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The impact of web 2.0 technologies on marketing strategies: an exploratory study on SMEs in Made in Italy

Publication Summary

Social media and web 2.0 technologies and services have gained prominence in the current debate on marketing strategies. Following consolidated lines of research both in marketing and in consumer research, these technologies are held responsible for a significant transformation in the ways in which relationships with consumers are managed. Information and communication technologies at large and social media in particular have provided consumers with effective and affordable communication instruments that enable the creation of consumer communities on line. Within communities, consumers share their interest for specific products and brands, create collective identities which are influenced by the brands they prefer that in turn influence brand communication, they create innovative knowledge that can be leveraged by companies in order to innovate their products and offerings. Similarly to what happens in the consumer arena, intermediaries, professionals, experts in several industries use social media and web-based communication instruments to engage in an ongoing conversation regarding specific products, industries and technologies.

The contribution of consumer communities to product innovation has been at the center of a large number of studies (e.g. Von Hippel, 2005). Less attention, though, has been devoted to the contribution of these actors to the other levers of marketing strategies such as communication and branding, distribution and product innovation in low- and medium-tech industries such as fashion and furniture, in which the symbolic and aesthetic content is as important, at least, as products' technical and functional dimensions.

In this paper, after a review of the prominent research streams concerned with the impact of consumer communities on marketing and innovation, we will propose a conceptual framework aimed at deepening the understanding of the changes occurring in marketing strategies as a consequence of the increasing importance and contribution of consumer communities and social media. In particular, we will focus on how consumer communities impact on product innovation in mature and highly symbolic products, in the management of distribution channels and in communication and branding. Our work is grounded on three exploratory case studies of SMEs in the so-called Made in Italy industries (furniture, sporting equipment and fashion) from which we will derive hypotheses for further research.

Introduction

The recent diffusion of a new generation of web-based applications and services commonly defined as "social media" or *web 2.0* – blogs, wikis, social networks, aggregators of user-generated content such as Youtube and Myspace - has revamped the attention of marketing researchers and practitioners towards the role of information and communication technologies (Ict) in marketing strategies and practices. Early studies on Ict as a marketing tool and on the Internet as a novel marketing environment have stressed the efficiency gains these technologies made possible, without leaving a firm-centered perspective. Ict, in fact, was believed to dramatically reduce the costs of managing customer information (Chaffey *et al.*, 2000) and the costs of managing relationships with consumers (Gummesson, 2002; Pine, Gilmore, 2000; Peppers, Rogers, 1997). In addition, Ict allowed companies to interact with single consumers, to profile them and to customize their communication and offers according to consumers' revealed preferences. As Evans and Wurster put it, Ict helped companies in overcoming the trade off between richness and reach, allowing them to entertain rich relationships with numerous small and differentiated groups of consumers (Evans, Wurster, 1997) personalizing their communication.

This first line of reasoning succeeded in identifying the crucial role of the Internet in creating and sustaining relationships between firms and consumers, but it overlooked a set of significant changes in consumption practices and in power asymmetries between consumers and companies that has been later noticed by a growing body of literature in marketing and consumer studies. These changes can be summarized as follows: (i) consumption has become a set of social practices around which users of specific brands and products create thick networks of relationships; (ii) these relationships are not centered around companies. On the contrary, consumers interact, both online and offline, eminently with other consumers rather than solely with companies (Von Hippel, 2005; Muniz, O'Guinn, 2001; Morling, Strannegard, 2004; Micelli, 2000; Harrison *et al.*, 2006; Fabris, 2008; Bernoff, Li, 2008).

Ict in general and web 2.0 technologies in particular are increasingly stimulating these trends. Users are becoming the most important and productive source of content on the Internet: user-generated contents, from videos to pictures, blog posts and discussions, represent a large share of today's Internet content. Companies are not the crucial producers of communication and messages on the Internet; on the contrary, their messages have to compete, in terms of attention and sometimes quality, with those elaborated and distributed by consumers. Consumers' messages and communication, in addition, can represent a threat for

companies since they can counterbalance commercial communication with critiques and often boycotts generated by Internet-enabled word of mouth

Consumer empowerment on the Internet discloses some interesting new opportunities for companies in re-defining their marketing strategies. New technologies allow them to engage in deep conversations with significant communities of consumers, to tap from consumer knowledge and ideas, to re-define their products and brands according to priorities and values emerging from consumers interacting on the Internet.

