

SECTION 1

Background and planning

Section 1 of the text includes the first five chapters of the book, which cover the groundwork for e-marketing from the background history of the medium, marketing and the role of strategy, planning and consumer behaviour. Chapter 1 is the history lesson on where the Internet and e-marketing have come from, and how this shapes the direction and development of where it can (and should) head in the future. Chapter 2 brings together a background briefing on marketing theory from the usual suspects of the marketing mix to some of the more influential marketing models and ideas that recur through the advance stages of the book. Chapter 3 introduces strategy to e-marketing with an emphasis on thinking through the practical decisions needed to be addressed, and the questions that need to be answered before any of the tactical elements can be considered. This leads directly to Chapter 4, which outlines the procedures for documenting the decisions of the previous chapter through a range of different plans and planning processes. Finally, Chapter 5 delves into the consumer behaviour aspects of the Internet with a review of the common models, assumptions and insights into how people use the Internet to set the context before Section 2 reviews the implementation issues of addressing consumers through e-marketing.

PROOF

CHAPTER 1

Introduction to e-marketing

Learning objectives

By the end of this chapter, you should:

- understand the basics of e-marketing and the distinctive styles of using technology for marketing purposes
- be conversant with different perspectives of the Internet, including a brief history of the medium
- appreciate how different social, technological and economic influences have shaped the Internet
- understand where some of the services mentioned in the E-introduction (setting up for e-marketing) fit into the bigger picture of the Internet.

Welcome

Welcome to *e-marketing: the book* (the musical is under contract negotiation). This chapter will briefly introduce you to e-marketing, give you an overview of the nature of the Internet, fill in some of the history of how a Cold War weapon system evolved into a global communications framework and set the scene for some of the ideas expressed later in the book. This chapter is more focused on the Internet than marketing. Chapter 2 is more about marketing and less focused on the Internet. Combined, Chapters 1 and 2 lay the groundwork for getting into the e-marketing frame of mind before you start the strategy (Chapter 3) and planning (Chapter 4).

A word of note, the authors write in a cross-referenced style, pointing out the connections between ideas in the current chapter and other information in the book. As e-marketing makes copious use of hypertext and linking to relate content, the authors use the nearest print equivalent, which is the bracketed (Chapter) statement, to point out where the related ideas reside. It's also worth noting that marketing and the Internet are equally self-referential and that circular logic applies to both areas – marketing is an ongoing cycle of measurement, action, measurement and reaction (and more measurement). At the same time, the Internet has the capacity to generate an infinite loop of cross-links, cross-references and cyclical activity.

Marketing with an e

e-marketing is any type of marketing activity that needs some form of interactive technology for its implementation. Throughout the book, the term e-marketing is used as an umbrella definition to describe a range of means, mechanisms and approaches for making the best use of technology for delivering marketing. That said, it's worth defining the different styles of e-marketing that sit under the central definition, much in the same way that cricket has a core set of rules which translate into the stylistically different test matches, Twenty20 and the one-day series whilst all still being cricket. The same deal applies to e-marketing – there's a core set of rules (electronic, interactive, marketing) which can be applied in a range of interesting ways to make the best use of the features of the particular technology. There are three different forms of interactive marketing to examine:

- marketing over IP
- interactive marketing
- mobile marketing.

Marketing over IP

'Marketing over Internet protocol' (MOIP) is our term for all forms of marketing that make use of any part of the Internet. If the marketing requires an Internet connection to take place, then it's MOIP in nature. MOIP is the dominant theme of this book and will be the mainstay of most of the chapters (Chapter 13, m-commerce, being the

obvious exception). The book takes a slightly broader approach to MOIP to avoid limiting marketing thinking to just web-based campaigns and product delivery to include: Internet-based systems such as social networks and virtual worlds (Chapter 9); non-web technologies such as peer-to-peer file sharing, instant messenger chat, IRC channels, FTP sites and even e-mail (Chapter 14); and Internet-connected devices such as the Xbox, Wii, Playstation and Internet fridges (Chapter 14 again). All are considered in relation to what their specific technical merits can contribute to marketing.

The Internet fridge: TCP/ IP + cold storage

Somewhere around 2002, the refrigeration industry was going to be revolutionized by providing Internet connections straight to the refrigerator door. This was, and may yet remain, one of the most improbable ideas concerning Internet access. Adding an LCD touch screen to a cold storage device was supposed to revolutionize food ordering, with pull-down menus of ingredients, automatic reordering of food, barcode scanning and a whole host of concepts that look okay on paper but fail miserably in practice. The fridge wasn't smart enough to tell the difference between an empty and full milk bottle, the (few) users trying out the barcode service usually forgot to scan in or scan out the empties and the on-screen touch screen ordering of food from a website ran into the problem that it was usually quicker and cheaper to head to the shops for whatever you needed to restock the fridge. In short, it turned out that you could put a fridge on the Internet, and the Internet on a fridge; it was just not that useful. As such, the term 'Internet fridge' is occasionally used to describe a technology that's technically feasible but utterly useless in practice.

Interactive marketing

Interactive marketing excludes any MOIP devices to focus on the use of non-Internet, non-mobile, interactive systems. This allows marketers to consider options outside of the standard Internet or mobile phone frameworks to make use of other technologies such as sample media (e.g. DVD, CD), pre-loaded demonstration devices (e.g. iPods, USB sticks), in-store devices (electronic kiosks, CD printers, iPod docks) and even the interactive capacity of digital television. Interactive marketing is the older sibling of Internet marketing, and whilst the Internet can handle dynamic interaction and small-to-medium-sized file distribution, there's still no faster way to place content in the hands of a customer than a physical object. A single, standard 4GB USB or DVD can hand over several hours of downloadable content in mere seconds. Interactive marketing devices will periodically show up throughout the book where they can be used to augment the e-marketing thinking. (They'll feature in Chapter 14 and make cameo appearances in Chapter 13 as means to augment mobile marketing.) Interactive marketing also features the use of some conventional cinematic and television devices such as product placement in video games or sponsorship of downloads, content or data (Chapters 7 and 14).

Mobile marketing

Mobile marketing (m-marketing) uses a distinctive suite of communication protocols and tools such as wireless access, Bluetooth devices, multimedia messaging (MMS) and short messaging systems (SMS). Whilst the average mobile device seems capable of Internet access, accessing the Internet by a handheld device doesn't necessarily mean the use of MOIP. (Consider the distinction being whether the user needs an e-mail address or mobile number to sign up for the offer.)

If you send a product announcement out by e-mail, tweet it and post it to the company website, you're probably thinking MOIP even if all of the above can be read on an iPhone. However, if you use the native mobile technologies to send out an SMS, or have an interactive billboard broadcasting a Bluetooth downloadable voucher, or send content through the GPRS networks, then you're definitely using m-marketing. M-marketing as a distinctive approach within e-marketing is covered in depth in Chapter 13.

I can't believe it's not e-marketing

The chief boundary line that determines whether the marketing is conventional marketing or e-marketing is whether or not the marketing process fits within the Hoffman and Novak (1996) one-to-many-to-one communications model. Back in the dawn of the commercial Internet, Hoffman and Novak put forward a simple model of computer-mediated communication in an interactive environment, which basically asks whether the recipient of the communication (consumer) can interact with the sender (company) in a way that links both customer and consumer (Figure 1.1).

