimedia message service (MMS) (Carroll, Barnes, Scornavacca & Fletcher, 2007:81).
Although SMS is still the most popular mobile data application for marketing purposes (Timpson & Troutman, 2009: 59), marketers now also consider other mobile marketing strategies for reaching more consumers (and not only those who have granted permission to be opted in to receive mobile advertising messages). Consumers can also subscribe to a branded mobile channel (contracted with a mobile service provider) where they can access different offers that can include exclusive content as well as applications, games, special opportunities, incentives, and emotional experiences. The fact that these consumers subscribe to these branded channels strengthens the value of the sponsoring brand and simultaneously generates business value. Branded mobile channels, for instance, are available on popular mobile social platforms such as MXit and Vodafone. Various brands in South Africa have branded mobile channels, for example, Billabong, You magazine and Vodacom, to name but a few. [run on]

With consumers subscribing to a branded mobile channel, organisations can engage with consumers on a deeper level, increase brand loyalty and augment consumer retention (Friedrich, Gröne, Höibling & Peterson, 2009: 54).

A cell phone usually belongs to one consumer only, so mobile service providers are able to do ‘contextual marketing’ to their subscribers based on tracked information such as the geographical position of users, the technical addresses of the cell phones, and customer profiles. Contextual marketing refers to the extent to which e-businesses use the Internet to provide customers with relevant information in the right context and in real-time (Lee, Korea & Jun, 2007: 799). For instance, based upon information that the shopping centre marketing manager has concerning whether certain consumers are in the shopping centre at that specific moment, these consumers can receive SMS alerts that inform them of special promotions that are occurring in various stores in the shopping mall.

However, marketing via a mobile platform also poses various limitations and challenges, such as small screen size, limited bandwidth, device diversity, a limited set of visual and audio capabilities, as well as issues such as permission-based regulations, consumers’ trust and their perception of personal intrusion. Marketers therefore consider the mobile medium to be more of
a complementary or substitute channel to current marketing communication strategies (Sinisalo, Salo, Karjaluoto & Leppäniemi, 2007: 775) or use mobile marketing communications primarily to strengthen the organisation’s brand (Okazaki, 2009: 168).

Janette begins

[A]10.11 Online advertising

Over the years the advertising phenomenon has developed in terms of content and media, and has subsequently evolved to adapt to the ever-varying needs of advertisers and audiences alike. Advertisers have therefore increased their efforts to locate media that are less costly, less cluttered and potentially more effective than the established media which have served their needs for many years (Shimp, 2003). Advertising on the Internet commenced with such intensity that some observers believed that traditional advertising was dead. It has been claimed that online advertising is superior to traditional advertising in that it provides consumers with greater control over the communication process, is more versatile than traditional advertising, and is superior at targeting consumers. Shimp (2003) agrees but also points out that the Internet is nothing more than a potentially key element of the Integrated Marketing Communication (IMC) mix and not a total replacement for traditional advertising.

To explain the nature of online advertising, a definition is developed below for the purposes of this discussion:

Online advertising consists of inexpensive, borderless, persuasive, continuous and information-intensive online communication messages—sent out to a globally diverse audience that voluntarily accesses unmodified messages on the Internet—from an identified sponsor who directly receives feedback in an interactive manner.

New technologies like the WWW have generated a variety of possibilities in the effective transfer of advertising messages to diverse populations. So many different media options have become
available for reaching consumers that audience fragmentation has resulted. Advertisers have sought to overcome this problem by using the Internet to reach these different audiences with varied advertising messages. The Internet has also enabled organisations to advertise to a global target audience at a much lower cost than they would have incurred had they used traditional advertising methods (Hanekom & Scriven, 2002). Advertising on the Internet offers unique opportunities to advertisers and these opportunities will grow as more advanced application technologies and infrastructure become available, and as more consumers become educated in the use of this medium.

As a communication medium, many advertisers do and will use the Internet as an advertising medium. It is important, however, to remember that traditional advertising media will never become obsolete. Because of the value of the different advertising media, advertisers and marketers should therefore follow an integrated approach. Although the Internet can be a central part of their advertising strategy, advertisers should be aware that they must use traditional media alongside this new and exciting medium. In terms of the integrated organisational communication approach, the messages should be consistent with other organisational communication messages, as well as with the overall corporate brand of the organisation. Market segmentation and target marketing therefore play an increasingly important role when deciding on the ideal media mix and communication messages to use. Prior to elaborating on the nature of online advertising however, the development of online advertising is briefly highlighted.

[B]10.11.1 Development of online advertising

Although on the one hand online advertising is currently regarded as imperative to any marketing communication effort and is widely utilised, it is, on the other hand, also still developing in terms of content and applications. Organisations have attempted online advertising in many formats; these many formats have revealed various developmental stages:

- Advertisers began by offering information and promotional material through textual gopher documents, electronic mass mailings, and the posting of messages in Usenet discussion groups. These types of online advertising were soon described as ‘junk mailing’, and advertisers realised
that they were perceived as invasive in nature and were ineffective at delivering advertising messages to different target audiences.

- In response to this inefficacy marketers and advertisers tried alternatives like commercial gopher sites, but they soon became aware that the impact of these messages was not what they hoped. They again sought alternative methods.

- The concept of distributed hypermedia documents began to develop and the National Centre for Supercomputing Applications (NCSA) released Mosaic, which was based on hypertext technology, namely, the WWW (Rao, 1997). The WWW opened up enormous opportunities for advertisers and marketers to promote their products, services and ideas to a diverse spectrum of the population.

- As an advertising medium, the Web is currently thriving and its popularity is increasing, despite its initial slow start. This could be attributed to advertisers’ realisation that this medium has immense potential as an advertising medium or ‘billboard’ that can reach an international audience.

Organisations now have a wide variety of media available to them; this has led to the development of e-commerce. By offering their own content and services on the Internet many organisations attempt, with greater or less success, to use it as a medium for conducting business (Loebbecke, Powell & Trilling, 1998). Although many organisations are now using the virtual market, the advertising opportunities that this new environment offers are still to be thoroughly explored and marketers and advertisers should remember that this medium is very different from traditional mass communication media (Kiani, 1998).

In the online environment, advertising and commercial information is displayed and accessed in a new and unique way. Organisations intent on disseminating their advertising and marketing communication messages online need to adjust their internal and external communication strategies accordingly (Ranchhod, Gurau & Lace, 2002). In this context, therefore, the re-evaluation and modification of each organisation’s traditional communication strategies are imperative.

Of course there are numerous reasons why the Internet can be considered a valuable and
effective communication and advertising medium:

- With its information-intensive nature, the Internet allows the organisation to provide an extensive amount of information to target audiences and markets.
- People are now consuming less traditional media and spending more time online. The Internet has become a popular information provider that enables consumers to find general, product- and service-related information online. The demographics of online users have also changed and users represent a microcosm of society which bridges social class, age and household make-up (New Media Age, 2001). An increasing number of people have access to the Internet, and it can therefore be regarded as a communication medium that has the potential to reach a massive and diverse spectrum of consumers.
- Marketers and advertisers have realised that the Web can be instrumental in their marketing campaigns (‘Making Ads Work on the Internet’ 2003). In the integrated marketing communication campaign, the tools for marketing communication (advertising, sales promotion, direct marketing, personal selling, and so on) are integrated, as are the media used to communicate with consumers. The Internet is another such tool, and can be used effectively to communicate with target audiences. In light of this, online advertising is gradually expanding in South Africa.

Having examined how the online advertising phenomenon has evolved, it is important to discuss its intricate nature.

[B]10.11.2 Nature of online advertising

Moriarty, Mitchell & Wells (2009) suggest that online advertising has three primary purposes:

- It provides brand reminders on websites to people who are visiting the website;
- It delivers an informational or persuasive message that is similar to advertisements in the offline environment;
- It encourages people to visit the advertiser’s website by clicking on a banner or button that will lead them to the website. These advertisements therefore pull people to the websites.

In order to ensure effective communication in the online environment and to fulfil the primary
purposes of online advertising, organisations should adhere to the four fundamental pillars of effective communication—namely dialogue, borderless communication, inclusive communication, and continuous communication. These four fundamentals are particularly applicable—in the online communication environment, and they should be adhered to concurrently (Ranichod et al, 2002). Table 10.3 elucidates these pillars.