Through multiple case studies this article aims at shedding light on the marketing implications of this shift and at providing some initial practical guidelines, as well as suggestions for further studies. Selected case studies are SMEs from the so-called Made in Italy industries (furniture, fashion, shoe manufacturing and the like).

1. The evolution of consumption: impacts on marketing and value generation

Several studies have documented that social and economic dynamics have triggered a substantial change in demand for consumer products in a number of industries within the developed world. These changes in the nature of consumption and on consumer behavior influence dramatically the ways in which companies confront with consumers and generate value. While there is not a general agreement over theoretical constructs and definitions – as it is the case for postmodernity[1] and its market manifestations (Patterson, 1998; Simmons, 2008; Flrat, Venkatesh, 1993; Flrat, Schultz, 1997; Fabris, 2008) – the directions and the nature of these changes have nonetheless been recognized widely by researchers in marketing and consumers studies. Addis and Podestà (Addis, Podestà, 2005) have identified four elements impacting on marketing: change, complexity, chaos and contradiction. Other authors have focused on similar concepts and ideas, such as fragmentation, stated to be the fundamental feature of contemporary societies, extremely differentiated and undergoing a process of continuous change (Goulding, 2003; Fabris, 2008).

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[1] Marketing scholars and practitioners have benefited from a vast number of contributions coming from fields such as sociology and cultural studies in order to understand and effectively frame the societal changes that are affecting how consumers behave and effect choices. Post modernism has become a powerful construct which has been adopted by a large share of studies in marketing (Flrat and Venkatesh, 1993; Fabris, 2008; Cova, 1996; Flrat, Schultz, 1997). The basic tenets of the postmodern approach to marketing is that society is increasingly fragmented, traditional social identities (such as those inherited from fordism) are being replaced by an increasing orientation towards individualism and ephemeral sociality. Within this society consumers as individuals are struggling to construct personal identities and to communicate them eminently through their consumption choices and through their re-interpretation of the meanings of products and brands.

While this article does not aim at reviewing the entire literature on postmodern consumption, it is useful to highlight two crucial features characterizing consumer behavior and consumption practices according to this literature. The first element impacting marketing strategies and processes of value generation is the importance attributed by consumers to the intangible dimension of products, or better, to elements such as the aesthetics of products, the values associated to brands, the communicative content of companies' offerings. We will review this stream of literature, highlighting that, while these concepts are not completely new to the marketing analysis and can be traced back to early studies on differentiation, they are being re-defined by the centrality of consumers in contributing to their creation and definition. The second element characterizing contemporary consumers is that consumption has become fundamentally a social activity, in that it is a set of practices through which consumers define their identities and develop relationships with other consumers. As several studies have stressed, the social nature of consumption has shifted part of the value generation process to the linking potential of products (Cova, 1997) and brands (Codeluppi, 2002; Codeluppi, 2000; Di Maria, Finotto, 2008). Whether it is the process of product innovation or the process of brand creation and management, consumers within social settings (communities or tribes[2]) are increasingly producing valuable knowledge which marketing professionals must take into account.

We will argue that companies must recognize these changes in their marketing strategies and that information and communication technologies play an important role in that they allow companies to entertain continuous and rich relationships with the social settings within which consumers generate innovative ideas, values, identities and cultures. From this position, shared in large part of the literature on web marketing, we will try to provide a set of evidences and concepts to stimulate further refinements for research.

1.1 The intangible nature of value: identities, experiences, aesthetics

There is a vast agreement over the fact that manufacturing excellence and technical/functional innovation, although still necessary, do not explain differential market

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[2] Referring to the debate on postmodern consumption, Cova (1997) argues that the use of the concept of community in marketing studies could be misleading in that it does not capture the existence of non-rational and archaic bonds (e.g. emotional) among consumers and their ephemeral (limited in time) nature. According to the work of French sociologist Maffesoli, Cova prefers the use of the concept of tribe to designate these emerging networks of consumers. Since we are not focused with the post-modern debate, we will use the definition of community and that of tribe to identify groups of consumers gathered through information and communication technologies, participating in complex sets of relationships based on distinctive consumption practices..

performances of competing products and brands. In 2005 a report by Booz Allen and Hamilton and a report by Boston Consulting Group, both reviewing the innovation practices and strategies by the top innovating companies around the world, noted that although it devoted relatively less funds to formal R&D than competitors, and its products did not shown a clear superiority in features and technical specifications, Apple was one of the most effective, fast-growing and profitable company in the market for computers and electronic devices. The reports, constructed over a comprehensive set of interviews to Ceos and R&D managers, showed that much of Apple's perceived superiority was due to its design capabilities (intended as the aesthetic content of its products) and to its ability in nourishing a brand which produced a strong sense of commitment and recognition by its consumers. Apple's premium, in other words, was not connected to its technical superiority, but rather to its effectiveness on delivering to the market a strong brand identity – based on beauty, anti-conformism, creativity – and an upgraded and sophisticated aesthetics to its own products.