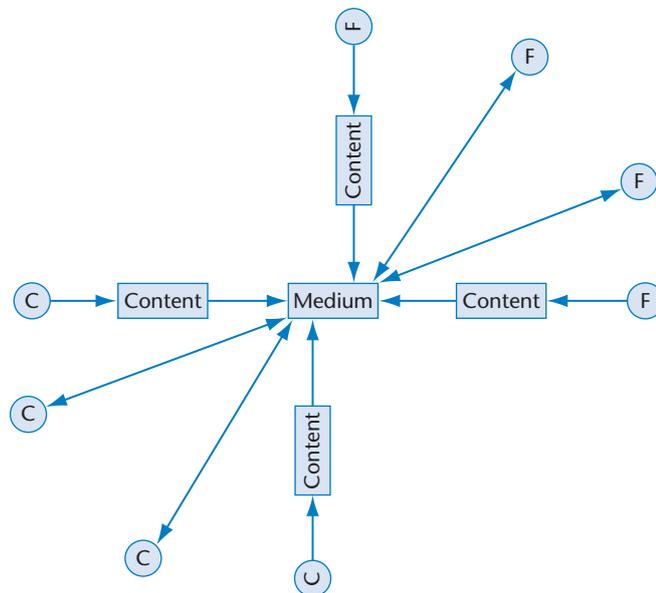


Figure 1.1 Hoffman and Novak's model
 Source: <http://jcmc.indiana.edu/vol1/issue3/hoffman.html>

One-to-many-to-one communications are those computer-mediated communications that are published by an individual into a public sphere, such as Facebook, and are read and responded to either directly (to the individual by direct message) or indirectly (to the Facebook group) by other readers (Hoffman and Novak, 1996). Computer-mediated communications (CMC) is the use of computers and computer networks as communication tools by people who are collaborating with each other to achieve a shared goal that does not require the physical presence or co-location of participants and which can provide a forum for continuous communication free of time constraints (Kaye, 1991). Hoffman and Novak's (1996) house rule didn't require actual interaction, just the capacity for interaction if desired between consumer and marketer.

This approach neatly isolates television and radio into non-electronic marketing due to the lack of interactive capacity (print media loses on the grounds it's not electronic) whilst preserving a role for the interactive television broadcasts such as the 'red button' voting system on Sky News (news.sky.com). There's a grey area over SMS voting for reality television shows and the live phone call request lines on radio counting as interactivity – thankfully, that's resolved by neither of them being marketing.

Defining e-commerce

E-commerce forms the broader business domain of using electronic-mediated systems for commercial activity and is the parent business activity which contains e-marketing. It encompasses all electronic business models, including those which operate between customer and provider through the Internet as well as the direct electronic exchange of data between business-to-business partners. E-commerce provides commercial frameworks for organizations to manage customers and partners for profit.

E-commerce and e-marketing are often used interchangeably to describe e-marketing activity. For the purpose of this book, e-commerce is the broader platform of commercial activity conducted using electronic systems (Gilmore, Gallagher and Henry, 2007). When a customer uses an ATM to withdraw cash, e-commerce covers the electronic data interchange (EDI) that occurs between the ATM and the customer's bank. As an ATM terminal is displaying adverts for additional products or services, e-marketing is also taking place. The core differentiating factor for e-marketing is the involvement of a targeted customer rather than just the use of a network to facilitate a commercial transaction.

E-commerce can, and does, occur without e-marketing. Radio frequency identity (RFID) tags can be used for inventory management through automated systems that maintain and update accounting records (Chapter 14). The supermarket checkout scanner's automated data systems provide inventory control, accounting and auditing as they validate the transaction and adjust stock levels to enable just-in-time ordering systems to function. Although these systems may be used for marketing, they function independently of an e-marketing programme. Just as an organization can engage in commerce without using marketing, it's entirely possible to forgo e-marketing and still be in the e-commerce business. The importance of isolating e-commerce from e-marketing is the recognition that e-marketing is not the be-all and end-all of commercial activity on the Internet. e-marketing has the distinctive focus on

the marketer–marketplace–society trifecta for value creation that is part of the larger e-commerce agenda but only one aspect amongst many (no matter how important we might want to see ourselves as being).

The Internet

The Internet is a giant network of interconnected networks which combine to host a virtual economy, a massive virtual infrastructure and the dynamics of the interactions of real people around the world, all off the back of cables, servers and a lot of electricity generation. Back at the start of the commercialization of the Internet, the American Federal Networking Council (FNC) (www.itrd.gov) produced a definitive statement outlining the Internet as a multi-layered platform consisting of separate yet connected distinct components which covered the hardware, software, intellectual and social infrastructure which produced the Internet as recognized by the end users.

Component parts of the Internet

For the purpose of this book, and based on the FNC's original definition, the Internet is divided into four equal component parts: infrastructure; exchange; interaction and environment.

Infrastructure

Technical infrastructure covers the hardware infrastructure such as the computers, cables, power lines and power supplies that provide the backbone through which the Internet is housed and accessed. If you emphasize this aspect of the Internet, you probably think of it as a 'network of networks' where the priorities are the computer and software issues. At the same time, the physicality of the Internet as a set of machines, cables and servers is also connected to viewing the Internet as a place and emphasizing the virtual geography of the medium (particularly if you play online as game servers become their own pocket universes).

Exchange

Interactive exchanges are the second aspect of the Internet which covers both the interactivity of Hoffman and Novak's (1996) computer-mediated communication and the software infrastructure of the Internet. The software infrastructure is the veritable alphabet soup of communication protocols that govern how the interconnected network of networks actually exchange data. This covers aspects such as TCP/IP protocols, IP addresses, packet routing, HTTP, FTP, bittorrent traffic, VOIP, SMTP and any other future protocols. For the most part, this level of the Internet is almost invisible to the end user insofar as the computers go about their business largely without human intervention or human observation. If this is your dominant way of thinking about the Internet, you'll either be at the network of networks approach or considering the user experience of the Internet as a service delivery platform.

Interaction

Social interaction is the social infrastructure that relates to the human-to-human, human-to-business relationships that are conducted via the medium of the Internet. This also incorporates an intellectual infrastructure of online content that was created by and for other Internet users. If you think of this as the Internet, you most likely consider virtual presence as a key issue for e-marketing. The combination of virtual goods, services, experiences and knowledge forms economic goods of value for a virtual economy and provides the required shared goods of value to create the basic community framework for interpersonal interaction (see Chapter 9 for more on shared goods of value).

Environment

Virtual environments are the culmination of the human need to conceptualize the unfamiliar with the nearest metaphor that almost fits – hence, on the Internet where nothing is remotely real, the metaphorical terminology relates to the physical world in terms of ‘home page’, ‘site’, ‘virtual world’ and ‘virtual economies’. The virtual environment is a way of collectively understanding how the infrastructure, social interaction and seamless exchange of data and human interaction results in an economic and social structure. If you focus on this aspect of the Internet, then your interests are likely to lie in the development of virtual worlds and the virtual geography as an exploration of the spaces of the Internet. Alternatively, if you’re interested in the meta-level results of the dynamic interaction of people, places and exchange, you’re probably captivated by the virtual economy. Figure 1.2 outlines a visual representation of the conceptual boundaries of the Internet.