Table 10.3 The four fundamental pillars of effective online communication

<table>
<thead>
<tr>
<th>Pillar</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dialogue</td>
<td>The process of online communication begins with dialogue, because, in essence, communication is a process of exchange. The online environment allows for the exchange of communication messages between advertisers and consumers. Direct feedback from consumers becomes possible, and this in turn enables advertisers to adapt their advertising messages to the needs of the target audience. The traditional models of unidirectional communication are not suitable for online communication and should be replaced by many-to-many communication models.</td>
</tr>
<tr>
<td>Borderless communication</td>
<td>Through the strategic planning of messages, communication can be borderless and delivered consistently across cultures and time zones. The Internet allows the advertiser to deliver similar advertising messages to consumers from different cultures in different time zones at the same time. Therefore, the advertiser should develop advertising messages that are tailor-made for</td>
</tr>
<tr>
<td>Inclusive communication</td>
<td>Consumers from diverse cultures. Borderless communication also necessitates that communication messages must be consistent across any organisation’s advertising, marketing and public relations (marketing communication) activities in both the real and online world.</td>
</tr>
<tr>
<td>Continuous communication</td>
<td>Inclusive communication should reach both internal and external audiences. Organisational communication messages should be integrated and communicated to all stakeholders in the same manner. Inclusive communication includes employees, consumers and any other stakeholders. The integrated manner in which messages are communicated creates synergy in any organisational communication strategy. Because online advertising is integrated with online marketing and public relations messages, each message aimed at internal and external organisational stakeholders should be inclusive.</td>
</tr>
<tr>
<td>Continuous communication</td>
<td>Marketers and advertisers should ensure that communication messages are communicated to different stakeholders on a continuous basis. All stakeholders should be updated and informed of any new developments regarding products and services, as well as any organisational decisions that might influence them.</td>
</tr>
</tbody>
</table>
[C] Unique characteristics of online advertising

As a communication medium, the Internet has many distinctive characteristics, such as ubiquity; flexibility; networked interaction; speed; global reach; and time independence, and in these ways can be differentiated from traditional communication media. It is clear that advertising in this medium will possess equally unique characteristics, including the following:

- **Individualisation**: ‘Individualization refers to the fact that the Internet user has control over the flow of information’ (Shimp, 2003). With traditional advertising messages the individual consumer has little control over the amount or rate of information they receive because such advertising is usually uni-directional and there is little opportunity to provide feedback. In contrast to this, the online environment provides consumers with the opportunity to choose the amount of exposure they have to a Web advertisement; they decide what to watch, when and how much. The WWW and other interactive technologies therefore shift control from advertisers to consumers, who are now free to seek information they desire and ignore information for which they have no need.

- **Interactivity**: Interactivity is one of the most important key features of online advertising that differentiates it from advertising in the traditional media paradigm. When exposed to online advertising, the consumer is able to exercise unprecedented control over the content with which he or she interacts and therefore becomes a partner in the communication process and the production of messages. Shimp (2003) explains that interactivity ‘allows for users to select the information they perceive as relevant and for brand managers to build relationships with customers via two-way communication’. Traditional media encounters provide consumers with little possibility of interaction, although consumers might engage in a passive manner with action, but no interaction. Interactivity entails reciprocal activity by means of two-way communication (dialogue) and consumer control over the communication process. In the online context, consumers now need to be referred to as ‘users’ instead of ‘receivers’. Jin & Villegas (2007) add that interactivity provides multiple options, such as various controls and choices, a richer sense of feedback, and two-way communication.
In terms of ensuring true interactivity, advertisers should engage in relevant strategies to guarantee that consumers are motivated to respond and interact with the online advertising content. The concept of interactivity requires proper consideration, owing to the shift in channel power from organisation to consumer that takes place during online advertising activities.

Much of the attraction of the Internet as an advertising medium is due to its interactive capabilities, which allow consumers to use it for providing and receiving information and services. Marketers and advertisers therefore should not use the Internet solely for the static provision of information without allowing for interactivity. This would lead to online advertising messages that are less effective. When online advertising is used as part of an organisation’s marketing communication strategies, the following needs to be considered:

■ Equality: The WWW provides a level playing field for all participants. Organisations, consumers and customers have equal opportunities to access and provide information.

■ Competency: The consumer or customer who wishes to access the online environment needs computer skills to browse through commercial websites. This is in contrast to the physical world, in which access to advertising messages is not based on capabilities or skills.

■ Information intensity: The Internet is not a simulation of a real-world environment; it is an alternative to real-world environments which offers online shopping facilities. In the real-world environment, the focus of the advertising messages is on visual persuasion, which is distinct from the information-intensive nature of online advertising messages. Any updated product- and non product-related information can be delivered on the Internet because of its focus on content delivery (Kiani, 1998).

■ Affordability: Presence in the online environment is relatively inexpensive to establish, and has the advantage in that a vast, international audience can be reached.

[C] Types or forms of online advertising

Similar to print and broadcast media, the Internet is an advertising medium that marketers and advertisers need to consider (Belch & Belch, 2009) because it provides them with immense opportunities to present interactive advertising messages.
Advertising on the Internet can be presented in different formats. Armstrong (2001), Hanekom & Scriven (2002), Shimp (2003), Belch & Belch (2009) and Moriarty et al (2009) elaborate on the following forms which are used in the online environment:

■ Banners: Banner advertisements are the most common form of advertising on the Internet; they are also referred to as ‘hot links’ (Armstrong, 2001). Banner advertisements are generally used to create awareness or recognition; to encourage consumers to enter contests and sweepstakes; or for direct-marketing objectives. Banner advertisements are also referred to as side panels, skyscrapers or verticles when they are presented as strip advertisements placed on the edges of photos or advertisements. Banner advertisements are usually found on popular, advertising-supported websites. They are the oldest and most popular type of online advertising.

■ Pop-ups, Pop-unders, Pop-behinds, Interstitials and Superstitials: Pop-ups are those advertisements that appear on the screen when a webpage is accessed and which try to get the user’s attention. Pop-behinds burst open on the computer screen behind the opening page of the website. Pop-ups are larger than banner advertisements but are smaller than a full screen. Pop-unders are advertisements that appear at the bottom of the screen and become visible only when the user leaves the website. These are often used for subscription sales; they automatically spring up on top of the main Web page when a website is accessed. Interstitials refer to the space that intervenes between things. These are advertisements that appear between two content Web pages (Shimp, 2003). Superstitials are short, animated advertisements that play over or on top of a Web page (Shimp, 2003).

■ Sponsorships: There are two types of sponsorships. Regular sponsorships are used when an organisation pays to sponsor a section of a site. Content sponsorship is when the sponsor not only provides money in return for name association but participates in providing the content itself. Additional sponsorship opportunities available to online advertisers include naming rights to sites; input into the overall ‘look and feel’ of the site; and editorial sponsorships.

■ Skyscrapers: Skyscrapers are extra-long, skinny advertisements that run down the right or left side of a website.

■ Minisites: Minisites allow advertisers to market their products without directing the visitor away from the website (Moriarty et al, 2009). Minisites appear automatically on the website and can be enlarged by the visitor at a later stage. Also referred to as ‘microsites’, these
sites follows the basic structure and presentational feel of the sponsored site (Armstrong, 2001).

- **Widgets**: Widgets are tiny computer programs that allow people to create and insert professional-looking content into their personal websites. This type of online advertisement includes news notes, calculators, weather feeds, stock tickers, clocks, book or music covers, or other Web gadgets that can be framed by a brand-name promotional offer. Widgets are used to get non-intrusive advertisements on the desktop, website or blog (Moriarty et al, 2009).

- **Online shopping malls**: Kalahari.net, Edgars.co.za and Picknpay.co.za are all examples of this form of online advertising.

- **E-mail marketing**: With the aid of e-mail marketing, the advertiser can reach specific users, and this has led to this type of advertising becoming a rapid growth area in online advertising.

- **Liquid image advertisements**: This embedded imaging technology transforms ordinary Web images into interactive images that reveal hidden layers of editorial content, streaming audio and video, advertising information and e-commerce capabilities.

- **Point Roll advertisements**: These are similar to standard online banner advertisements but allow for greater interactivity. By rolling the mouse through the advertisement, the user accesses up to eight mini-Web panels containing additional messages.

- **Enliven advertisements**: These are richly interactive media advertisements that can now offer animation from a macromedia flash movie.

- **Messaging plus**: These are large advertisements displayed on half of the computer screen.

- **Larger pages**: Larger pages facilitate interaction without linking users to new sites.

- **Interstitials**: These are advertisements that appear on the screen while the user is waiting for content to download. They are Java-based advertisements that appear while the publisher’s content is loading. Although they showed great promise when they were introduced, their number has not significantly increased over the last few years.

- **The selling of certain words to advertisers**: With this type of online advertising message, consumers visiting a Web page to refer to a specific topic are shown an online advertisement that relates to the words that were used in the consumer’s search.

- **Push technologies**: Push technologies—or Webcasting technologies—allow organisations to ‘push’ a message to consumers instead of waiting for them to find it. These technologies dispatch Web pages and news updates and might have sound and video geared to
specific audiences or individuals. Internet users can personalise these ‘pushed’ messages, by, for example, requesting the specific information they are most interested in viewing.

- **Links**: Not everyone regards links as a type of online advertising but, in actual fact, they serve many of the same purposes as the types of online advertising discussed above.

- **Paid search**: Paid search is one of the most widely used forms of advertising on the Internet. With this type of advertising the advertiser pays only when a consumer clicks on their advertisement or link from a search engine page. Search engines now constitute 40[.]% of all online advertising spenditure, with Google dominating the market (Belch & Belch, 2009).

- **Behavioural targeting**: Behavioural targeting involves advertisers’ targeting consumers by taking into account their website surfing behaviour. By compiling clickstream data and Internet protocol (IP) information, segments of potential buyers can be identified and advertisements can be directed specifically to them.

- **Contextual advertisements**: Advertisers target their advertisements based on the content of the Web page.