If this is true in relatively technical markets such as the computer market, it is clearer in markets for medium- and low-tech products. Clothing, shoes, eyewear and sunglasses, furniture: within these industries price differentials are mainly to be connected to the communicative, experiential and aesthetic content of products rather than to their technical excellence and functional innovativeness. Not that product quality and excellence in manufacturing do not count. They simply are considered by consumers a non differentiating pre-requisite.

This situation is the result of two main forces. The first is connected to the evolution of manufacturing. Manufacturing excellence, especially in the present globalized scenario is considered a competitive pre-requisite, and although being necessary in captivating the customers, it is not sufficient to create and sustain a competitive advantage in the long run (Bettiol, Rullani, 2004; Fabris, 2003; Codeluppi, 2001). Manufacturers and assemblers of It products – such as many Asian OEMs – are being outsourced production activities from brand-name vendors such as Apple, Ibm, Lenovo and many others (Sturgeon, 2002). China has risen within the global economy representing the manufacturing base for brand-name vendors in clothing which designed and marketed products whose production was outsourced to Chinese manufacturers. The processes of fragmentation and specialization within value chains have made manufacturing activities commodities that can be easily bought on the market.

The second force determining the increasing importance of the intangible content of products is connected to consumption. As Codeluppi (Codeluppi, 2000) and Fabris (Fabris,

2008) state, today's consumers are flooded with innovations, new products, new features in products they use. The rapid pace of innovation introduction in many markets for consumer products is depleting these innovations of meanings: often the consumer feel displaced and does not perceive there is a real advancement behind novel product functions and features. Their judgment, thus, is guided by factors which are not features or product performances, but rather a set of intangible attributes which has been identified by several recent contributions in marketing.

Product design, intended as the overall aesthetic appearance of products, represents one of the major differentiating factors appealing to consumers. Since products are used by consumers as expressive devices through which they communicate their identity and sense of belonging to specific cultures of consumption (Postrel, 2004; Silverstein, Fiske, 2003), their aesthetic has become a fundamental driver of value, since it is an effective tool for consumers to explicit their self-perception synthetically and effectively (Verganti, 2006; Bettiol, Micelli, 2005; Kotro, Pantzar, 2002; Ravasi, Lojacono, 2005). Literature on design has provided marketing scholars and practitioners with valuable insights related to the evolving tastes and behaviors of consumers. While traditional accounts of design in management sciences have treated it as a cosmetic intervention on products aimed at providing with a basically visual differentiation, studies in design management have stressed that product appearance and design are the results of a complex and sophisticated process that aims at reinforcing brand images and values perceived as important and differentiating by consumers. In other words, this process aims at attributing the product with meanings and at associating it with cultures and identities, rather than simply adding an "artistic" value to the product itself (Micelli, Finotto, 2005; Ravasi, Lojacono, 2005).

Another important factor which has been recognized as a valuable element of differentiation is represented by experiences (Pine, Gilmore, 1999; Prahalad, Ramaswamy, 2003). The literature on the economic value of experiences addresses the question of how companies can answer effectively to a consumer that desires to be recognized as an active protagonist rather than a passive recipient of products and messages. Since consumption is a set of practices involving the individual in its entirety, through which she expresses her identity and through which she entertains rich social relationships with other individuals sharing the same beliefs, values and cultures, brands are increasingly required to incorporate these values within their discourses and are to provide consumers with environments and settings within which these social dynamics can happen. As Pine and Gilmore effectively state, point of sales and distribution channels, rather than being only outlets for the company's

products, are actually stages within which the company itself and its consumers can participate in rich experiences within which the core values and identities shared by consumers and firms can be celebrated, enacted and re-created. Flagship stores, sponsored events and the like are just two of the practical ways through which companies can provide brands with visibility and with a physical context within which consumers can actually live "branded" and rich experiences, re-enforcing the link between consumers and between companies and their markets (Semprini, 1996; Fabris, 2003).