Figure 1.2 intentionally locates each of the four categories at the mid point between their respective defining terms as there are no absolutes within the model. For example,

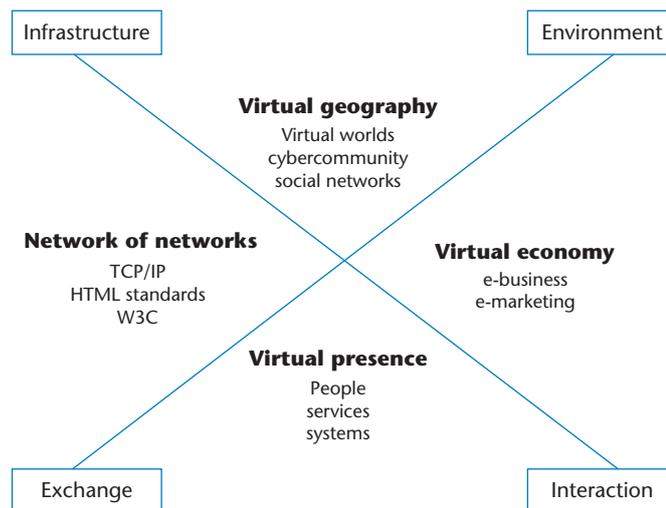


Figure 1.2 Conceptual boundaries for defining the Internet

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there are no pure infrastructure applications in that either the infrastructure does something (network of networks) or is something (virtual geography). Similarly, environment facilitates virtual geography or the virtual economy (or both). The following section outlines how the network of networks, virtual geography, virtual economy and virtual presence classifications can be used to encapsulate different types of e-marketing activity, websites and non-web activity.

Network of networks (infrastructure + exchange)

The Internet is a legacy of a much different world. Borne out of the later part of the twentieth century, the Internet was designed to augment the capacity of the American military-intellectual infrastructure to survive a series of direct nuclear hits in the event of the Cold War turning into a nuclear war. The original design of the Internet was based on combining the principles of load sharing with a distributed infrastructure that avoided implementing a vulnerable central command point that could be targeted for destruction. Consequently, the schematics for the Internet included the capacity to function without a central hierarchy, withstand massive damage from the loss of various nodes without collapse and still contain most of the useful stuff you'd want in the event of having to exchange nuclear missile fire with another nation. The practical reality of the Internet's infrastructure includes a realistic chance of an Internet Brownout if you combine peak demand with the loss of a large slice of any nation's power grid, and the geographic reality of isolated chokepoints at various points on the map – notably, the undersea cable that connects each continent and island to the rest of the grids.

However, as the Internet was designed to function as a decentralized system, it also invoked a sense of distributed responsibility within the system's administrators and programmers. The principle of network neutrality was paramount when networks were limited and demand could easily exceed supply on one pipeline. Network neutrality solved the infrastructure issue by allowing unfettered carriage of information between the various networks as a distributed (and mutual) load-sharing scheme. Any data packet can use any network equally to avoid blockages with the overall system, meaning that all packets can seek the most efficient path from A to B. As the nature of digital transmission and replication is relatively lossless, the decentralized sharing of carriage also created an unexpected by-product in the form of a mindset of information sharing for the human operators of the networks. As the Internet demonstrated the technical feasibility of near-limitless replication of data, it led people to challenge the applicability of physical world economic models of scarcity within the new environment.

One particular point to be noted here is that the Internet's 'blockage as damage' approach to shifting data combined with the lack of scarcity to generate a notion that 'information wants to be free' where 'free' meant 'able to move about the network'. (The 'free' bit is sometimes co-opted as 'information wants to be distributed without charge'. It's not strictly true since information pretty much enjoys the journey as much as the destination.) As the Internet needed to be able to seamlessly re-route around broken, blocked or destroyed nodes in the network, and be able to reconcile and replicate dozens of different redundant systems, it was custom designed to create value through

duplication and multiple redundant copies of information. This is absolutely counter-intuitive to the conventional physical world model of commerce where value comes from scarcity. Understandably, if you invert the physical models of value from scarcity, it requires some serious recalibration of commerce, intellectual property law and property rights. The recalibration is currently underway in a range of legal, practical and social manners which are discussed further in Chapter 15. Similarly, network neutrality is also an unusual framework from a physical world perspective and is periodically challenged by organizations that try to apply a physical world model of scarcity to the online world's surplus model (Chapter 15).

From an e-marketing perspective, there are a few reasons to take an interest in the network of networks. First, it allows you to understand the physical constraints that limit the capacity of the Internet to deliver on promises of value. Secondly, it ties back into virtual geography (Chapter 9) and encourages an expansive view of the Internet beyond the Web (Chapter 14). Finally, it's also thoroughly fascinating (if you have the slightest geek propensity) to be able to appreciate the logistical feats that underpin how the Internet actually functions at the code level. (If the section on HTML in the E-introduction (setting up for e-marketing) sparked any interest, it's worth pursuing the network of networks view further in your own research.)

Machinery and the Internet

The Internet is both the machinery and the machinations of technology, software and systems interacting with each other as much as the interactions that take place between the human members of the community. Predictions of intelligent shopping agents who scour the Internet for the best bargains, deals and prices are perpetually in the process of 'coming soon'. Ultimately though, digital agent (and related systems) still report back to human masters. Only when computers are capable of applying for their own credit cards and earning their own incomes will marketing need to focus on the computer-to-computer transactions that are currently the domain of the engineers (even if the equipment in NASA's space programme has its own Twitter account, it's still a human operator typing up the mission output in human-readable format). Marketing strategies remain aimed at human interactions for the majority of Internet transactions, with the possible exception of the search engine optimization strategies.

Computers as customers: the case of search engine optimization

Search engine optimization (SEO) is an odd area of marketing that is ostensibly business-to-business in nature, but bordering on business to computer in actual conduct. SEO marketing attempts to develop the optimum mix of content and metadata to improve the search engine's automated review of the site's content. Although SEO is formally considered a form of advertising and promotion, there is a possibility that it may have become the first foray into a human-AI barter programme. If you consider the search engine's computer as a customer, SEO is about swapping ease of indexing for the computer for a decent result in the computer's automated report. The process of SEO involves placing a range of formalized structures such as metadata information into

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websites, videos, Flash animations and other elements which are in formats that are easiest to read for the automated search systems that build the search engine databases. What complicates the issue beyond mere administrative Internet paperwork is the nature of something like the Google Index which has a consumer behaviour style 'black box' complexity to it. In an eerie parallel to CB theory, the Google Index is approximately 200 known variables, with a range of unknown elements including the differing priorities, importance and weighting placed on each variable. In marketing terms, the process of SEO revolves around developing a product that offers superior performance in meeting the varying needs of the automated search engine software programs. If satisfied with the data product, the search engine software exchanges a good placement in the search engine rankings for ease of search, indexing and 'optimized' information. Although it is still mostly discussed as an advertising issue (Chapter 7), there's still a sense of value for value swap between marketer and automated system that may just make this a new form of marketing.