- **Rich media**: Rich media include all content that is created in flash. The successful adoption of music videos, sports clips and news has led advertisers to create a variety of forms of streaming video advertising content. Belch & Belch (2009) list the following as types of ‘rich’ media:
  - **Online commercials**: Online commercials are the equivalent of television commercials. These commercials can either be created especially for the Internet or the existing television commercial can be placed on the Internet.
  - **Video on demand**: Video clips of various entertainment activities (which include advertisements or are sponsored) are also available through the Internet.
  - **Webisodes**: Webisodes are short, featured films. Organisations create their own content to advertise their products.
  - **Other forms of rich media advertising**: Other forms of rich media advertisements are interactive banner advertisements; expandable advertisements and rich media advertisements placed in video games; instant messaging; podcasts; and video advertisements within blogs.

- **Additional Internet advertising forms**: As the Internet evolves as an advertising medium, more ways to deliver advertising messages appear. Belch & Belch (2009) give the following
examples: :[2nd level bullets again]

- **Podcasting**: Podcasting is a medium that uses the Internet to distribute radio-like files for downloading into iPods and other MP3 players.

- **RSS**: Really Simple Syndication (RSS) is a specification that uses XML to organise and format Web-based content in a standard way. The difference between Web content and an RSS feed is that the RSS feed can send out notifications whenever new material is available.

- **Blogs**: Blogs reflect the writings of an individual, a community, a political party or any organisation; blogs offer advertisers a new way of reaching their target audience.

- **Websites**: Most organisations nowadays have a website (Shimp, 2003) that is linked to the organisation’s homepage. The organisational website has only recently been regarded as a form of online advertising and one which has proven to be an invaluable form of online advertising because it can convey important information about the brand, its character and its promotional offerings. Organisational websites can prove to be an especially valuable online advertising method when they are attractive, user-friendly and invite usage and revisits. Consumers visit websites with the aim of obtaining information about the organisation, the product or the service and that is precisely what the website should then provide them with.

Despite the different types and forms of online advertising, online advertising can also fulfil other functions.

[C] **Online advertising functions**

In addition to the e-commerce and e-business function of the Internet, online advertisers are interested in many of the other functions of the Internet that can aid advertising messages in their attempt to sell a product or service or create a positive image for an organisation. Moriarty et al (2009) provide the following Internet functions that are important to online advertisers:

- **The information role**: ‘The most important advertising-related role that the Internet plays is to provide information’ (Moriarty et al, 2009). The Internet is a huge online library which consumers use to find general information, as well as product and service information.

- **Online publishing**: Advertisers can adapt information from their traditional media to suit the online environment.
• **Online encyclopedias:** Online encyclopedias such as Wikipedia can prove to be a huge source of information for online visitors.

• **The entertainment role:** Many users visit websites on the Internet for entertainment, escapism and relaxation. The most popular Web entertainment is Youtube.com which is a site that carries consumer-generated film and video clips.

• **The social role:** Social networking refers to a new category of websites that allows users to express themselves, interact with friends, and publish their own content on the Internet (Moriarty et al, 2009). MySpace targets young people and musicians, while Facebook is a real-time online journal that allows users to share personal information with friends. Because these types of social networking focus on the power of relationships, users are more likely to respond to messages on the site, such as advertising messages, if they effectively become part of the social context (Moriarty et al, 2009). The relationships that users form on these websites also play a significant role in their decision-making processes.

• **The dialogue role:** The Internet not only provides information, entertainment and social networking but also opens up the possibility of two-way communication. Advertisers therefore regard the Internet as indispensable for two reasons: (1) The possibility of creating a dialogue with the consumer; and (2) creating a dialogue among and between consumers and potential consumers.

Because of the interactive nature of the Internet, traditional advertiser-controlled advertising is impossible. Nowadays the consumer can contact the organisation online and obtain a personal answer to his or her questions. When consumers contact and influence each other via the Internet, word-of-mouth advertising, which is a very powerful type of advertising, commences.

It is clear that the variety of functions of online advertising is beneficial to advertisers and marketers alike. Although online advertising is essential and advantageous in any marketing communication effort, it does, however, have some disadvantages.

[B]10.11.3 Advantages and disadvantages of online advertising

The Internet provides several advantages to marketers and advertisers. Many of its unique
characteristics enable exceptional opportunities for the effective dissemination of advertising messages to target audiences and markets. However, there are certain disadvantages as well (Belch & Belch, 2001; Goldsmith & Lafferty, 2002; James, 2001; Moriarty et al, 2009).

In Table 10.4, the advantages and disadvantages of online advertising are briefly described.

Table 10.4 [2-em space]Advantages and disadvantages of online advertising

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>■ Target marketing</td>
<td>■ Measurement problems</td>
</tr>
<tr>
<td>The online environment allows advertisers to target specific groups of individuals, as only those consumers who are interested in a specific product, service or idea visit the website.</td>
<td>Research conducted on forecasts, audience profiles and other statistics from the Internet demonstrate a great deal of variance. These research statistics lack validity and reliability.</td>
</tr>
<tr>
<td>■ Message tailoring</td>
<td>■ Audience characteristics</td>
</tr>
<tr>
<td>As a result of the Internet’s ability to target specific individuals, messages can also be designed to appeal to the specific needs and wants of the target audience. Owing to the interactive nature of this medium, one-to-one marketing messages become possible.</td>
<td>The numbers and characteristics of Internet audiences can go out of date quickly and details of Internet audiences often vary from one Internet service provider to the next. Because of the accelerating growth of the Internet as a communication medium, more and more people have access to this medium.</td>
</tr>
<tr>
<td>■ Interactive capabilities</td>
<td>■ Websnarl</td>
</tr>
</tbody>
</table>
Aided by the interactive capabilities of the Internet, advertisers can increase consumer involvement and satisfaction. The consumer’s involvement with the advertising message provides almost immediate feedback to the marketer or advertiser. The process of downloading information from the Internet can take some time (for example, when a number of users access a site simultaneously, and when dialup users access sites that contain detailed graphics). Certain consumers use the Internet precisely because of the speed of the medium, and any obstruction to this speed leads to frustration.

<table>
<thead>
<tr>
<th>Information access</th>
<th>Clutter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information is often freely available on the Internet. Consumers can find information on a vast array of topics, as well as on product specifications, costs, purchase information and so on. Consumers also have the power to request more information if necessary</td>
<td>Some organisations’ advertisements on websites are not noticed, perhaps because there are too many advertisements on a single page. Consumers are easily irritated by a clutter of advertisements and tend to disregard them.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sales potential</th>
<th>Potential for deception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasingly, the Internet is being used to conclude deals and to sell products and services to consumers.</td>
<td>Some advertisers try to target children with colourful and exciting advertising messages. If a child has access to a credit card and knows how to process a purchase on the Internet, he or she can spend a great deal of money buying items from the advertiser. The Internet has also been referred to as ‘a Web of deceit’ as advertisers and marketers gain access to personal information through these children’s Internet purchases. Moreover, issues such as organisations collecting data without consumers’ knowledge and permission;</td>
</tr>
<tr>
<td><strong>Creativity</strong></td>
<td></td>
</tr>
<tr>
<td>The online environment permits a uniquely creative approach to advertising messages.</td>
<td></td>
</tr>
<tr>
<td><strong>Costs</strong></td>
<td></td>
</tr>
<tr>
<td>The costs of conducting business on the Internet continue to increase. It is still possible to establish a website inexpensively but to establish an effective website and to maintain it is becoming increasingly expensive.</td>
<td></td>
</tr>
<tr>
<td><strong>Exposure</strong></td>
<td></td>
</tr>
<tr>
<td>The Internet is a relatively inexpensive medium, and smaller organisations with limited budgets can use it to gain exposure to potential consumers.</td>
<td></td>
</tr>
<tr>
<td><strong>Limited production quality</strong></td>
<td></td>
</tr>
<tr>
<td>Currently, the Internet is less developed than certain traditional media in terms of production quality. Internet advertising does not offer the capabilities of many competitive media, although advanced technologies and rich media are narrowing the gap.</td>
<td></td>
</tr>
<tr>
<td><strong>Speed</strong></td>
<td></td>
</tr>
<tr>
<td>The Internet is the quickest way of acquiring information on an organisation, its products or services.</td>
<td></td>
</tr>
<tr>
<td><strong>Poor reach</strong></td>
<td></td>
</tr>
<tr>
<td>The Internet cannot reach as many potential consumers as television can. Internet numbers are escalating but organisations must still use some traditional media to achieve reach and awareness goals.</td>
<td></td>
</tr>
<tr>
<td><strong>Flexibility</strong></td>
<td></td>
</tr>
<tr>
<td>The Internet is much more flexible for marketing and advertising than traditional media because it can gather fresh and updated information based on the direct feedback received from consumers.</td>
<td></td>
</tr>
<tr>
<td><strong>Accessibility</strong></td>
<td></td>
</tr>
<tr>
<td>The Internet provides an opportunity for organisations to increase their hours of business on a global spectrum. Owing to accessibility and infrastructural issues in South Africa, accessibility can also be a problem on a global spectrum.</td>
<td></td>
</tr>
</tbody>
</table>
To align with the integrated context of this book, this section focuses on the integrated nature of marketing communication messages (that is, online marketing, online advertising and online public relations) in the online environment. Even though it is important to know and understand online marketing, online advertising and online public relations as separate marketing communication functions, it is as important to understand that the borders between these online marketing communication applications are beginning to blur. For this reason we refer here to Web-based commercial communication; this is a collective term used to refer to these online messages in an integrated manner.