In the recent marketing and strategy literature, brands have been defined as a synthetic and effective means to bring these intangible attributes to the market within a coherent discourse. While traditional marketing theories and approaches have seen the brand as simply a distinctive label, the concept has rapidly evolved towards a much more sophisticated set of functions. Actually brands are the result of the recognition and interpretation of the crucial values, identities and cultures among significant sets of consumers that are incorporated in the brand image and structured through several communication efforts and channels in a complex narrative (Aaker, Joachimsthaler, 2000; Morling, Strannegard, 2004; Roberts, 2004; Schmitt, Simonson, 1997). From a practical standpoint the result has been that of de-coupling brands and products, with brands becoming a fundamental driver of value themselves and providing products and offerings with a meaningful framework to be inserted in (Semprini, 1996). In addition much recent marketing literature has stressed the linking and relational value of brands: in addition to their traditional functions, they are strong signifiers connected with specific cultures of consumption and they facilitate relationships between consumers recognizing themselves as part of those specific cultures. The value of brands, in other words, resides in the fact that they are strictly perceived as genuine symbols of specific cultures of consumption and thus provide consumers with a set of symbols, knowledge and identities that enables communal relationships and communication practices (Cova, 1997).

1.2 Communities of consumption

Experiences, aesthetics, brands as fundamental drivers of value in the previous section of the article are not new in the marketing and strategy literature, and can be traced back to the earlier elaborations on differentiation. What differentiates these accounts and theories from the traditional concept of differentiation is the active role played by consumers in creating and re-defining these elements.

With the diffusion of information and communication technology and its increasing ease of use for non-technicians, consumers have started and populated a number of online communities, characterized by a shared set of identities, values and by a strong common culture (Schouten, Mc Alexander, 1995; Bernoff, Li, 2008; Jenkins, 2006). One of the most striking characteristics of these collective actors (Micelli, 2000; Micelli, Prandelli, 2000) is that they are active creators of innovative knowledge which can directly affect new product development processes. A vast literature on distributed innovation and user-driven innovation in industries such as software and sporting equipment has documented how user communities often experiment innovative solutions, develop novel product concepts and ideas and solve problems before and more effectively than companies (Von Hippel, 2001; Von Hippel, 2005; Von Hippel, Von Krogh, 2003). Being knowledge often sticky and costly to be transferred and being lead users able to anticipate the future needs of larger markets and able to intervene on the product, consumption represents an important locus of innovation in several industries (Harhoff *et al.*, 2003; Von Hippel, 1994). Communities of consumers succeed in gathering several potential innovators – lead users – and provide them with languages, cultural references and a will to share their knowledge that accelerate the emergence of new solutions which can be implemented and industrialized by firms once their market appears to be profitable and large enough to justify the investment in the process (Von Hippel, 1988; Von Hippel, 2001; Von Hippel, 2005; Micelli, 2000; Jeppesen, Fredriksen, 2006; Sawhney, Prandelli, 2000; Di Maria, Finotto, 2008).

Recently it has also been observed that not only user communities are active developers of innovative knowledge related to products but rather that they are actively re-creating the meanings and the cultures of consumption to which brands are associated. Muniz and O'Guinn have observed and defined brand communities, stating that they are active contributors to the process of brand signification and to its transformation (Muniz, O'Guinn, 2001). Brand communities, both online and offline, are groups of consumers sharing a preference for a specific brand or product they feel as an integral and fundamental part of their collective identity and of their culture. In these communities passionate consumers display an active role in re-interpreting and re-defining the meanings associated to brands inserting them in a complex context composed by identities, values and cultures which are socially negotiated. In this sense, brand communities play an active interpretive function that is responsible for the creation and definition the communicative and symbolic nature of brands. The outcomes of these creation processes can be embodied in the companies' brand management processes and in their communication, increasing thus the consumers' loyalty

and brand recognition (Muniz, O'Guinn, 2001; Oliver, 1999). Consumers get involved in these communities because they feel a shared sense of belonging, they possess a common language and culture, and consequently develop a sense of reciprocity that stimulates them to contribute to the activities and practices of the communities (Muniz, O'Guinn, 2001; Wenger, 1998).