Virtual geography (infrastructure + environment)

Virtual geography is the ways and means in which the Internet can be subdivided in regions, zones and locations based on a range of different factors. Geographic metaphors dominate the market with their ability to make the intangible, ethereal nature of the Internet into something that at least feels real (even if it's only a model). The value of thinking of the Internet as a physical place is examined throughout the book with a strong emphasis on the value of 'place' in the formation of cybercommunities (Chapter 9) and the role of virtual geography in e-marketing distribution (Chapter 6). The book focuses on a microcosm of ways of thinking about the Internet as a physical location through:

- cyberspace
- marketspaces and marketplaces
- virtual geographic boundaries
- virtual worlds.

Cyberspace

No discussion of the Internet as a virtual space can avoid mentioning cyberspace. That said, the word 'cyber' tends to rank alongside 'information superhighway' as a term to avoid using unless you're hosting a 1990s retro party. Cyberspace as a concept talks about the Internet as a place, environment or thing that's just there at the back of the computer screen. The best (and prettiest) forerunner to the discussion of the Internet as an inherently physical place comes from William Gibson's (1984) definition of 'cyberspace' as physicality created by shared understanding. Gibson (1984, p. 51) wrote:

Cyberspace. A consensual hallucination experienced daily by billions of legitimate operators, in every nation, by children being taught mathematical concepts...

A graphical representation of data abstracted from the banks of every computer in the human system. Unthinkable complexity. Lines of light ranged in the non-space of the mind, clusters and constellations of data. Like city lights, receding...

Gibson's cyberspace was purely fictional playground for his novels which, as part of the cyberpunk movement (another 1990s concept gone awry), provide a large amount of inspiration for the graphical visualization of the Internet (partly because most of us early Internet fans were also reading Gibson's work). In addition to the notion of the Internet as a physical structure, the development of the Internet also borrowed heavily from the lexicon of libraries with the use of terms such as index, directory and searching. The next wave of metaphors came from the interlinked structural diagrams of the World Wide Web, which looked like some form of bizarre spider web. Bad puns and in-jokes about spiders and web crawlers took over a little slice of the language. Finally, and noticeably coinciding with the rise of Web 2.0, the language of the Internet is increasingly evocative of interpersonal ownership aspects (my*, you*, face* etc.). Cyberspace, however, remains a conceptual framework that allows the end user to place a familiar mental model of the physical world over the top of the incredibly unfamiliar Internet infrastructure. It also gave the world the comparatively less popular concept of 'meatspace' to describe the physical world.

Marketspaces and marketplaces

If you consider cyberspace as the end-user's metaphor for the virtual landscape of the Internet, then marketspace is the business world's way of converting its familiar frameworks for understanding how the Internet functions. The 'marketspace' is the parallel digital world that accompanies the physical world of the marketplace as a conjunction between ideas and exchange, where goods, services, ideas and money can be exchanged as items of value (Weiber and Kollman, 1998). The marketspace-marketplace continuum demonstrates that value chains of product services, procurement, distribution and production can be found and solved in both online and offline environments.

Marketspace is independent of the Internet in that it exists at the local shop with the scanner data feeding into the supply chain network that allows Tesco, for example, to automatically re-order stock based on actual sales figures. At the same time, marketspace also encompasses the entire e-commerce world where payments move from end users (consumer or businesses) through the retail networks to suppliers, distributors and producers (Chapter 4).

Virtual geographic boundaries

The geography of the Internet also indicates the ways and means of accessing the content. For example, the multiple web browsers featured in the E-introduction (setting up for e-marketing) can all access the front end of the World Wide Web for viewing and interaction, whereas the FTP clients access specific parts of the back end of the Internet. Similarly, virtual worlds exist isolated from the Web (Chapter 9) through the need for specific-purpose pieces of client software (Second Life, World of Warcraft), or operate as closed catalogue environments (iTunes, Steam) for content distribution

(Chapter 14). Appreciating that there are issues of geography within the Internet aids the development of e-marketing distribution strategies (Chapter 3), market segmentation (Chapter 4) and the understanding of online consumer behaviour (Chapter 5) as virtual boundaries also arise from the development of cybercommunities (Chapter 9).

Geographies of the Internet also provide useful metaphors for understanding social clanning behaviour and shared interests – and great visual metaphors for webcomic cartoonists (Figure 1.3).

Much like the physical world, the geographies of the Internet present their own, different operating conditions. Online interaction is usually classified as lean or rich media depending on the extent to which you have more than just text or static images at your disposal. Lean media environments are communications media that tend to strip away non-verbal cues and information otherwise available in a face-to-face environment – usually by relying mostly on text-based communication (Montoya-Weiss, Massey and Clapper, 1998). For the record, the textbook is semi-lean media in that we get away with images, links and sending you off on quests, but do so without the benefit of rich media engagement. Similarly, if you consider the visual differences between Delicious (<http://delicious.com>) and Flickr (www.flickr.com), you can see how the infrastructure of a website influences the users and how they interact. Delicious is for tagging,

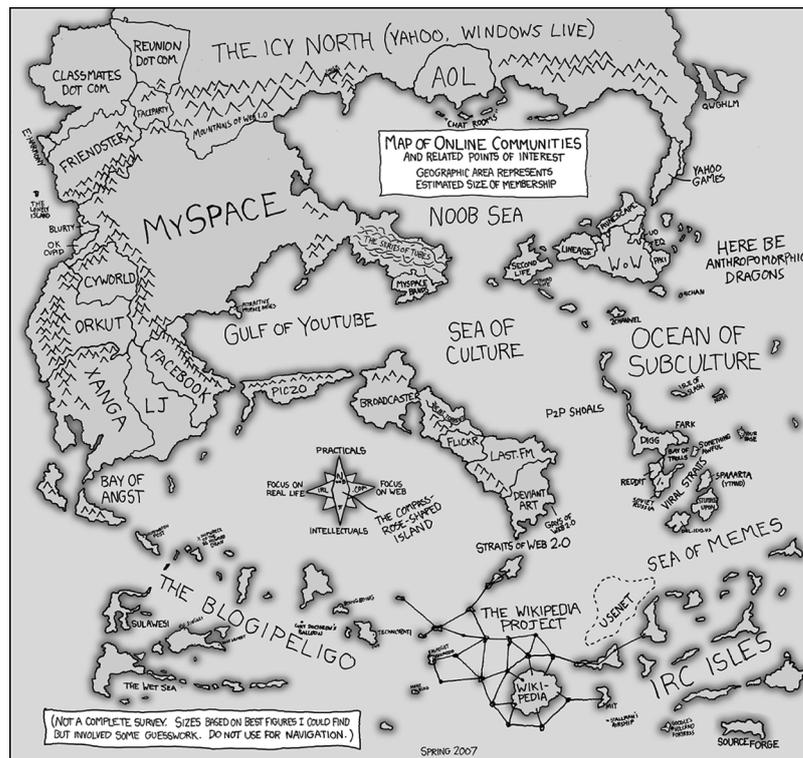


Figure 1.3 The XKCD map of the Internet

Source: <http://xkcd.com/256>

organizing and adding commentary to saved web addresses (like an oversized annotated phonebook), whereas Flickr is the family photo album or scrapbook. Both use tags and annotations, and have community capacity – the primary differentiation is in the purpose of the system (discussion of the URL and its contents versus looking at pictures). Delicious's community structure is less intra-site focused than Flickr and doesn't tend towards Flickr's 'friends and family'-style community.