For the purpose of this discussion online advertising, marketing communication and public relations messages are collectively referred to as Web-based commercial communication messages. Accordingly, the following definition of Web-based commercial communication (WBCC) has been developed:

Web-based commercial communication is the integration of information-intensive, persuasive and influential online advertising, marketing communication, public relations, promotional, and organisational communication messages that consumers voluntarily access, and which aim to lead globally diverse consumers through certain response phases to the point of purchasing or proceeding to a certain action. (Hanekom, 2007)

As mentioned above, the term ‘Web-based commercial communication (WBCC)’ has been developed to indicate the integration of online advertising, public relations and marketing communication messages and to indicate the difficulty of distinguishing between advertising,
marketing communication and public relations messages on the Web (Hanekom, 2007). No clear borders exist between online public relations, online marketing communication and online advertising. An organisational website consisting of organisational communication messages, for example, can be defined as a public relations function or message, because it contributes to building a positive organisational image. However, the same website can also be categorised as a marketing or advertising message for the organisation and its products or services.

WBCC messages have a commercial intent, just like advertising and marketing communication messages in the offline environment, and their prime purpose is to influence consumers to buy a product, use a service or proceed to a certain type of action. Thus, the focus here is on WBCC messages which are intended to move consumers through certain response processes prior to purchasing a product, using a service or proceeding to a certain type of action.

In the offline environment, marketing communication messages can be more easily distinguished from one another because they often use different communication channels. In addition, various aspects of communication fall under the responsibility of different people in different departments. These people frequently find it difficult to co-ordinate their messages—hence fragmented marketing communication messages are often distributed to the outside world. This is in contrast to the integrated nature of WBCC messages. These messages are often purposively integrated because they use the same channel; as a result, the function of these messages can sometimes be entwined and not easily discernible.

Hanekom (2007) reaches the conclusion that the integration of all WBCC messages, which could include online advertising, online marketing and online public relations, is imperative for building consistency in communication, which in turn contributes to an integrated marketing communication approach within the organisation.

Apart from its integrative function, Hanekom (2007) explains that Web-based commercial communication has the following functions online:

• Creating a presence: Web-based commercial communication provides organisations with the opportunity to create a presence in the online environment. The Internet and the Web
have developed rapidly as exciting and indispensable marketing communication and advertising media, and, for many organisations it has become crucial that they utilise these media effectively (Hanekom, 2007).

- Creating relationships: Because of the interactive nature of the Internet and the Web, two-way information exchange takes place in Web-based commercial communication settings, which in turn leads to an opportunity to create and sustain relationships. The organisation and consumer enter into a dialogue and thus begin the process of building a relationship online.
- Creating value: Web-based commercial communication messages have the potential to create sufficient value for the organisation’s clients that they are likely to return to a website.

[B]10.12.2 Unique features of Web-based commercial communication

The Internet is a new and different communication medium and it is therefore expected that its communication processes have features that differ from those of traditional communication processes (Hanekom, 2007).

The unique features of WBCC or online marketing communication messages can be summarised in the form of a comparison between WBCC messages and marketing communication messages (advertising) in traditional mass media.

Table 10.5: [2-em space]Comparing the features of WBCC messages with marketing communication messages (advertising) in traditional mass media

<table>
<thead>
<tr>
<th></th>
<th>Web-based commercial communication</th>
<th>Traditional media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interactivity</td>
<td>Dialogue (two-way communication).</td>
<td>Monologue (one-way communication).</td>
</tr>
<tr>
<td>Flexibility</td>
<td>Immediate modification of the advertising message is possible.</td>
<td>Traditional media are more rigid. Modification of advertising messages takes</td>
</tr>
<tr>
<td>Addressability</td>
<td>Personalisation of services, products and communication for specific individuals is possible.</td>
<td>Mass media do not provide for individualised advertising/marketing communication messages.</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Accessibility</td>
<td>Organisational information is accessible on a 24-hour basis for all stakeholders across the world.</td>
<td>Organisational information is only accessible when contact is made with or by the organisation (for example, advertising/promotional messages).</td>
</tr>
<tr>
<td>Speed of the communication process</td>
<td>Rapid communication between organisation and consumers.</td>
<td>Time delays in communication and feedback.</td>
</tr>
<tr>
<td>Active attraction of consumers to WBCC</td>
<td>Exposure is not accidental. Consumers have to be actively attracted to the website.</td>
<td>Exposure can be accidental.</td>
</tr>
<tr>
<td>Active engagement of consumers’ interest and participation in WBCC messages</td>
<td>Uses creative tactics to engage consumers’ interest.</td>
<td>No interaction required, therefore only attention and no participation is required.</td>
</tr>
<tr>
<td>Ensuring that consumers return to a website</td>
<td>Because exposure is not accidental, organisations need consumers to return to a website or marketing communication message.</td>
<td>Exposure is usually accidental. Consumers would not usually voluntarily repeat the experience.</td>
</tr>
<tr>
<td>Customised interactions</td>
<td>Customisation of</td>
<td>Mass media communicates</td>
</tr>
<tr>
<td>Source: Hanekom (2007)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
<td></td>
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</tr>
</tbody>
</table>

**Web-based commercial communication thus possesses unique characteristics which distinguish it from traditional marketing communication messages in the offline environment. One of these characteristics is the integrated manner in which WBCC messages can be presented online. Online marketing, online public relations and online advertising messages are presented in such an integrated manner online that it is usually difficult to tell the difference between these online marketing communication functions. However, the intention is still to create online marketing**
communication messages that will persuade online consumers to move through certain response processes and ultimately buy a product or use a service. WBCC messages thus also have a commercial intent.

[Rachel begins]

[A] 10.13 Online public relations

New online innovations and information communication technologies are revolutionising the practice of public relations. These new technologies can be used in public relations to raise the profile of an organisation (thus increasing awareness amongst the different target audiences) and, ultimately, to create a favourable corporate brand.

To realise the advantages these new online technologies offer to the practice of public relations, they can be examined through comparison with the main problems associated with traditional public relations. Traditional public relations is usually expensive (that is, there are the production costs of printed material such as brochures, newsletters, and so on); it can also be very time-consuming (that is, corrections, revisions, printing and reprinting and so on); and it frequently has a ‘hit-and-miss’ quality (that is, the target audience wasn’t reached). Although online public relations will not eliminate all these problems, it will add to and subtract from today’s public relations methods and techniques. It will add interactivity but subtract costs; it will add choices but remove dependence; it will add information value to products and services but remove barriers to starting a business or expanding into international markets. (Barker, 2004.)

Although online public relations will not replace traditional public relations, it will extend and broaden traditional public relations into new directions to benefit both the client and the organisation.

[B] 10.13.1 Online public relations defined
Online public relations is defined in the same way as traditional public relations (see Chapter 7), but is conducted via the Internet and online services in a strategic manner and can reduce barriers between an organisation and its internal and external publics (Marlow, 1997: 116). Online or digital refers to media such as the Internet, the World Wide Web, and commercial online services like CompuServe, amongst others (Hurme, 2001) and it includes tools like websites, SMSes, blogging, social networks and the WWW.

10.13.2 Differences between traditional paradigms and new online public relations trends

Based on Marshall McLuhan’s media theories which suggest that when a new technology comes along, it obsolesces older technologies, it could be assumed that people will cease doing anything else and will only surf the Internet and World Wide Web. This, however, is not necessarily the case (Barker, 2004). The creation of these new technologies has, of course, had a profound influence on public relations, and it is therefore essential to investigate the constantly changing paradigm shifts and models of online public relations for the Internet and commercial online services. Table 10.6 highlights some of the paradigm shifts and key trends for public relations (which can also be relevant to other online applications).

<table>
<thead>
<tr>
<th>Traditional paradigms</th>
<th>New online trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual documents with text</td>
<td>Compound documents which integrate text, pictures, and video</td>
</tr>
<tr>
<td>Isolated items which are linear</td>
<td>Universal linking to create dynamic documents</td>
</tr>
<tr>
<td>General-interest services to broad audiences</td>
<td>Special-interest services aimed at specific target audiences</td>
</tr>
<tr>
<td>Subscription-only pricing</td>
<td>Advertiser and sponsor subsidies</td>
</tr>
<tr>
<td>Hard copy information</td>
<td>Internet libraries with data, information-rich newsgroups and mailing lists where users can read files and explore the WWW</td>
</tr>
<tr>
<td>Publishing as rocket science, that is, only</td>
<td>Publishing for everyone, that is, with the</td>
</tr>
</tbody>
</table>

Table 10.6: [2-em space]Paradigm shifts and key trends for public relations
specialists can publish | right Internet tools anybody can publish
CD-ROM versus online services | CD-ROM integrated with online services

(Source: Barker 2004)

The main advantages and disadvantages of online public relations are presented in Table 10.7.