According to this perspective, brands tend not to be the expression of a monologue by the company, but rather the result of the emergence of values and identities from thick relational contexts within which consumers play a relevant role (Aaker, Joachimsthaler, 2000; Bagozzi, Dholakia, 2006; Morling, Strannegard, 2004; Roberts, 2004). The Internet has enlarged the scale of these social dynamics, freeing consumers from the obstacle of geography and allowing them to take part in discussions and community activities carried on by individuals sharing interests and identities scattered around the globe. The scale of Internet-enabled community relationships has taken away part of the control over messages and brands from companies. Consumers, actually, can autonomously produce contrasting and competing messages in order to sanction and boycott brands and the web offers to these discourses a vast arena of listeners and rapid processes of propagation through word of mouth (Bernoff, Li, 2008). The Internet as a marketing channel, thus, presents a challenge to companies since they are required to start sophisticated processes of analysis of what is said by relevant consumer communities, and to legitimize themselves, incorporating emerging cultures in their communication.

2. Web 2.0 as a marketing tool: emerging issues

The emergence consumer communities as central actors in today's markets for consumer products has been strengthened by the latest generation of web-based interactive services, commonly defined with the general label *web 2.0* or, according to a more cautious approach, social media. Web 2.0 as a label has been created and defined by Tim O'Reilly, Ceo of the homonymous publishing company and famous analyst of the technological as well as social trends associated to the Internet (O'Reilly, 2005). Rapidly the label has been adopted widely by professionals in the It industry, marketing scholars and practitioners, strategists and consultants. This label aims at highlighting a substantial discontinuity between the traditional set of technologies that has constituted the infrastructure of the Internet and a new generation of services and applications which share some common technological and functional characteristics. Synthesizing a debate which is still unfolding and which counts

many critic views of the disruptive passage in Internet technologies and services, web 2.0 comprehends the following applications and services:

- Blogs. Web logs through which Internet users can easily publish multimedia content – text, images, video and audio files – on the Internet. Born as diaries and chronicles, blogs have rapidly become a widespread phenomenon used by researchers, institutions, companies. Technorati, a specialized search engine, calculates that every day over 140 thousand new blogs are created and it parses almost 120 million blogs on the Internet;

- Social networks. These web-based applications allow users to create their personal page and to manage a complex network of relationships with friends, colleagues and people sharing particular interests. Within these networks individuals can get in touch with each other through the mediation of common friends, can exchange multimedia files and update each other on what they are doing. Several types of social networking tools have emerged and rapidly spread: from professional social networking tools, such as Linked In, aimed at putting people in contact on the basis of shared professional activities and interests, to social networks dedicated to a more ludic activities such as Myspace or Facebook, within which networks are created on the basis of musical preferences, lifestyles and many other possible features;

- Aggregators of user-generated content. The most cited and famous example is represented by Youtube, a repository of user-generated videos recently bought by Google. Through these instruments users of the Internet publish their multimedia contents – from amateur videos to pictures and music files – in order to share them with other users and distribute them across the Internet[3].

These three categories of services and applications are just three of the most used types of service that are usually encompassed by the label of web 2.0. It is not the aim of this article to map the entire geography of web 2.0 technologies, but rather to reason on the use of these specific technologies by consumers and companies and to analyze their implications on marketing strategies and practices.

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[3] For an exhaustive and detailed analysis of the different applications and technologies labeled as web 2.0 see O'Reilly (2005).

These applications and services have actually strengthened some fundamental features of the Internet that has characterized it since the beginning, in particular rich social interaction and web-publishing. The supposed distinction between, say, blogs and traditional forum applications is that the former are characterized by more neat interfaces, new development frameworks and programming languages, they are completely web-based and more apt to manage and distribute multimedia and rich content. The characteristics have reduced dramatically the active participation of users to the creation and distribution of content on the Internet.

Media industries were strongly impacted by the widespread use of these applications as tools for content publishing and distribution by users. Newspapers, magazines, publishing and record companies saw the emergence of alternative actors in the media market which showed to be able to provide quality content and to possess a vast influence over consumers of media. These alternative media actors are communities of users which took advantage of these innovative instruments to create, distribute and select both user-generated content and content originally produced by publishers, artists and journalists.

The dimensions of the phenomenon are quite clear also in markets for consumers goods. Thanks to the interactive and communicative potential of these instruments, consumers are discussing about brands and products. As a recently article in the New York Times documents (Story, 2007), Nike has re-defined its communication and marketing strategy on the basis of the increasing influence of web 2.0 technologies and consumer communities on the perception and promotion of brands and products. Nike has re-allocated its communication budget (678 million $ in the US in 2007): traditional media advertising represents a 33% share of Nike's communication spending. The larger remaining share has been invested in non-media and Internet communication campaigns (websites, in-store promotion and communication, sponsorships, contests, product placement and the like). An important element in Nike's communication strategy is represented by the Internet.