At the other end of the spectrum are the rich media environments which cover sites where the Internet medium extends itself to capturing the visual and verbal nuances of the conversation through audio (podcasts), video (YouTube) and graphical elements (Flickr). If you look at YouTube's capacity to publish video responses to allow people to talk at each other (rather than to each other), you'll notice that you can capture nuances of sarcasm and humour through the non-verbal cues. You'll also find that the text comments below those videos lack any such nuance since they're lean media responses to rich media content (it's a partial excuse for the sad state of YouTube text commentary).

Each of these 'regions' within the Internet has also functioned in a manner reminiscent of the geography for creating regional characteristics, traits and social norms. The 'physical' features of various Internet environments help shape the cultural norms of the cybercommunity structures that form around these virtual environments (Chapter 9). Even the choice of web browser can shape the physical experience of the Internet – compare the look of the Flock browser, with its constant reminder that there are other real-life people on the other end of the Internet, with the more impersonal lines of Internet Explorer, Google Chrome or Firefox. Facebook (www.facebook.com) and Gmail (<http://mail.google.com>) constantly remind you that other people exist (and they can see you) within their own networks through their chat status updates on the side of the page.

Virtual worlds

Virtual worlds are the text-based, two-dimensional and three-dimensional self-contained environments that exist in isolation from the rest of the Internet. The most widely known virtual worlds are usually gaming orientated with World of Warcraft (www.worldofwarcraft.com), EVE Online (www.eveonline.com/) and City of Heroes (<http://eu.cityofheroes.com/en/>) being high-profile entrants in the genre. In the non-gaming universe, Second Life (www.secondlife.com) remains the highest profile virtual environment that's not linked to some form of video game. The distinguishing features of these virtual worlds are the need for a specialist piece of software to access the environment (client software) and their status as pocket universes that support real-time interaction with both computer-generated characters and other human participants (Chapter 9). There's also a case to argue that the Xbox Live (www.xbox.com/en-GB/), Sony Playstation Home (uk.playstation.com/psn/psnhome) and even the Nintendo Wii's (uk.wii.com) Internet channel are all virtual worlds by virtue of their pocket universe status – access requires specific hardware, and the hardware is linked to persistent, ongoing worlds. For instance, you can't transfer between the hardware worlds – a Mii character from the Nintendo platform can't migrate to an Xbox. The same Mii character can, however, travel from one Wii to another across the Nintendo

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network. Consequently, it's possible to consider the consoles as the gateway devices to virtual worlds (Chapter 14).

Virtual economy (interaction + environment)

The virtual economy is the consequence of a supportive Internet environment for commerce and interactions that occur within that commercially orientated side of the Internet. It's vitally important to realize that the commercial and commercialized side of the Internet is a small and absolutely replaceable part of online life. The Internet functioned just fine without commercial interference and, with the development of Internet2 (www.Internet2.edu) as a non-commercial Internet infrastructure, it may well function just fine without us again. Whilst e-commerce has added some useful elements to the online environment, it wasn't the foundation or cornerstone of the development of the technology. Consequently, it needs to retain a sense of perspective as to how commercial activity fits within the broader socio-political landscape of the Internet. From our perspective, there are three aspects worth considering: the e-business environment, e-marketing and the virtual product.

e-business environment

Most of the focus of this book is on business-to-consumer (B2C) and consumer-to-consumer (C2C) activity. However, an entire level of business-to-business (B2B) activity exists on the Internet in terms of product acquisition, sales, catalogues and even the shipping and logistical infrastructure that underpins the ability of companies to offer seamless B2C services. For example, while Zazzle (www.zazzle.com) and Lulu (www.lulu.com) both provide print-on-demand solutions with the consumer market in mind, they also function as brokers, printers and distributors in a B2B context. For example, when celebrity geek author Wil Wheaton (www.wilwheaton.typepad.com) used Lulu as a print-on-demand distribution system for his book *Sunken Treasure* (<http://stores.lulu.com/wilwheaton>), Lulu took on an e-business role for the author and functioned as a B2C transaction hub for buyers of the book. Further, as Lulu operates as a virtual business, where the content is digitally uploaded to the server for printing and physical shipping, the company also handles the logistical issues of integration with Amazon.com, ISBN acquisition and cataloguing, and related publishing tasks of printing, shipping, warehousing and order fulfilment.

e-marketing

Given the nature of this book, most of the discussion of e-marketing happens within the next fourteen chapters. However, from the perspective of understanding how e-marketing fits into the Internet framework, it's worth noting three things. First, the market research and metrics aspect of e-marketing is a natural by-product of Internet web server capacity to handle mass documentation of interaction with end users. Originally developed to assist the debugging of broken systems, server logs have become

valuable marketing metrics as they explain, classify and categorize different users visiting the sites, where they're from, how long they stayed and which was the last page they viewed on the site before leaving (Chapter 10). Secondly, e-marketing exists in the open as part of the Internet landscape of downloadable products, embedded advertising, advertorial content and a range of overt commercial activities, including everything from the shopping cart at Amazon (www.amazon.co.uk/) to the very nature of Paypal (www.paypal.co.uk/) as a means to send money for goods won on eBay (www.ebay.co.uk/) auctions. Finally, e-marketing is less visible and the ethereal touch when it comes to using the knowledge of the marketplace to develop better user experiences, improve product performance and quietly reduce the time, energy or effort requirements of engaging with an online experience.

The virtual product

The third aspect of the virtual economy is a brief detour into the development of product theory (Chapter 6). Figure 1.4 introduces a visual representation of the four different categories of the virtual product (this gets a more detailed exploration later in Chapter 6).

The unusual nature of e-marketing is that it can be dealing with movement of physical goods (atoms) facilitated by e-commerce and e-marketing activity. For example, the printed book purchased from Lulu is an atom-based product that requires physical-world logistics to move it from the point of production to the point of consumption. At the same time, you can also buy a virtual good – a PDF version of the book – which requires virtual logistics to move from the point of production (the server) to the point of consumer (you) whilst being semi-tangible in that it takes up storage space on your

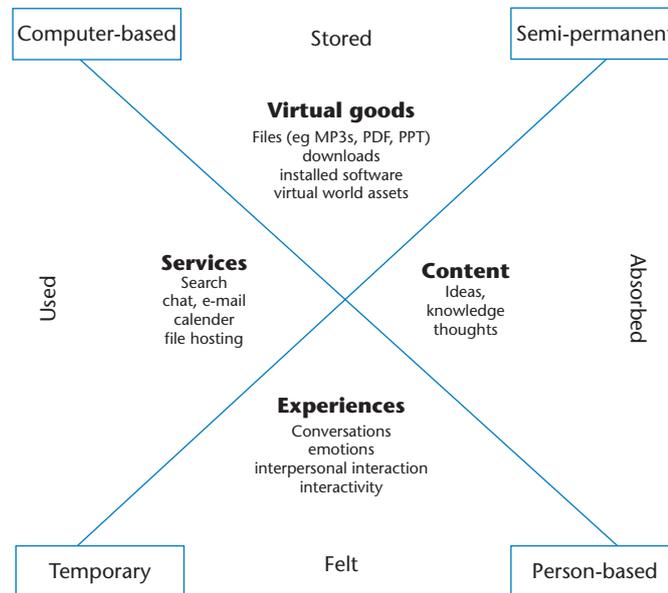


Figure 1.4 The virtual product

e-marketing

computer (or iPhone, iPod, Kindle, etc). In contrast, content delivery such as YouTube videos (which occupy an amazingly large amount of server space somewhere in Google's Volcano Fortress) never reside on your own devices (or at least, not without third-party assistance). Similar issues arise when you read a blog, the online news or Wikipedia (en.wikipedia.org) – the ideas are stored in your head rather than on the computer. Much in the same way, the experience of virtual life in a three-dimensional game is temporary, internalized to you (the rush of victory, the annoyance of defeat, the conflicting desire for a pizza versus staying in the raid) and non-retrievable after the event. Finally, to really mess things up, if content, virtual goods and experiences weren't enough, there's also a whole slew of virtual services such as online calendars, cloud computing, file hosting, chat and even online banking which do little more than move data flags in some remote computer based on whatever you're doing at your computer. It's also worth noting that none of the four components is 'real' in the sense of being tangible goods. An iPod is the tangible product that contains the virtual goods (audio book) which were purchased through a virtual service (iTunes) which are then consumed to create experiences (happiness) and content acquisition (learning).