Table 10.7: Advantages and disadvantages of online public relations

<table>
<thead>
<tr>
<th>Ten advantages of online public relations</th>
<th>Ten disadvantages of online public relations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allows for timely mass-media publishing</td>
<td>Is not a complete PR strategy but a facet of an overall PR strategy</td>
</tr>
<tr>
<td>Enhances communication with journalists</td>
<td>Won’t replace paper, a phone call, traditional mail or fax, or a visit</td>
</tr>
<tr>
<td>Allows the sending of messages to targeted audiences</td>
<td>Can’t reach everyone because not everyone is connected</td>
</tr>
<tr>
<td>Helps to keep track of what has been said in the media through online clipping services</td>
<td>Can be complicated, difficult to use, hard to understand and users must be literate</td>
</tr>
<tr>
<td>Creates a 24-hour presence</td>
<td>Can initially be expensive in terms of the start-up costs</td>
</tr>
<tr>
<td>Conveys information through multi-media publishing</td>
<td>Requires continual effort to maintain a positive Internet presence and constant monitoring</td>
</tr>
<tr>
<td>Provides searchable information</td>
<td>Has security weaknesses, for example, hackers</td>
</tr>
<tr>
<td>Eliminates geographical barriers</td>
<td>Lacks a common user registry for e-mail users</td>
</tr>
<tr>
<td>Permits internal communication through intranets</td>
<td>Is a limited resource because the explosive growth which turned it into an information superhighway also slowed the speed of data processing</td>
</tr>
</tbody>
</table>
Let's you manage crisis communications through posting corporate statements or positions online

Can damage an organisation’s image due to negative public voices (like activist groups) and criticism

(Source: Adapted from Barker 2004)

[B]

10.13.3 Online public relations: A theoretical perspective

It has been emphasised that online public relations should not be executed in isolation but, rather, should be integrated with traditional public relations and other Web-based and non Web-based communication processes in the organisation. In terms of an integrated approach, it is also essential that online public relations be aligned with the corporate brand of the organisation.

It is clear that new communication technologies have changed the way in which organisations can and do communicate. Organisations have to stay abreast of these changes and learn to function in an environment that is characterised by new technological developments and the challenges of the new information superhighway.

These new communication technologies have added the ‘dialogue’ dimensions of one-to-one, asynchronous communication (for example, e-mail between two people) to communication processes both within an organisation and between organisations; many-to-many asynchronous communication (for example, a large number of dialogues in discussion groups, chat rooms, Usenet, electronic bulletin boards, and so on); synchronous communication which can be one-to-one or many-to-many (that is, sender and receiver are present at the same time); and asynchronous communication which can be many-to-one, one-to-one or one-to-many (that is, consumers seek out a site to access information) (Hurme, 2001: 72).

These forms of communication emphasise the new interactivity involved in the process of communication. Hurme (2001: 73) elaborates on the two types of interactivity that exist (• Quasi-interactivity, which refers to one-way communication (for example, subscribing to the organisation’s news releases and sending feedback to the organisations) that in theory (and
occasionally in practice) can receive a response. Quasi-interactivity has the potential to be two-way communication; for example, an e-mail message can be responded to; a subscription for news releases can lead to further communication, and so on.

- Two-way, truly interactive communication includes, for example, exchanging e-mail messages with a public relations person, discussions with other stakeholders in the chat rooms of the Web site, and so on.

From existing literature, it is clear that a general lack of theoretical foundations exist for online public relations and that available information presents fragmented perspectives that make little effort to propose an integrated viewpoint. In an effort to systemise online public relations, cognisance should be given to the existence of traditional public relations approaches as these can be used as theoretical basis.

Four major social scientific perspectives exist from which public relations theory can be built upon or benefit, namely symbolic interactionism, exchange theories, conflict theories and structural-functional theories (also referred to by some researchers as the ‘systems approach’) (Grunig & Hunt, 1984; Toth & Heath, 1992: 3–15). These viewpoints support the general trend of the views on online public relations and also build on other theories of communication regarding publics. Freitag (2009: 36–38), Barker (2009), Grunig & Hunt (2002) and Fearn-Banks (2007) briefly summarise these main theories as follows:

Haberman’s theory of communicative action which can be applied to a critical analysis of the rhetoric of civil society;

- The inoculation theory which can assist in assessing the appropriateness of communication campaigns;

- The classic co-orientation model of communication that assesses attitudes and opinions about professional standards;

- The relational communication approach which explores the efficacy of public relations’ persuasive efforts;

- Rhetorical, crisis-response and coherence models that aim to restore organisation’s reputations;
• Agenda-setting and propaganda theories, which use complex combinations of theories to collectively provide an agenda-setting paradigm;

• Excellence theories which, based on the four models, classify types of public relations, including: the press agentry/publicity model (one-way transfer of information from organisation to publics which argue that all publicity is good publicity); the public information model (one-way transfer with the desire to report information through media releases); the two-way asymmetric model (use of social science theory and research to help persuade publics to accept the organisation’s viewpoint; although there is some feedback the organisation rules and knows best); and the two-way symmetric model (which attempts to achieve dialogue and two-way communication to ensure mutual understanding between the organisation and the public).

• The knowledge management paradigm presents a way to manage messages which are acquired, transferred and assimilated during online communication.

Although the focus used to be on the Grunig-Hunt four-phase excellence model, this model spawned several global theories that constitute the way public relations should reflect the maturation of public relations theory into an international context, with a focus on three main areas: empowerment of the public relations function; communicator roles; and organisation of the communication function and its relationship to other management functions (Freitag, 2009: 35).

Linked to these arguments, Barker (2004) suggests that online public relations should be studied theoretically, with a combination of elements from the systems theory (which deals with the interrelatedness of the parts of an organisation); cybernetics (which deals with control and regulation in systems); and information theory (which focuses on the measurement and transmission of signals). Barker (2004) argues, that in terms of online public relations, a complex set of variables that relate to each other is evident, which means that elements of all three of the above theories can be applied in the practice of online public relations.

10.13.4 Online public relations tools

Various online public relations tools are available and are summarised in Table 10.8. (Freitag
Table 10.8: Online public relations tools

<table>
<thead>
<tr>
<th>Tool</th>
<th>Description</th>
<th>Strategies</th>
</tr>
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<tbody>
<tr>
<td>Online promotions</td>
<td>Part of website maintenance</td>
<td>• Free product samples&lt;br&gt;• Contests where participants can win something&lt;br&gt;• Information necessary to persuade people to buy the products or services online</td>
</tr>
<tr>
<td>Online relationships (networking)</td>
<td>Contact opportunities on the Internet – different proximity in cyberspace</td>
<td>• High visibility – be noticeable&lt;br&gt;• Perceived personality – be well liked&lt;br&gt;• Prestigious professional image – be respected for your abilities and integrity</td>
</tr>
<tr>
<td>Online customer support</td>
<td>Online support centres to assist customers and to build loyalty</td>
<td>• Increase loyalty through fast technical support&lt;br&gt;• Reduce returns from customers who experience problems&lt;br&gt;• Reduce bad word-of-mouth&lt;br&gt;• Respond quickly to customer enquiries&lt;br&gt;• Conduct market research&lt;br&gt;• Use e-mail optimally</td>
</tr>
<tr>
<td>Online public affairs and community relations</td>
<td>To track and influence governmental and community activities</td>
<td>• Environmental scanning/event tracking/issues monitoring of public affairs and community relations in critical issues&lt;br&gt;• Image building/online community goodwill by sponsoring online activities to the benefit of the organisation’s image&lt;br&gt;• Issues discussion and client positions</td>
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<tr>
<td><strong>Online media relations</strong></td>
<td><strong>Electronic distribution of news releases and e-mail responses to reporters’ inquiries</strong></td>
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<tr>
<td></td>
<td>• Write effective online media releases – three types, namely e-mail releases, Web page media releases and online radio shows (for example, Yahoo!)</td>
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<td></td>
<td>• Determine a message that is aligned with the public relations goals and includes the purpose of release, and the features and benefits of the product, service or organisation</td>
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<tr>
<td></td>
<td>• Gather information through research (on the product or service; the size of the market; opinion leaders’ comments; and other public relations activities)</td>
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<td></td>
<td>• Write and edit the release and use the inverted pyramid style to write the story; that is, write the most important news first to capture the audience’s attention and follow this with quotes, comments and background information</td>
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<tr>
<td></td>
<td>• Distribute media releases online; publish on virtual or online media rooms; or send them via newswires (these can be accessed internationally)</td>
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<tr>
<td></td>
<td>• Develop online media kits (electronic transmittal of information) which include visuals; sound bites from a spokesperson; product</td>
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| **Online investor relations** | Tracking of trading in the organisation’s shares; monitoring of speculative activities; and distribution of information to potential online investors | • Electronic information on initial public offerings, investment opportunities and annual reports  
• Website investor relations, including counselling and maintenance  
• Analyst briefings using the Internet as a primary of supporting medium  
• Rumour control by hunting down speculators who manipulate stock prices  
• Investor contact through regular online communication  
• Online questions and answers with immediate feedback  
• Cyber chats (live messaging) with company officials  
• Sending of e-mail and online newsletters to current and prospective shareholders |
|---|---|---|
| **Intranet and Extranet** | Intranet is used to inform the internal target audience about corporate information  
Extranet is similar to the Intranet but is open to third parties | • Information on the Intranet includes memos, newsletters, guideline documents, policies, internal phone books, training manuals and product information  
• Use the Extranet to provide customers and suppliers with the information they need and gain information about customers’ interests |
| **Online banner ads** | Can be used as a targeted online banner campaign | • Advertise on news sites (such as c/net, Lycos, and Yahoo!)  
• Announce a launch of an organisation to
<table>
<thead>
<tr>
<th><strong>Online events</strong></th>
<th>Communicate the organisation’s message through a range of activities</th>
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<tbody>
<tr>
<td></td>
<td>• Spokesperson tours where celebrities or authors (including physicians, government officials and executives) take questions from the online community</td>
</tr>
<tr>
<td></td>
<td>• Online promotions to promote products and services</td>
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<tr>
<td></td>
<td>• ‘Live’ online meetings which allow participants outside a geographic location to participate in meetings through online technologies such as video, sound and whiteboarding (that is, writing on surface in one location and the writing is reproduced in another location)</td>
</tr>
<tr>
<td></td>
<td>• Online media conferences with geographic reach beyond the room where the media conference is held</td>
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<tr>
<td></td>
<td>• Product launches to reach targeted groups</td>
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<tr>
<th><strong>Website launch planning</strong></th>
<th>Opening or re-opening a website</th>
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<tr>
<td></td>
<td>• Use online media, as well as search engine</td>
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<tr>
<td>to gain the widest possible online and traditional media exposure</td>
<td>listings, according to a timetable, with persuasive information such as media releases and kits, screen shots of the webpage, give-aways, promotions and spokesperson tours</td>
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</table>
| **Online publications** | • Online newsletters as part of the website are excellent and affordable public relations tools  
• Use simple sentences and paragraph structures and consider variables such as frequency, style, layout, and so on. |
| Can include profit ventures, either with paid subscriptions or free newsletters circulated by e-mail and published as public relations promotions | |
| **Online mailing lists** | • Compilations of e-mail messages from members of the list  
• One subscriber poses a question or makes and observation on a relevant topic and other subscribers respond  
• Easier to participate and use than a newsgroup |
| Something between newsletters and newsgroups with elements of both, that is, using multiple e-mail addresses as a means to create and conduct group discussions | |
| **Online bulletin board systems** | • Manages requests and interactions of users calling in to access the systems  
• Differs from major online services in terms of magnitude  
• Can be used for messaging, research and publicity  
• Advertises the availability of the board with mailers or ads which describe exactly how to use |
<p>| A computer equipped with special software and telecommunication links allows the computer to act as an information host | |</p>
<table>
<thead>
<tr>
<th></th>
<th>or server for remote computer systems</th>
<th>the systems as well as the benefits for the clients</th>
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</table>
| **Online forums** | Create a base to provide customer support, answer questions and post news and new information; that is, online messages and library centres on the commercial online services | • Use it to provide information and to reach the general public, employees and customers  
• Use it to create, build and maintain positive relationships with clients  
• Publish information such as media releases, earning reports, new product information and data sheets  
• Include give-aways of free samples, sneak previews of new products and services, and provide customer support for technical questions |
| **Online newsgroups** | Discussion forums conducted entirely by e-mail but with contributions from a specific target audience that are called postings rather than messages or letters and which involve talking to them on a regular basis | • Build relationships with prospective and established clients |
| **Online conferences** | Use forums or the chat areas (for example, WebChat) which enable conference participants to add | • Inform participates on what will be discussed and how they should use the online tools (usually this information is placed in a FAQ file)  
• Use the website on the Internet for interactive media conferences to announce new products and services in an effective way |
| Internal online communication | Communication with the internal target audience through e-mail on a regular basis | • Inform them of happenings in the organisation  
• A daily, weekly or monthly bulleting digest or info-corner can be established for this purpose |
|-----------------------------|-----------------------------------------------|--------------------------------------------------------------------------------------------------|
| Virtual social networks     | Social connectivity through virtual and digital media | • Use these social networks to the benefit of the organisation by using them as platforms on which to interact with consumers  
• Proactively ‘manage’ message content by acting as an ‘expert or intelligence agent’. |

