Community-based marketing: the challenge of virtual communities

Introduction

Virtual community is a community that is formed on the Internet. The community is a group of people interacting, sharing and working toward a common goal. While the neighbours can speak in their yards, in the online community members interact through social networks such as Twitter, Facebook and Google. They also participate in forums, groups of e-mail, and even in the sections of the comments in blogs and news articles.

The online community is best explained by examining the community of “real life”. Close neighbours not only to communicate but also help each other. They have the tools and bring the mail. They make lunch for sick parents and traded with the children. They also support the common interests - for example, collaboration, in order to maintain the common and attractive common areas.

Scientific problem. Admitting the fact that, we live in e-commerce age and it plays enormous role on improvement of companies and we accept that virtual community is a valuable part of today’s online business. This creates a question, how to determinate methodology of virtual community?

Object of the work. Virtual community concept.

Aim of the work is to determine conception of virtual community and community-based marketing.

Logical structure of the work. This article presents the theoretical analysis of the overview of definitions of virtual communities, describes the conception and general knowledge about it. Article concludes with conclusions.

Methods and techniques. For methodology were used descriptive literature review. A descriptive literature review merely describes the key points of virtual community in our days. Descriptive review concentrates on indicating an explainable design from the current literature.

Common characteristics and objects of community-based marketing

An increasing number of competitors in business makes market harder and harder each day. Companies are looking for a tool which could give them a chance to stand ahead of others. Due to this, nowadays companies are coming to the table with the criteria which could give them this advantage - Community Based Marketing.

The strategy of community-based marketing is giving an opportunity to bring the existing and potential customers together for interacting with them (Fisher, 2015). Community-based marketing strategy makes members feel important, establish what they need and gives the ability to the company to respond.

Community-based strategy reduces the distance between the company and their audience by this creating a more faithful customer group and the same time securing the reputation of the company (Reichheld, 2001). This strategy shows the potential of itself in the combination with a social network, as a modern society of ours is using it as the main source for getting an information and for staying in touch (Harte, 2009). There are two different types of community-based marketing: Organic community-based marketing and sponsored community-based marketing.
**Organic community-based marketing.** In this type of community marketing, there are just processes happening without the brand’s interaction (Harte, 2009). That means an audience of the existing members of community operates without the company involved. The community members are sharing the relevant information, asking the questions and answering to them, giving the feedbacks and even creating the opinion about the brand itself by getting in touch with each other.

**Sponsored community-based marketing.** Sponsored community-based marketing sometimes also calls “Paid” (Harte, 2009). The type includes a player between community members-the company. Company interacts with the members as a part of community and thanks to that increases the index of loyalty in it.

Furthermore, to stay in touch with the audience in a community while other strategies are more focused on bringing new customers (Reichheld, 2001). Adding a new customer costs approximately six, seven times more than holding back a customer that company already has according to Frederick Reichheld.

**Conception of community-based marketing**

Practising community, it is necessary to understand how people understand the identity and communication, enter the relations and form community (Henry, 2011). Due to perspectives, there are four main types of community concepts: a systems perspective, social perspective, virtual perspective and individual perspective.

**Systems perspective.** The community could be compared to the functioning body and from the perspective of the system, all the body parts are cooperating and working together as one creature (Henry, 2011). All of the parts are responsible for different functions and trying to satisfy the community and its needs by working together (Thompson et al., 1990). As an example, can be shown the university which focuses on educating the students or the transport sector which focuses to take people from one place to another and so on.

The main difference between the healthy community, it’s well-organised sectors which have an ability to share the responsibility for recognizing and solving problems (Thompson et al., 1990). Solving the community’s problems demands integration, cooperation and coordination of resources from all the parts. For improving the community on a right way, it requires the systems outlook, collaboration and a logical strategy.

**Social perspective.** We can certain the community also as the description of social and political networks which connect individuals, civil society and also leaders (Minkler et al., 1997). The understanding of these networks is crucial for planning efforts to involve. For example, the tracking of social ties between individuals can help leaders to identify leadership community, understanding of its behaviour, the definition of its high-risk groups and the strengthening of its networks.

**Virtual perspective.** Some of the communities focus on a geographically defined area, but nowadays more people rely on the computer alerts for accessing to information, for staying in touch with individuals, members of network and doing a choice which has an effect on their lives (Kozinets, 2002). As the examples of indirect computer forms of communication can be shown e-mail, text messages, e-chats and social networking sites like Facebook, YouTube and Twitter (Flavian et al., 2005). Social people or groups with the same interests that cooperate in an organized manner on the Internet, are “virtual communities” (Rheingold, 2000; Ridings et al., 2002). There is no doubt that the rightly functioning virtual communities are potential playmates for the advertisement and research related to the community.

**Individual perspective.** Individuals have their sense of membership in the group, which goes beyond the definitions of the community, used by researchers and leaders of the engagement (Minkler et al., 2004). In addition, they could have a sense that they belong to multiple communities. Furthermore, their sense of being a member can vary over the time and can affect their participation level in public activities.