A brief history of the Internet

According to a consensus of opinion across a range of Internet history websites, it appears that the launch of Sputnik in 1957 was largely responsible (or to blame) for the development of the Internet. The launch of Sputnik created the America-Soviet Union arms and technology race, which in turn was responsible for the creation of DARPA (Defense Advanced Research Project Agency). Following a series of developments in computers, information technology, communications systems and university science labs, Internet 1.0 emerged as a recognizable form in 1969 as the ARPANET. From there, it linked universities, government and military agencies and was restricted to these agencies. Between 1969 and 1990, the development of Internet technology contained many milestones of significance to the IT/ Internet community that are best read through the Internet Society's history pages (www.isoc.org/Internet/history).

Dawn of e-marketing

The first significant milestone for e-marketing occurred in 1990, as the Internet changed from a private network between academia, government, the military and select industry groups to become part of mainstream society. The World Wide Web made its debut in 1990, courtesy of Tim Berners-Lee and his web server software. What happened next is a complicated explosion of web-related software and popularity with Mosaic (www.ncsa.uiuc.edu/SDG/Software/WinMosaic), then Netscape (browser.netscape.com), Internet Explorer (www.microsoft.com) and Lynx (lynx.browser.org), providing easier access to the Internet.

The first major wave of commercial Internet access arrived in 1995, when a significant spike of Internet and web-related users appeared from outside of the university and government sectors. From there, the rapid expansion of the Internet has seen an

unheralded march of technology, people and ideas using the Internet for commercial and non-commercial purposes.

The World Wide Web (Version 1.0)

Strangely enough, there never was an official Web 1.0 statement when the concept rolled out back in the 1990s. The World Wide Web is the graphical, user-friendly end of the Internet, which came to prominence in the mid-1990s following the success of a series of web browser software programs. It has remained the most accessible element of the Internet for self-publication because websites can be created, published and accessed without reference to a centralized broadcast authority. The Web is based primarily on hypertext mark-up language (HTML) protocol and a series of programming languages such as Java, Perl and common gateway interface (CGI). For a comprehensive list of the web technologies, see the World Wide Web Consortium website (www.w3.org). Away from the alphabet soup of programming, file types and *.htm, *.asp, *.php and *.shtml file extensions, the most significant aspect of the Web is the hyperlink. The hypertext system allows the user to navigate to, from and through websites providing an almost seamless journey through the graphical front end of the Internet (one small step for code, one giant link for webkind).

For marketing, the Web is the place to be conducting business, hawking the company wares and developing an effective customer interface. Even in the early days of the commercialization of the Internet, the Web was seen as the 'official' venue for electronic commerce, and it is conceded by even the non-business Internet purists as a place to allow commercial endeavours. The ease of access for publishing websites, the speed of updating and near ubiquity of the 'Web as Internet' mindset in the general public makes the Web a viable venue for conducting business.

Boom

In the late 1990s/early 2000, the siren call of the Internet also led to a significant and short-lived economic boom based around investments in the Internet and the promise of future rewards that were just around the corner for the company with the largest market share. The first dot.com collapse was almost inevitable as the attitude of the day was summarized as 'the old rules don't apply' when, really, those rules about profit, funding and economic return were fully armed and operational.

Kaboom

As with most economic booms, the economic bust that followed led to recriminations, allegations and a range of venture capitalists dusting themselves off and looking for somewhere else to invest to recoup their losses. The difference for Internet marketing and Internet marketers is that commercial realities had finally arrived to a sector that was prepared to invest money on the basis of a good idea, rather than on the basis of business plans, market research and financial forecasting. While some might bemoan the end of the dot.com revolution, the final result brought a level of realism and stability

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to a sector that had been entirely too gung-ho in believing that operational profits were no longer a necessary part of basic accounting.

Boom 2.0

After recovering from an outbreak of poor business practice that led to the first bust, the Internet business community found its footing again, in part augmented by a very large number of venture capitalists who were searching for ways to recapture the money lost when the first dot.com bubble burst. This period following the dot.com bust also brought a greater sense of understanding of the online market and a realization that the market itself was still in the process of evolution as it moved from being mostly innovators into the early adopter category (and a hint of the early majority to come after them).

Web 2.0

The rise of Web 2.0 can be traced to the development of better Internet technologies and the increased volume of early adopters in the Internet. Whereas innovators are notoriously fickle, novelty seeking and move in packs from one new thing to the next new thing, early adopters are distinguished by their role as the respectable social leaders in their networks. Consequently, as the respectable voices of social authority started arriving en masse to the Internet, the Internet shifted towards a platform that allowed for user-created space, self-selected social networks and the capacity to easily broadcast opinion leadership to a listening (or reading) audience.

The term Web 2.0 has a benchmark starting point around 2004, which indicates a rough decade-long time frame for Web 1.0. It's important to realize that Web 1.0 and Web 2.0 technologies co-exist in parallel – there are numerous '1.0'-style websites that are fully functional and still successfully achieving their organizational goals. On the upside, the Web 2.0 approach of treating the Web as a platform has meant a rise in the use of the online environments for service delivery and as the place for the whole experience, rather than just the shopping cart that helps get the physical goods shipped to you later. For lack of a better descriptor, the Web 2.0 technologies are also what's happening with the Internet at the time of writing this book, with the consequence that if you've followed the steps in the E-introduction (setting up for e-marketing), you're well and truly embedded in the 'new' web experience. It's also worth noting that 'new' is an entirely relative term in the sense that Web 2.0 isn't a new technological breakthrough when you've always had Facebook (www.facebook.com) and MySpace (uk.myspace.com).

Cloud computing (not Web 3.0)

Cloud computing is the next point in the evolutionary model of the Internet, from the static pages of Web 1.0, through the dynamics of Web 2.0, into the 'software as service' approach of cloud computing (Chapter 14). Cloud computing moves the location of the software processing and data storage away from the computer in front of you and into a 'cloud' of distributed servers and systems. It's a strange model that draws

the locus of control of the user experience from the personal computer to the server side, at the same time as personal computers are probably the most powerful they've ever been. Having committed that prediction to print, Moore's Law may yet wreck that idea.) Simultaneously, there's been a move towards distributed computing behaviour, where people expect to be able to use the ubiquity of the Internet (Chapter 2) to create a transferable environment from machine to machine. If you followed the instructions in the E-introduction (setting up for e-marketing), you've already experienced cloud computing because it's the philosophy that underpins Gmail (<http://mail.google.com>), Google Reader (reader.google.com), Google Docs (docs.google.com) and Delicious (<http://delicious.com>). That said, cloud computing is also slightly antithetical to the E-introduction's specific-purpose software list which recommends desktop installations of file managers, office suites and graphics editors. (There are several attempts to put graphics editors into the cloud computing framework and none of them are sufficiently stable or usefully implemented to qualify for inclusion in this edition of the book.)