[insert example of an online media release]

**Example of an online media release**

*Integrated Online Communication Specialists*

*P O Box 1234*

*Pretoria*

*0001*

*South Africa*

*For Immediate Release*

*Contact Person*

*Sharon Shaw*
It has been argued that online public relations should be integrated with traditional public relations and other communication processes, as well as the corporate brand of the organisation. According to Holtz (1999), the future ‘Online Web Public Relations area’ will no longer be characterised by two kinds of public relations practitioners working side by side (those who use traditional tools and those who practise online public relations); rather, both practitioners will be expected to follow an integrated approach. In terms of an integrated approach, online public relations will use integrated marketing programmes, online or printed advertisements, sales promotions, and so on. This new, integrated approach will require a much wider application than the simple design and development of a corporate website. It will be essential to have proactive and integrated use of non-Web tools alongside Web-based tools such as e-mail, Usenet and ListServ groups to build electronic relationships and effective communications strategies. A key factor is that the total public relations message and corporate image should be consistent with the corporate brand of the organisation in the real world as well as online.
It can therefore be concluded that integrated online public relations has three key components: message consistency (the same message regardless of media used); interactivity (meaningful dialogue); and mission orientated (everything stems from the mission of the organisation).

10.14 Online crisis communication

A crisis can be defined as any noteworthy business disruption which stimulates extensive media coverage and which could affect the normal functioning of the organisation (Barker, 2004). Crisis communication involves the identification of internal and external stakeholders who should receive up-to-date information during a crisis. Fast-moving online communication can create repeated problems, errors or inaccurate statements that might be seen as facts. An unmanaged online presence during a crisis can destroy the image of the organisation; a well-executed crisis plan will prevent long-term damage and avert possible disasters. Because online communication, due to its immediacy and reach, can prove to be a valuable tool during crises it should be utilised to ensure the effective functioning of the organisation during any crisis.

Any crisis has five stages, which Fearn-Banks (2007: 10), MacLiam & Barker (2009) and Swart (2010) briefly present as:

- Detection: This stage begins with the warning signs of a crisis; this stage is also referred to as the prodromal stage. At this stage, the organisation can still attempt to mitigate the situation before it grows into a full-blown crisis. It is therefore important to detect early warning signs; notify and inform the employees immediately about the situation; report any warning signs that have been noticed by crisis watchdogs; implement plans to avoid the impending crisis; or prepare to address the relevant stakeholders such as the media and public.

- Prevention: Organisations can use various tactics and take certain actions to prevent a crisis. These can include ensuring that they are given regular updates on the crisis; reducing the use of hazardous processes; allowing free flow of information; following up on past crises or problems; and developing and distributing information.

- Preparation: A crisis communication plan is the primary means of preparedness and such a plan will inform each member of the crisis team about what is expected, whom to notify, how to reach people, what to say, and so on.
• **Containment**: This refers to the organisation’s efforts to limit the duration of the crisis or to prevent it from escalating.

• **Recovery**: This entails the organisation’s efforts to return to business as usual by resolving the crisis and restoring the normal functioning of the organisation. It also important to restore the confidence of the stakeholders and the reputation of the organisation.

• **Learning**: This refers to an evaluative process in which the organisation examines the crisis and determines what was lost, gained and how the organisation dealt with the crisis, with the aim of making the crisis a prodrome (that is, an early-warning symptom) for any other such crisis that might occur in the future.

Conway, Ward, Lewis & Bernhardt (2007: 213) contend that the Internet has the ability to instantaneously distribute information and that this is a powerful basis for the Internet’s potential to protect the reputation of an organisation; Barker (2009) argues that a crisis can become a time of chaos, risk and uncertainty for companies and that these companies require timely and appropriate communication to minimise damage to their reputation and to maintain consumer trust. The constant change brought about by a crisis-ridden era requires effective crisis management plans in order to ensure organisational survival, and for this reason Richardson (1994:65) emphasises the necessity for solid crisis management. Crisis management is defined as ‘any measure that plans in advance for a crisis, any measure that removes the risk and uncertainty from a given situation and thereby allows you to be more in control.’ (Fink, 1986: 18; Darling, 1994: 4). Swart (2010) contends that online crisis management entails the following:

[no line space]

• The early detection or warning system;

• Implementation of strategies in order to avoid or lessen the impact of major occurrences on the organisation; these strategies should subsequently provide a proactive function;

• The core essence of crisis management is planning. The crisis communication planning model discussed in Chapter 7 (Item 7.7.1) can also be used for online crisis planning;

• The function that puts out the fire, which includes controlling the event;

• Providing a systematic, orderly response to crisis situations;

• Allowing the organisation to continue with its routine activities, as this also fulfils a
reactive function;
• Influencing public opinion to the point that post-crisis opinions of any constituent audience are at least positive, or more positive, or less negative, than beforehand;
• Recognising the importance of post-crisis efforts in order to ensure proper reaction after a crisis and to perceive and manage the situation as a learning system, which can serve a post-evaluative function.

Online crisis management therefore involves a threefold process: to proactively plan and prepare the organisation for possible crisis situations; to sufficiently and promptly respond to crises; and to employ post-evaluative actions in order facilitate learning and prepare the organisation for future crisis events.

A crisis allows an organisation to communicate directly and rapidly to consumers through direct interaction, and the Internet in particular can contribute to effective crisis communication (Fjeld & Molesworth, 2006: 391). Despite the advantages of the Internet, organisations need to realise that this ‘online-security-sphere‘ is going to continue to explode and that this will entail more and more challenges that will have to be effectively managed and controlled in future.