In the works, the Philosopher and the scientist William James have cleared this question (Minkler et al., 2004). He considered the importance of consideration of two prospects of identity: “I” or as the person thinks of himself and about “I”, or of how other people see and think of this person. Sometimes opinions agree also lead to the general feeling of identity, but in other cases, they don’t do it. People shouldn’t make the assumptions of the personality because of appearance, language, the first impression, cultural origin; and people shouldn’t make the assumptions of future rights because of his or her person. Today, the numerous community which can be related to any person including families, jobs and religious, political and public associations, the person thinks of itself more difficult ways than it was in the last several years. Criteria of the acceptability are developed by scientists, politicians and other organizations for social programs and research projects which
reflect one of the ways of perception of the group offered by participants, but as these criteria reflect the actual opinions of participants are uncertain.

**E-communities, knowledge exploration and knowledge contribution**

Brown and Duguid (2001) show the establishment of the values of the flows of knowledge in the virtual community best to understand by viewing associated with science activities (for example, using the contribution) at the stage after the adoption as a result and how to get the result through improved knowledge of flow. Some stressed the importance of the social relations between participants and their practice (for example, social identity, norms, efficiency) for effective experience sharing and flows (Ma and Agarwal, 2007; Wan et al., 2012; Wasko and Faraj, 2005). The practical community for absorbing and sharing the information is mainly divided into two categories: a community of practice and the network of practice. The first, is a group of individuals with the close link between them, they know each other, share practice face to face and work together to achieve the goals. On the contrary, the network of practices consists of a wider group of members that have weak relationships (for example, the strangers) and geographically distributed for the exchange of information and practice. The participants may not be familiar and do not find it important to meet face to face. The study concentrates on the networks of practices with the IT functions because of their popularity and opportunities for the access to the vast resources of knowledge for Innovation. Thereby, we define the virtual community as a network of practices with the web-base, which allows the members to expand its scope and interact with other participants.

The scientists note that the foundation with the functions supporting this (for example, the flow of information, storing knowledge) can facilitate the exchange of knowledge and the accumulation by processing and reporting of new and variable way and with providing social context for cooperation and the improvement of relations between States, leading to the continuation and the advantages (DeSantis and Gallupe, 1987; Ma and Agarwal, 2007). For example, reputation, which evaluates investors in the quality of their knowledge, provide easy-access expertise and experts for persons seeking information. However, others have reported that the electronic community is faced with the problems of the exchange of knowledge and their practice and customer loyalty because of the lack of strong ties, status and demographic similarities and history of previous connections which are crucial for the continuation of the exchange of knowledge (Cohen and Zhou, 1991; Wasko and Faraj, 2005).

Due to the paradoxical exchange of information in electronic communities and confined theoretical understanding of the reason how and why electronic community contribute to the use of knowledge and preservation of the members, this study aims at filling this gap.

For a more detailed study of the use of information systems (IS) considered the use of after the adoption as one of the most significant indicators of the success of IP in general and the creation of the virtual information in particular (Bhattacherjee, 2001; Kim and Son, 2009; Ma and Agarwal, 2007), some researchers stress the importance of the multi-dimensional measurements of phenomena after the adoption to capture exact features of it, or context, word of mouth (for example, initiation) and save the actual popularity (for example, restricted) in electronic maintenance, as well as the ability to receive (and knowledge) (Kim and Son, 2009; Maruping and Magni, 2012; Wan et al., 2012). Others are considering the investment of knowledge as the performance indicators of information at the stage after the adoption of the electronic communities on the basis of the reaction of the members on the incentives (for example, the impact of the characteristics of the e-community, facilitating the process of transferring its identity) (Ma and Agarwal, 2007; Tsai and Bagozzi, 2014). Samples of reactions have the sensation, desire, perceived identity checks and commitment. The flow of work as a whole is consistent with the fact that the good prospects for e-community depend on the expectations of the members from positive results on the stage, after the adoption, are influenced by elements of the perception of members of the community for self-presenting (identity).