This attention is witnessed by the of rich and complex online community environments such as Nike+ within which the company provides consumers with a sophisticated set of services for running enthusiasts, from training advice to online discussion areas, from the organization of running competitions among subscribed consumers to the sharing of their workout results and records. The whole initiative, developed in partnership with Apple, is strictly connected to an element which has become an important feature in running practice, such as music. A large number of runners have started using their Mp3 readers – particularly Ipod readers – in their workouts. Through a specific sensor which can be lodged into their

running shoes, runners can listen to the music they want while running and at the same time record their performances on their Ipod, in order to share them later with other consumers on the Internet. The whole project has been driven by the fact that Nike realized that the culture of running has changed as a result of how new generations of runners practice it. It is not a lonely activity anymore, it is a passion shared by a lot of consumers running together and sharing their interests in running practices and cultures. Music has become a central feature in running and an integral part of the running experience. As a result, in the words of Nike Global director of brand connections (Stefan Olander), Nike wants to <<find a way to enhance the experience and services rather looking for a way to interrupt people from getting where they want to go>> (Story, 2007). In other words the Internet has helped Nike in proposing itself as a brand which has listened to consumers and that has correctly interpreted the new culture of running, and has consequently changed its approach to advertising: not a simple way to grab people's attention, but rather service for consumers aimed at increasing the quality and intensity of the consumption experience users of its product are involved into.

Dove's "Campaign for real beauty" is another interesting example of how companies are using the Internet to re-define their positioning in their markets tapping from the evolution of consumption practices and cultures and capitalizing on the contribution of users. The will to detach from traditional marketing schemes adopted by companies in the cosmetic industry stimulated the company to use the Internet to distribute innovative advertising videos strengthening an innovative idea of beauty, far from the "olympic" beauty of cover girls and top models and much close to a genuine and everyday idea of beauty. Through a series of viral videos the company started to communicate to women this new definition of beauty and created a community within which women could discuss and define what beauty really meant for them. This effort caused a strong re-definition of company's communication also on traditional media: Dove's commercials are interpreted by women whose appearance is close to that of everyday women and associate the brand's image to a genuine and natural idea of beauty.

It does not seem, at the moment, that the relationship between traditional and new media is an exclusive one. In other words, in large consumer markets, traditional media still represent a fundamental channel to catch the attention of vast audiences. The relationship seems rather of complementarity: companies are using the Internet to get in touch with the most sophisticated users – lead users or opinion makers – in order to learn from them and capture valuable insights and ideas to re-define their brands and positioning according to emerging trends and culture in the market. These experimentations, consequently, affect their

traditional media communication, probably increasing its effectiveness in delivering updated and coherent messages.

The picture is not yet clear and we are still missing measures to evaluate the results of Internet advertising and marketing spending. This paper aims at illustrating the preliminary evidence gathered from a series of case studies in order to contribute to problem setting regarding the use of web 2.0 technologies in marketing and to highlight potential research questions and hypotheses which seem to be promising for marketing research in the future.

3. Web 2.0 and its impacts on marketing strategy

Although the managerial literature on social media and consumer communities has produced a large body of evidence highlighting the increasing importance of consumer communities in marketing and innovation, it lacks a unifying view of their impacts on marketing strategies and practices. Single fields of research, such as user-driven innovation (e.g. Von Hippel, 2005; Franke, Shah, 2003), have produced effective accounts of how users contribute to innovation processes, especially under the standpoint of incentives and motivations. These literature, nonetheless, has overlooked the role of brands and consumers' identification in brands as an important driver of participation, a fact that has been at the center of much of the literature on brand communities (Muniz, O'Guinn, 2001). In addition, few studies have systematized the contribution of users not only to functional and technical innovation but to the symbolic and communicative capital of brands, and the role of brands in creating networks of consumers, experts and professionals which can contribute to the effective distribution and commercialization of products.

In other words, much of the literature on consumer communities has focused on one of the most important, but not the only, lever in marketing: product innovation. We believe that product innovation is the result of participation processes that are enabled by an effective use of social media in creating a compelling and inclusive brand image and identity. At the same time, we also believe that these technologies allow companies to leverage on the intelligence of other relevant actors in the market in order to increase the effectiveness of the entire set of levers in marketing strategies, namely communication and distribution.

Thus, before entering in the description of the methodology used for the development of our explorative case studies, we will sketch the conceptual background over which we designed our analysis.