These considerable innovations can increase the possibility of a negative impact on an organisation’s brand if an organisation fails to effectively manage a crisis, communicate with its consumers or enhance the reputation of the organisation. (Barker, 2009; Polasik & Wisniewski, 2009). Furthermore, a basic concern should be to reassure consumers. New media trends and the increasingly digitised organisational sphere therefore create new challenges for online communication crisis. Furthermore, consumers are more and more concerned about the corporate reputations of organisations; the perceived risk of online transactions; and product recalls. In addition, the abundance of communication channels makes it easy for consumers to switch to other products or services if they are dissatisfied. As much as a crisis can spread globally as a result of the new technology, organisations can also utilise this technology to their benefit, especially if they use many-to-many communication through proactive and well-prepared online communication messages and act quickly and persuasively on the Web to indicate that they are responsible and strategic in their communication. Research has indicated that the use of
other online communication tools such as interactive chats, real-time video, or audio files can be used effectively during online crisis communication. PR Newswire (2007), Freitag & Stokes (2009) suggest that organisations can capitalise on new media trends by realising the following:

- Different audiences use different new media;
- The use of new media and multi-channels should be integrated with traditional media;
- The importance of and opportunities offered through social networks (like blogs, social networking sites, podcasts, videocasts, Web 1.0; 2.0; 3.0, and mobile media);
- Word-of-mouth communication where one person shares information with another, is becoming increasingly important, as, with this particular form of communication, consumers gather information which they especially value;
- Knowledge should be ‘managed’ in the knowledge creation, sharing and transfer process by those who are experts in the field;
- There is a need to communicate interactively with the media during a crisis; this is also referred to as ‘I-witness’ news;
- The opportunities presented by social media.

It is therefore important that the Internet should play an integral part in the crisis communication plan as a whole. The following guidelines for online communication should be followed to handle unexpected events:

- Develop a good online crisis plan: Appoint a crisis team of key personnel (including the CEO, a public relations representative; a logistics person; a financial expert; a human resources expert; and a liaison expert outside the organisation); designate a particular computer site that is set up to handle online queries and assign duties to members; brainstorm how to address the crisis; and record the plan and periodically update it.
- Have a basic crisis communication first-aid kit: Include a list of online media contacts with e-mail addresses, provide brief online fact sheets about the organisation, and so on; and choose the most appropriate methods to communicate messages effectively.
- Respond quickly, completely, clearly and accurately: Provide truthful information and express concern and caring for affected stakeholders, the environment, and so on, depending on the nature of the crisis.
• Accept responsibility: Be truthful and transparent in order to enhance credibility; do not attempt to deceive stakeholders because they will be offended.
• Show consideration for all the target audiences: Remember the employees (they are the most important audience) and the investors and stakeholders.
• Address the crisis directly on the website: Create special links to an official statement and post up-to-the-minute media releases.
• Address and monitor false rumours: Monitor online newsgroups and mailing lists and let them know where they can find more accurate information on the website.
• Ensure accessibility and availability and that the crisis team answers all incoming e-mails: Respond immediately and avoid silence and ‘no comments’.

The importance of managing online crisis communication is therefore very important and it is evident that the Internet is an important communication channel that can be utilised to achieve this task. In the words of Mannan & Van Oorschot (2007: 1): ‘This work is intended to spur a discussion on real-world system security and user responsibilities, in a scenario where everyday users are heavily encouraged to perform critical tasks over the Internet ...

10.15 Conclusion

In this chapter, a range of issues related to online or digital communication is highlighted. The main features outlined are that a core element of understanding and applying online or digital communication in practice is to focus on an integrated approach based on the theoretical underpinnings of the various communication disciplines, but also that it is essential to align it with the overall messages in support of the corporate brand of the organisation. As the use of technology becomes more and more essential, the need to effectively integrate all communication activities and align all organisational messages has become crucial. Cutting-edge organisations will need to function cross-disciplinarily to remain competitive, create awareness and maintain a bottom-line focus. Online communication presents the opportunity to establish, build and manage stakeholder relationships online, which is conducive to the corporate brand of the organisation.
CASE STUDY:

[A] Online marketing

[B] Use of social media marketing tactics for and during the launch of the Gautrain Project

A new public transport system for Gauteng, the Gautrain will, upon completion, comprise 10 stations over an 80-kilometre route across three metropolitan areas, namely Pretoria, Johannesburg and Ekhuruleni. The Gautrain travels at 160 kilometres per hour using modern, international technology. It comprises 24 four-car trains supported by a bus feeder system of 125 buses to transport passengers over 36 routes around Gautrain stations. Gautrain operates from 05:30 am to 20:30 pm daily, with trains every ten minutes during peak hours.

Construction for the Gautrain began in September 2006. The first phase of the service, between OR Tambo International Airport and Sandton was completed and launched on June 5, 2010, in time for the FIFA 2010 Soccer World Cup. This section includes Rhodesfield Station and Marlboro Station. The remainder of the route will be completed towards mid 2011. This includes Hatfield Station, Pretoria Station, Centurion Station, Midrand Station, Rosebank Station and Johannesburg Park Station.

[B] Gautrain’s communication strategy and social media marketing tactics

Gautrain’s communication strategy was devised to communicate the goals of the Gautrain project. Gautrain’s social media tactics were created and implemented by the project’s
Provincial Support Team, the public partner in the Public Private Partnership (PPP) project. The social media tactics and messages were incorporated into the aims of the integrated communication and marketing strategy of Gautrain to also address the following:

[B]Issue management
The Gautrain Project has been one of the most controversial projects that the Gauteng Provincial Government (GPG) ever endeavoured. Issues related to the Gautrain Project needed to be closely monitored and managed to safeguard the reputation of the Gautrain Project and that of the GPG. The strategic approach is to proactively manage issues instead of managing crises.

Issues such as the environmental impact assessments; a rate payers’ association court case; cost of the project; timelines; management of disruptions during construction; and whether the Gautrain would be ready for the FIFA 2010 Soccer World Cup needed to be addressed by proactive issue-management techniques. This included frequent research, monthly mass-media analyses and also social media monitoring.

[B]Key strategic communication issues
Following an environmental scanning and research process, several key strategic communication issues were continuously identified to be addressed through communication, marketing and social media activities. These issues were clustered around specific themes that were prevalent in the 2008 communication environment.

[B]Communication aims
The communication aims identified below were applicable for the Financial Close phase and the initial construction phase of 2008:
[linespace]
- To create awareness and acceptance about Gautrain’s contribution to the economic, social and political stability of the South African macro environment.
- To create awareness and acceptance about the environmental and legislative environment of Gautrain.
To create awareness about Gautrain’s commitment to on-time delivery.

To facilitate integration and co-ordination amongst internal target publics.

To facilitate more effective, two-way communication about Gautrain in general, amongst all relevant target publics.

To enhance public knowledge, awareness and an acceptance of the Gautrain Project in general.

To create awareness about Gautrain as the second largest PPP project in Africa.

Towards the pre-launch phase, January to July 2010, additional communication aims included the following:

- To promote Gautrain’s ridership;
- To increase awareness about Gautrain’s commitment to world-class delivery amongst relevant stakeholder groups; and
- To create an understanding about the service attributes of Gautrain.

[B] Communication messages

Strategic messages were formulated for communication tactics aimed at the various stakeholder groupings. Three broad key message themes, according to the key strategic issues, were identified, namely: promotion campaigns; operationalising Gautrain; and government positioning.

[B] Social media marketing tactics

Several social media marketing tactics were used to convey messages to achieve the communication aims of Gautrain’s integrated communication and marketing. These included:

[C] Gautrain Facebook Fan page

A lively Gautrain Facebook fan page was maintained where regular updates were posted, including photographs and videos. Fans contributed to the page through discussions, questions, comments on photos, and by publishing their photos.
By early March 2010, the Gautrain Facebook Fan page had just over 2 400 fans. On March 4, 2010, 25 Facebook fans were invited to have a sneak preview of the train. Fans were given the opportunity to see the train at the depot in Midrand and to have a look behind the scenes where the central control centre manages the signalling, CCTV cameras and overall operations of the bus and train system. After their visit, these fans posted their photos and shared their experiences.

Commenting on the trains with airport links around the globe that have mastered social networking, the site Air Rail News (2010) commended the Gautrain Facebook page as the favourite. Air Rail News compared the Gautrain Facebook page to others like the Heathrow Express, Canada Line, Flytoget, Delhi Metro and Arlanda Express.

[C]Gautrain Twitter page

Regular tweets and twitpics were published through Gautrain’s Twitter (2010) page: @TheGautrain. By early March 2010, @TheGautrain had just over 1 200 followers. Lively interactions were maintained with followers who asked questions and retweeted Gautrain tweets.

Following a request from one of @TheGautrain’s followers, a tweetup was held at Gautrain’s depot in Midrand on March 13, 2010. Tagged #tweetuponrails, 200 fans were invited to tweet live from inside the Gautrain at the Depot in Midrand which was reportedly the largest tweetup in South Africa to date. A tweetup involves a real-life meeting of Twitter followers to network and to gain more information about organisations or matters of interest while tweeting at the same time.

#tweetuponrails became a trendy topic on Twitter photo site Twicsy and, on the morning of the tweetup, Twitter users not attending the event were complaining that the hundreds of #tweetuponrails tweets was slowing down their feeds. Within hours after the event, countless blogs, Flickr and Picasa photo albums, YouTube and Zoopy videos, as well as several Facebook status updates, comments and photos were published. One user even submitted an article and photograph to CNN iReport. Users praised Gautrain’s #tweetuponrails as a worthy case study in social media in South Africa.
Following #tweetuponrails, by April 1, 2010, Gautrain’s Facebook Fan page had increased to 2,812 fans with 1,521 Twitter followers.