Based on the literature on knowledge management, this study evaluated the results of the knowledge of members of the community e-community when used after the adoption as two measurements - The desire to preserve knowledge and contribution of knowledge (Maruping and Magni, 2012; Wan et al., 2012). The first emphasizes the tendency of members in the use of knowledge e-community and other members of the as the source for the acquisition of new knowledge - “receiving” aspect, while the contribution of knowledge emphasizes the provision of members of the knowledge and experience of other members - “providing” aspect. They reflect the two different but complementary aspects of the results after the adoption, thus expanding our
understanding of the phenomena after the adoption. For example, in the aspect of reception, the main attention is paid to needs of people for knowledge and innovations for an increase in overall performance while the provided aspect emphasizes a contribution of individuals and gives advantages to others. Both the contribution of knowledge and a research of knowledge meet difficulties in networks of practice (electronic community). This results from the fact that the contribution of knowledge brings benefit to all other (strangers), except for the investor when he/she can go easily freely on efforts of others. Studying of knowledge includes exchange of knowledge and acquisition of knowledge and can cause difficulties as knowledge is frequent secretly and deeply introduced that demands good communication, confidence of individuals as knowledge shared by others and norms to direct their behaviour, it is difficult to support through electronic communities (Wasko and Faraj, 2005). Thereby, the recent theory shows the considerable levels of results of information will hardly manage to be reached in the context of electronic community. Without the minimum level of an investment of information and studying of knowledge, the electronic community is considered unsuccessful. The understanding of the formation of results of knowledge at a stage after acceptance is important for the success of the electronic community as they reflect the reduced uncertainty, the increased benefits, preservation of members and improvement of long-term prospects of community. Thus, there is a strong incentive for an understanding of the key factors influencing results after acceptance. Preliminary work on the use of IS in general and virtual behaviour used social and psychological theories to illuminate the formation of behaviour after acceptance.

This stream of researches includes various people, functional, social and factors of creation of the relations for an explanation of phenomena after acceptance (Baumeister, 1999). For example, mechanisms of restriction of commitment are widely used in an explanation of how constancy in online control influences perception by people (for example, the obligation) and the antecedents connected with the characteristic (for example, creation of value or benefit of online Wednesday) (Kim and Son, 2009; Zhou et al., 2012). Tsai and Bagozzi (2014) use the theory of reason and action to describe interrelation between knowledge of people on incentives and their response to the incentives, having emphasized significance of the virtual self-presentation and achievement of the goal in the behaviour of a contribution. Knowledge reflects a set of the perceived influences in incentives social (for example, social identity) and personal aspects (Kim et al., 2012). Responses are conceptualized as desire (transformational functions from knowledge to the subsequent behaviour) and continuity. This volume of work, as a rule, considers the knowledge of the relation of incentives as motivation to the subsequent perception and behaviour (for example, the reasons of development of the relations) while reactions turn motivation into behaviour after acceptance (for example, the reasons of continuation of behaviour). Though they are useful, they don’t consider a number of factors which can affect results of knowledge at a stage after acceptance in electronic community.

Researches on use of IS recognized importance of commitment in forecasting of results and continuation the use of the IS organizational applications in general and uses of virtual experience, in particular (Kim and Son, 2009; Wan et al., 2012). The obligation reflects psychological state which provides a motivational impulse for reformative functions of individuals from their perceived influence in improvement of results (Meyer and Herscovitch, 2001). Thus, the second stream of researches has started to study how various antecedents in online settings (for example, electronic purchases, electronic training, electronic service) influence reaction of people and a motivational impulse and the subsequent behaviour after adoption (Chandra et al., 2012; Kim et al., 2012; Wan et al., 2012). Nevertheless, empirical work in which the main attention is paid to complex assessment of online incentives and functions and also to how participants of electronic community react to these incentives for improvement of results of knowledge at a stage after acceptance, is still absent.

**Conclusions**

1. Theoretical analyses helped to understand and summarise the overview of the virtual community, establish the benefits and drawbacks of it. The scientist by their researches established the virtual community-based marketing as one of the aspects which could be an advantage in a world of developing technological age. This makes the virtual community a valuable tool in the marketing environment.

2. Currently, the virtual community is increasing its popularity and becoming a one of the “must have” aspects of your business. Due to its organic and paid types, it can be useful for smaller companies, low budget start-ups, entrepreneurs and enormous corporations.
3. The practical community for learning and sharing knowledge is mainly divided into two categories: a community of practice and the network of practice. The first includes a group of members, with the close link between them, who knew each other before, share practice face to face and work together to achieve the goals. On the contrary, the network of practices consists of a wider group of members that have weak relationships (for example, the strangers) and geographically distributed for the exchange of knowledge and practice.

References

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BENDRUOMENINIS MARKETINGAS: VIRTUALIŲ BENDRUOMENIŲ IŠŠŪKIAI

Santrauka

Internete susikūrusios bendruomenės jau nebėra tik primityvūs bendraminčių forumai diskutuojantys apie sau rūpimus profesinius ar kitus specifinius klausimus. Pastaruoju metu vyrauja praktika, kai marketingo specialistai vietos prekių ženklams sukuria Facebook ar YouTube paskyras skirtas išskirtinai produktų prekybai. Ir atrodo, kad tai puikiai pasiteisina. Straipsnyje siekiama apibrėžti virtualios bendruomenės sąvoką XXI a. Autorius kaip metodologinę priemonę pasitelkia literatūros apžvalgos analizę, kuri leidžia išskirti pagrindinius šiuolaikinės virtualios bendruomenės aspektus bei koncentruotis į mokslinėje literatūroje naudojamą šio reiškinio analizę.