3.1 Brands, meanings and identities as the pre-requisite for community-involvement

As stated by much of the literature presented in the first section of the article, current marketing literature has recognized the relational view of brands (Busacca, 2000; Aaker, Joachimsthaler, 2000). This line of theorizing has highlighted the changing nature of brands in the current market scenario. While traditionally brands have been considered as a qualifications of products (e.g. labels aimed at distinguishing products through logotypes, names and images) (Codeluppi, 2000; Codeluppi, 2002; Semprini, 1996) they are today autonomous elements that generate value in the perception of consumers. This role of brands is strictly connected to the fact that consumption practices have increasingly configured themselves as social and communicative practices (Fabris, 2003, 2008; Muniz, O'Guinn, 2001, Cova, 1997, 2003) within which individuals construct and manifest their identities and values. As Aaker and Joachimstaler (2000) or Oliver (1999) state the value of brands is inherent in their image and identity and in their reflecting the values and identities of relevant consumers in the marketplace.

This means, substantially, that brand communication, although still controlled and managed by firms, is increasingly influenced by the appropriation of meanings and values by consumers and by their transformation in everyday consumption practices. As Aaker (Aaker, Joachimstaler, 2000) state, brand communication has become much more a conversation between consumers and companies and has ceased to be a monologue. The reciprocal influence between meanings generated by the company and meanings generated in consumption practices is a relevant driver in brand loyalty (Oliver, 1999). Simply put, consumers tend to relate to brands that reflect and synthesize their universe of values and their identities as well as to contribute to the re-creation of meanings and identities inherent in brands through their set of relationships in consumption practices.

Although not yet centered by the literature, it is clear that the issue of whether and how social media enable and facilitate this interactive creation of meanings synthesized in brands becomes crucial for marketing scholars as well as practitioners. Enabling interactive sense-making and managing as well as capitalizing on these conversations that transform and innovate brand images and values appear to be strategic issues for practitioners and managers.

Our contribution, moving from the relational view of brands and from the sense-making perspective involving brand communities, aims at addressing research on the implications that social media can have on marketing strategies, and in particular it addresses three aspects related to the role of social media in enabling sense-making processes that:

1. Motivate consumers in participating to innovation processes through the identification in brands and brand communities;

2. Enact the attention and stimulate the cooperation of significant actors in the value chain such as experts, opinion leaders and distributors;

3. Contribute to the innovation of the symbolic dimension of brands in order to renew their relational potential

The first line of reasoning aims at complementing the existing literature on user-driven and community-based innovation processes. While the literature (e.g. Harhoff et al., 2003) has worked on economic and rational incentives and disincentives to contribution to innovation and free-revealing of information, we feel that literature on brand communities can shed light on the motivations behind consumer participation in innovation processes. Being brands, under this perspective, a synthesis of community-created and re-negotiated identities, the involvement of users in innovation could be explained also in terms of feeling of affiliation and connection to a community of people strongly identifying in the symbolic universe associated with the brand itself.

The second line of reasoning aims at exploring the role of social media in enlarging the process of sense-making not only to consumers but to the larger set of opinion leaders that can contribute to the effectiveness of marketing strategies. For example, intermediaries in distribution (be they experts, shop owners, wholesalers, opinion leaders) could be interested in considering a specific brand if adequately involved in a relationship with the brand itself. This issue results to be particularly interesting for SMEs and in general for companies not having large budgets to spend on traditional advertising and communication: can social media become an effective and relatively inexpensive way to interact with actors that are significant for the entire marketing effort of a company?

The third line of discussion aims at analyzing the wider contribution of consumers and significant actors to the overall communication strategy of a company. Since brands and their symbolic and communicative capital are re-negotiated within relationships that involve several actors, to what extent social media can be used and managed to capture symbolic innovation from the market? In other words we are interested in analyzing how social media can contribute to the overall innovation of the brand image and identity allowing a deep and sustained conversation with significant actors on the market, thus contributing to the evolution of the brand according to identities and values created and negotiated in consumption practices that interest the brand itself.

Our study is exploratory, since it attempts to set these problems which result to be original in the present state of marketing and research literature. The study is based on a multiple case study methodology which is illustrated in the following section.