Furthermore, Gautrain supported the annual Twitter Blanket Drive (2010) in which Twitter followers collected blankets for the needy. Blanket collection points were established around the country on May 29, 2010. Gautrain attended the Sandton collection event and tweeted about the evening’s progress along with fellow Twitter users. Tweets also scrolled on the Twitter Blanket Drive website.

For Gautrain’s official commencement of operations event, which was celebrated on June 5, 2010 with an inaugural train ride and the cutting of ribbons at stations, 15 Twitter followers were invited to report about the event as citizen journalists. They enjoyed the same privileges as mainstream media, which included access to a media room, the receiving of media kits, and accompanying dignitaries and mainstream media on the inaugural train ride. The citizen journalists tweeted live from the event, updated their Facebook statuses as the evening progressed, posted videos on YouTube and reported about their experiences in their blogs. In fact, one tweet by a citizen journalist was the motivation for the headline of a Mail and Guardian Online article which read: 'What witchcraft is this? It's the Gautrain' (Harbour, 2010). The Mail and Guardian journalist who wrote the article, Tarryn Harbour, also tweeted during the event, as did a few other mainstream journalists present that evening.

[C]Gautrain Flickr account
Gautrain photos were uploaded and shared with several rail enthusiast groups on the Gautrain Flickr (2010a) account. Rail enthusiasts also shared their photos of Gautrain in common groups.

[C]Gautrain Wikipedia article
Although the Gautrain Wikipedia (2010) article was initiated by users who also regularly updated the content, Gautrain also made regular contributions to the page.

[C]Gautrain History Blog
Users were encouraged to share their comments and uploaded their photos of Gautrain on a blog created by Gautrain, called the GauHistory Blog (2010). The aim of the history blog was to facilitate the writing of Gautrain’s history through the eyes of users. In addition, the history blog also served as an aggregator for Gautrain related blogs, videos and photos in the blogosphere. This is done by sharing and publishing users’ Gautrain-related YouTube videos, Flickr photos and blogs that appeared elsewhere on the internet.

Case study provided by Maritha Pritchard, senior writer at the Gautrain Project and used with permission of Gautrain Communication and Dr Barbara Jensen of the Gautrain Project. [end case study box]

[A]Activities

Explain how the various Internet resources and applications can be used by marketers in their online marketing strategies.

Indicate which social media content platforms you can use to launch a new product and/or service of your choice which will complement your traditional and online marketing efforts.

[Janette][See case study boxes in 1st ed. This is second box]

CASE STUDY:

[A]Online Advertising

[B]The Ad Edge

Author: Matthew Buckland

Published: April 06 2005

Matthew Buckland looks at what the net does in the advertising arena that traditional media can’t, and argues it goes beyond branding, allowing people to transact with the advertiser and buy the product right there and then at the online shop.

A great philosopher once said: I think, therefore I click. I think his name was Desmond or
something, but click he did. After the click followed the advertiser's website, which listed the product and allowed Des to buy himself a fine looking chariot and that gladiator suit he had always wanted.

You see, this is what online advertising is all about. It goes beyond the branding, allowing people to transact with the advertiser and buy the product right there and then at an online shop. The effectiveness, or lack thereof, of the advertisement can be measured immediately. We can tell how many people saw the advert (the branding bit), how many people clicked on the advert (the interacting bit), and how many people then went on to buy the advertiser's product (the most important, transacting bit).

It's all pretty neat and cuddly - until you see the dismal click through rates. In fact the all-conquering great advantage of the net - its measurability - has paradoxically turned out to be a great thorn in its side at times. Because with this painfully accurate measurability, online advertisers began to see that average click through rates were low in the single digit percentile category and conversion rates (the purchase) were even lower.

Now online is not alone in this. It's just that the other mediums generally escape the rigorous checks and balances because they are not as immediately and comprehensively measurable. But even in the print world, some savvy advertisers have begun adding interactivity to their adverts by advertising a unique web address or cellphone number with a particular ad - which allows some measurability of the campaign.

Still, even though click through rates are relatively low, online advertising seems to be doing the job. A few innovative, clever companies such as the insurers, banks, car companies and online casinos have found online a happy hunting ground and continue to plow money into the sector, for no reason other than that they are getting the returns.

We are also starting to see more and more new advertisers starting to test online. It’s part of the reason why local online publishers posted strong growth figures after a tough few years. It’s also why most of the big online publishers in the US are battling with sold-out inventory. Clickz.com
notes that there is such demand they just don't have the space left on their websites any more.

It's not rocket science really. Advertisers need to go where the consumers are in order to reach them. So as more consumers go online, the advertisers are following. In world terms, there are now more than half-a-billion people online (Nielsen//Netratings). The Interactive Advertising Bureau (IAB) reports that many target markets are spending time online that they once devoted to traditional media such as TV, radio and magazines.

Advertisers like online because they are given access to a top tier audience in the high LSMs - the big spenders. The net is also extremely efficient at gathering data about users for research and marketing purposes. There is no problem with this as long as it is done ethically, with the full knowledge of the user, who is not spammed.

Viral e-mail marketing, for those who know how to do it properly, has also found huge success with advertisers. The reason is that it's cheap, and the user does all the work for the advertiser by distributing the advertisements.

Depending on how advanced the online publisher is, advertisers should also be able to serve adverts to highly targeted audiences. Because the New York Times insists on free registration before you read - it only asks a few seemingly innocuous demographic questions - it's able to sell highly targeted ads based on users' age, gender and interests. It's these unique features that makes online attractive to advertisers and gives the medium somewhat of an edge. The industry is still much smaller than its TV and print counterparts, but as its market share grows, so the medium is starting to grow.

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Available at http://www.mg.co.za/
Direct link: http://mg.co.za/article/2005-04-06-the-ad-edge accessed on 14 May 2010)[end case study box]

[A]Activities
1. Discuss and explain the unique characteristics of online advertising that are evident in the case study above.

2. Contrast traditional advertising with online advertising based on the information provided in the case study above.

3. Discuss and explain the advantages and disadvantages of online advertising as mentioned in the case study above.

4. Discuss and explain the three roles of online advertising. Relate your discussion to the information provided in the case study above.

5. Discuss and explain the types or forms of online advertising.

[Rachel][3rd case study box]

CASE STUDY:

[A]Online public relations

[B]Virgin Atlantic SA launches brand online through an integrated approach

Virgin Atlantic Airways, one of the world's leading long-haul airlines, recently announced the launch of their new brand online (and aligned with traditional advertising and public relations methods and technology), with the slogan 'Your Airline's Either Got it or it Hasn't'. The new online campaign aims to embark on defining the intangible focusing on the Upper Class experience, stems from the roots Virgin Atlantic was built on - a passion for flying and challenging the norm to give travellers a unique and unforgettable business class experience. Reaffirming Virgin Atlantic's belief that flying should be a pleasure, not a chore, the online campaign line, 'Your Airline's Either Got it or it Hasn't’ encourages passengers to compare their flying experiences and asks "does your airline have 'it'?" 'It' represents what makes flying Virgin Atlantic great, from complimentary chauffeur drive on all four legs of a journey to moving from curb to Clubhouse in under 10 minutes at Heathrow's Upper Class Wing, to a fully flat bed with your own aisle access. These are just some of the ways that separate Virgin Atlantic Upper Class from the rest.

[B]Aiming to take flying to new heights
Simon Newton-Smith, country manager, Virgin Atlantic South Africa said: "Since our inception, we have approached flying in a unique way, and pioneered products and services that keep us ahead of the competition, all delivered at an incomparable value. We've always listened to what our passengers want - whether it is direct aisle access, complimentary car service, private security or an onboard bar, we strive to deliver a phenomenal experience that leaves our guests questioning why they would ever fly anyone else. This new online campaign drives home the difference between choosing to fly and choosing to fly on Virgin Atlantic. Time and time again, our passengers keep coming back because we get 'it'."

"Your Airline's Either Got it or it Hasn't" aims to represent a new direction for the airline's online programme, by moving to a single global campaign and creating a seamless look across all its global gateways. The rich style of photography features the product benefits of Virgin Atlantic's Upper Class Suite, Heathrow Clubhouse, complimentary car service and other elements that separate Virgin Atlantic from its competitors.

Available: http://www.virgin-atlantic.com
[end 3rd case study box]

[A]Activities

1. Go to your favourite Internet search engine or directory site. Browse through the search page and look for links such as ‘About this company’, ‘Business Overview’, ‘Company Overview’, ‘Company background’, ‘Company profile’, and so on. Read the corporate overviews of a few company sites and make a short evaluation of each in terms of presentation, use of design, information on products and services, and so on.

2. Go to your own company website. Do an honest evaluation to see whether the image of the company created on the website is in line with the overall brand of the organisation, its mission, vision, goals and objectives.

3. You are the public relations officer in your organisation (or an organisation with which you are familiar). Indicate and discuss the online public relations tools that you would apply to
reach your internal and external target audiences. Motivate your answer.

4. Develop an online crisis communication plan for your organisation (or an organisation with which you are familiar).

5. Study the Virgin Atlantic case study carefully. Indicate which factors will contribute to the successful use of online communication to reach the global market.

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