One side note regarding the writing of this book: although the primary authoring of each chapter was done on a desktop machine, the file management was conducted via Dropbox (www.getdropbox.com), which is a cloud computer-networked storage service. As the chapters were written and edited, they were seamlessly mirrored across the Dropbox network so the authors could move between any of their linked machines and access the same file as their 'home' computer. The authors aren't quite at the point where they'd attempt an entire book in Google Docs via Blackberries and iPhones just to put cloud computing through its paces.

Riding the economic collapse

Given that the global financial crisis erupted soon after we started to write the manuscript, we've been mindful of how the shake up of the world economy can, and will, impact on e-marketing. The inevitable consequence of the reformatting and defragmenting of the global economy will be the readjustment in the value of the Internet to business, society and individuals. At present, whilst there is some talk about the Internet being a universal service akin to water and electricity, it is still a luxury item that will be forgone in favour of food. The worse case scenarios for the economic conditions will see a multi-tiered classification of society into the information-have, information-infrequently have, information-used to have, and information-have nots. There's still a place for e-marketing, but it'll be ultracompetitive and you'll need to be good at e-marketing from the start.

Alternatively, (although still less than optimal), the global financial crisis may result in a massive reprioritization of individual resource allocations. Formerly cash-rich, time-poor people may find themselves with time and cash plus the opportunity to convert both into ongoing revenue. Similarly, where Internet access can be maintained, increased levels of time from formerly full-time employed skilled web workers may open up an array of online services, products and idea distributions that see a shift from the centralized marketplaces of the Industrial Revolution way back to the niche cottage industry approaches where the network of networks provides the village green for the

home-based workers to trade their wares. Finally, the global financial crisis may be an extended period of self-correction by the open market which proceeds to reboot and resemble the previous economic environment with slightly faster lead times and a few additional lines of code to prevent some of the excesses that caused the last crash. With all of these scenarios as possible outcomes, the emphasis in the book is on higher time cost ahead of higher financial cost investments (where there's a choice, we'll aim for the lower of the two costs – there's no economic sense in spending less money if the resultant savings are consumed by the time cost of your hourly rate).

The parameters of the book

The Internet, like any other process, is prone to cycles of boom and bust. The Internet (along with the world economy) is loitering around the edge of the downward-trending business cycle and whether Boom 2.0 happens depends a lot on accountants and economists. (Try not to feel doomed.) Consequently, there are a few safety measures that we need to take as authors. First, when you're writing a paper-based version of an electronic medium, there are certain challenges associated with picking the future. For one thing, it's a lot harder to update than a wiki page once the book has hit the shelves. Secondly, as an author, you have to bet on success of a technology, service or corporation with the secure knowledge that the only permanency involved is your record of endorsing a company that may no longer exist. Finally, there's also the future-proofing approach of producing a textbook that could survive even the catastrophic loss of Google (although, if Google sinks, we might be hard pressed to find anything on the Internet to write about next time). To deal with these problems, the authors have taken a few liberties and made a few assumptions about how the book will function and the role the reader will play in helping deal with written history versus contemporary reality.

Liberty City: Population – You

One chapter in and you've been drafted to participate in the process already. Here are the assumptions we're making about you so you know the sort of role you have to live up to when reading the book and the liberties we're taking in assuming you're reading this with a desire for the conversational style of writing, a bit of knowledge about your computer and a love of novelty seeking adventure.

Liberty 1: You, yours and ours

This book is for you. Instead of talking of the mythical marketing manager on the Clapham omnibus, the text addresses you directly with instructions, comments and observations. There are two reasons for this approach. First, the Internet is a really good place for live, hands-on, get-things-done education, and giving instructions gives you the option to get involved. Secondly, the new model of the Internet and e-marketing evolving into the 2010 decade is more of a model of conversation than ever before. Saying 'we did' and 'you should try' is the language of the Web 2.0 conversational market.

There's also this significant piece of marketing theory called 'customer co-creation of value', which is where we (the marketer/producers) provide the platform that you (the consumer) can use to make something that's specifically valuable to meet your personal needs and wants. (Customer co-creation gets a detailed explanation later in Chapters 5 and 7). We liked the theory so much, we've implemented it in practice in this book.

Liberty 2: You know something about your computer

We're going to place some faith in your technical prowess with your own computer (be that a favourite seat in the lab, a laptop or a home machine). e-marketing is a computer-mediated business practice, and the unavoidable elements of the process are the words 'computer' and 'practice'. Knowing how to do medium-level complex tasks with your computer will also assist your sense of self-confidence, self-efficacy and comfort zone when trialling new ideas on the Internet.

If you've never wondered how the pieces of the Internet fit together, you're probably not alone. The nature of being around the Internet since 1994 and working in the e-marketing field has meant looking under the hood of Internet technology, and one of us usually finds it fascinating even if it is thoroughly beyond our grasp to actually program or control. We acknowledge that most e-marketers need to know very little about the deeply technical issues of Internet protocol addresses, domain name servers and the ever-present shuffling of information through the TCP/IP protocol. This entire aspect of the Internet exists at the meta level and is of less importance to marketing (so long as it's functioning – as soon as it stops working, it becomes very important, but we don't know enough about it to do anything useful to fix it). That said, it's worth pushing the boundaries of your own knowledge of the software, systems and code as a development exercise for your own competitive advantage over the less curious e-marketers. Although you may never need to code your own cascading style sheet, fix a buffer overflow error or compile your own kernel, knowing what these things are (and more) gives you a certain level of credibility amongst those who you will need to rely on for the technical solutions. If nothing else, it's nice to be able to smile along with 'There's no place like 127.0.0.1' because it means something to you.

Liberty 3: You're up for a bit of innovation

The biggest assumption and liberty we're taking with this book is that you're ready, willing and able to handle the level of innovation that will come your way in the course of reading this book. Consumer behaviour theory often discusses innovation-adoption theory in a very abstract manner, and talks of ideas such as 'innovation-resistant consumers', early adopters and late-majority adoptions in terms of them being something that happens to other people. This book is going to push a range of new ideas, new practices, new software and new websites at you in a relatively steady stream of new things to learn, new behaviours to try and yet another login e-mail and password to remember. We're not fans of innovation for the sake of innovation. The book was

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written in part using Word 2002, on machines running Windows XP. We're innovation resistant to a certain extent, and we respect that in our readership – you're not being asked to do new things just because they're new. You're usually being asked to try new things because e-marketing is an incredibly young field of endeavour which is still in the rapid growth phase (remember the product lifecycle curve from your introduction to marketing textbook?). The infrastructure supports a rapid process of development, and e-market maturity is measured in weeks or months, when the average person is just hoping it all slows down and settles for a bit so they can catch up. However, until that happens, you'll need to be mindful of how your own innovativeness (when it comes to the Internet) will impact on your willingness and desire to keep up with the new ideas and exercises in the book. (Chapter 5 has a section on Domain Specific Innovativeness, which will help.)

Authorial assumptions

Having told you what liberties we're taking with your role in the book, it's only fair that we also explain where we stand on a few key issues that impact on how the book is written.

Assumption 1: You're going to read something marked 'READ ME FIRST'

If you're reading this, we assumed correctly. If you're not reading this, we don't have much to say to you now, do we?

Assumption 2: Safety-first e-marketing

We're working on an assumption that this text has to back more established technologies, sites and systems over the exceptionally cool but potentially short-lived alternatives. This means a certain level of conservative, safety-first marketing which may not necessarily suit your personal style. More stable options can provide the basic grounding that allows you to try out the higher-risk option later in proceedings. To achieve this, the authors have split their respective roles to have one covering the high-risk options, and signing up to every new thing that they find, whilst the other author holds back to observe which of the several hundred new options is stable enough to join the ranks of recommended e-marketing equipment.

We're also working on the assumption that if Twitter (www.twitter.com), Facebook (www.facebook.com), Google (www.google.co.uk), Yahoo! (www.yahoo.co.uk) and Delicious (<http://delicious.com>) all collapse in the global financial crisis, and, if there's still an Internet left after these behemoths depart, someone else will step up to the plate and take over from them. Google replaced Infoseek, which dethroned Lycos, which succeeded (briefly) where Hotbot failed. Someone in a garage in Basingstoke or Jaipur or New Orleans is working on a project that could fill the void if Google (or Facebook et al.) went away. From an e-marketing perspective, the behaviours are the key – people want to search, communicate and play games whilst looking busy or talking with friends. Where there's a market, there's going to be an entrepreneur with enough venture capital to look after our needs for free for a while.

Assumption 3: Things will go wrong

The book contains a series of strategies that can maximize opportunities, boost chances and still backfire and fail outright. The beauty of the Internet is that the ‘ready, fire, aim’ mentality allows for a certain level of improvisation and rapid backpedalling when the ‘perfect on paper’ plan meets an unfortunate outcome in the reality of the Internet. Be willing and able to react swiftly to replace a broken service, fix a dead link or completely rethink the strategy when a central cog in the service-delivery platform goes away. We’re used to it. You should see what happened when one of the technologies we picked as the next big thing failed (then again, maybe you shouldn’t and we should maintain the mysterious air of predictive accuracy). Stuff breaks, things change and marketing rolls on regardless.

Assumption 4: Mistakes will be made

The Internet is both extremely forgiving and thoroughly ruthless. Whilst the technical nature of the medium would lend itself to the ethereal nature of data going away, history and practice have demonstrated that data on the Internet has a half-life to rival nuclear waste (and it’s every bit as toxic when it spills into the environment). As a gigantic interconnected network of people, the Internet suffers from human error in a way that hasn’t been fully addressed by society yet. Whilst the strategies of learning by trying, failing, analysing and having another crack at it are highly endorsed, those early mistakes will hang around, be archived, show in Google cache or reappear unexpected off an old backup tape somewhere at some time.

Similarly, as an interconnected series of people, the Internet’s capacity for human error being spread far and wide is unprecedented. Human error, on the other hand, has massive precedent, and the standard operating procedures of offline life should be considered for online conditions. Namely, you will make mistakes and your mistakes will be known and visible. It’s how you handle the post-mistake recovery, apology and learning opportunity that determines how badly the mistake will impact on you as an e-marketer (and online person).

- You will make a mistake. Everyone will get it wrong, and depending on how you cope with error and recovery, you may get it wrong multiple times over the one issue. Own your error. It’s yours, you made it and you own it. Denying the error, blaming others or trying to escape the error just highlights the original mistake (and makes life harder for you to recover).
- That mistake isn’t going to go away. The digital world is surprisingly permanent, searchable and prone to echoing off into the distance. Similarly, the number of people willing to copy, save and preserve your mistake will rise in direct response to your efforts to make those people (and the record of the mistake) go away. Address the root cause of the mistake, address the mistake and fix the problem in a timely manner. This is where ownership of the problem comes into play – if you step up and say ‘My mistake, I own it’, you get to keep some control. If you say ‘That mistake isn’t mine’ and deny ownership, then people will hand it around until they find the owner (or someone willing to take ownership and step up with a solution).

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- Your correction, service recovery and comeback from the mistake will be around just as long as the mistake. Handle the inevitable errors with grace, aplomb and have a service recovery plan that genuinely addresses the error (and tries to prevent the same mistake recurring). Ultimately, the aim is to make new mistakes when you stuff it up next rather than repeat classic errors time and time again.

Assumption 5: You'll be willing to pay what something is worth

If something is core to your business, set aside a budget to pay for it, *especially if it's available for free*. If your plan for fame, fortune and business success depends on someone else's free services (e.g. Twitter, Facebook and MySpace) be ready and able to implement a back-up plan when the price tag changes from free to subscription.

Similarly, if you are relying on a free service as the foundation of your enterprise, you'll need to be flexible with your business strategy when the charitable donation of their service to your fortune goes away (and it probably will). You tend to get the reliability you're prepared to pay for – which isn't much if you aim for low-cost ahead of high-return investment (Chapter 4). This also applies to the open-source movement. If you're planning on turning your fortune on the back of an open-source application, then you need to budget time to contribute back to the open-source community as part of your cost base. Paying open-source dues by contributing code back to the project, promoting the software and adhering to the commercialization agreements in the open licences (or shifting from an open licence to a paid licence in some cases) are all business considerations to be factored into paying the true worth of something that's valuable to your business project. We believe firmly in the exchange theory through monetary and non-monetary exchange, and frame our assumptions about business expenditure on e-marketing services accordingly.

Conclusion

The Internet is a constantly evolving medium and e-marketing is the most volatile and rapidly developing sub-discipline in marketing. To be a successful marketer in this ever-changing environment requires that you not only understand the basic technical infrastructure of the environment, but also how it got to where it is now and what it's likely to do in the future. Similarly, successful e-marketers not only experiment with the latest tools and techniques, they also have to have a thorough understanding of fundamental marketing theory and practice.

This chapter has provided an overview of the different ways in which marketing is being used in electronic environments, the one-to-many-to-one communications model which underpins successful e-marketing, as well as giving a brief history of the development of the Internet. Equally importantly we outlined the assumptions we are working from in writing this text, and the expectations we have of you as a reader if you are going to get the best possible value out of the book.

In the next chapter we review the fundamentals of contemporary marketing practice so that everyone reading the strategic and applied chapters on the 'what's' and 'how tos' of e-marketing is starting off from a common base of understanding.

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EVE Online	www.eveonline.com/
Facebook	www.facebook.com
Federal Networking Council	www.itrd.gov
Flickr	www.flickr.com
Gmail	http://mail.google.com
Google	www.google.co.uk
Google Docs	docs.google.com
Google Reader	reader.google.com
Internet Explorer	www.microsoft.com
Internet Society	www.isoc.org/Internet/history
Internet2	www.Internet2.edu
Lulu	www.lulu.com
Lynx	lynx.browser.org
Mosaic	http://www.ncsa.illinois.edu/Projects/mosaic.html
MySpace	uk.myspace.com
Netscape	browser.netscape.com
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