3.2 Methodology

The next section presents three cases of SMEs in traditional Made in Italy industries in order to gather qualitative evidence that can help in framing the contribution of web 2.0 applications and services to marketing strategies and that could drive to the definition of a set of research questions to be addressed by further studies. We selected case studies coming from leading firms within their industries (furniture and sporting equipment) and with different dimension. In relation with our theoretical framework (par. 3 of this paper), the reason of this choice is twofold. On the one hand, we would like to compare two industries which have different innovation paths in order to understand the use of Web 2.0 as a strategic marketing tool. Furniture is based on design and aesthetics while sporting equipment is more based on technical dimension. We would aspect that Web 2.0 has a stronger influence on the communicational dimension in furniture than in sporting equipment. On the other hand, we would like to understand if the use of Web 2.0 is influenced by the dimension of the firm although within the context of SMEs. We would expect that firms with a larger budget and managerial competences would invest more on Web 2.0.

Two of the three case studies are based within industrial district (Dainese in the Tanning and Leather district of Vicenza; Valcucine in the furniture district of Pordenone-Treviso), while one Lago is located in Padua, outside the district although it is specialized in the same industry. This case studies analysis represent the qualitative part of the TeDIS survey on Ict adoption in Italian SMEs. The research, conducted every year since 1999, tracks the adoption of Ict among a panel composed by more than 1500 SMEs within the most relevant Italian industrial districts. The TeDIS survey has been proven (Chiarvesio, Di Maria, Micelli, 2006) to be a valuable methodology for understanding the evolution of the use of Ict within Italian SMEs and to highlight strategic implications of the globalization for Italian industrial districts.

The TeDIS survey is composed by a quantitative survey and a series of qualitative research lines. Qualitative case studies are developed in order to provide holistic descriptions of emerging phenomena that drive to the identification of emerging issues and promising

research questions (Yin, 1994; Siggelkow, 2007). As far as this study is concerned, the case studies have been conducted to observe the use of web 2.0 technologies by several SMEs in Italian industrial districts in order to identify their potential determinants and their implications on marketing and formulate hypothesis and research questions for further research.

The case studies were conducted through several observations and interviews both with entrepreneurs and founders of the companies and with marketing and product managers. The interviews aimed at developing a two-phase analysis. The first was that of understanding the approach of the interviewed subjects towards web 2.0 applications and services and were conducted through non-structured conversations which aimed at favoring the emergence of perceptions and attitudes. After this first phase of interviews we gathered secondary material from companies websites and industry publications, as well as through the observation of the companies' blogs, social networks and websites, in order to develop a general picture of the interaction and conversation among users and between users and the companies. With the results of these observations we conducted additional interviews with the companies' representatives through a semi-structured set of questions regarding specific aspects of their use of web 2.0 technologies and their role in marketing strategies as well as the expected results driving the effort and the management of these environments and instruments.

Firm	Turnover (€)	N. of employees	Export	Location	Industry
Dainese	120 mil	400	60%	Vicenza (40 km from Venice)	Sports
Lago	25 mil	100	30%	Padua (30 Km from Venice)	Home-furnishing
Valcucine	44 mil	180	40%	Pordenone (60 Km from Venice)	Home-furnishing

3.1 Dainese: innovating with the user

Dainese was founded by Lino Dainese in 1972 in Molvena (north-east part of Italy). Mr. Dainese, who is a motorcyclist himself, decided to start up a company because he was not able to find apparel for riding his bike. He was too tall. Dainese has a long tradition in producing apparel for motorcyclists and more recently evolved in company able to realize safety gears (protections) for people who like dynamic sports (motorbike, motocross, snowboarding, mountain biking, skiing, etc). They now produce boots, jackets, suits, helmets in order to protect people heads-to-toe. Dainese has an annual turnover of 120 million euro in 2007 and is considered a leader at the international level in this niche of the market. The firm competitive advantage is based on a specific mix of design, comfort and technology. That strategy was a response to the specific profile of their customers. As Dainese marketing manager, Vittorio Cafaggi, pointed out: <<If we want to protect a motorcyclist we have to take care of both aesthetics and technology. They are not going to buy a suit if it makes them look ugly, even if it is very safe and could save their life>>. The same could be said for comfort that is very important for the confidence of the users when she is engaged in her favorite sport. She is not trading-off fun for security.

Innovation is crucial for Dainese. The firm invests 6% of its turnover in R&D, the double rate than the average of Italian SMEs (Chiarvesio *et al.*, 2006) and collaborates with universities both in Italy (Milan Polythecnic) and US (Massachussets Institution of Technology). Dainese realized important improvements in safety of dynamic sports. They invented the d-bag the first air-bag for motorcyclist, the improved back, knee and shoulder protection with innovative materials and solutions. This innovation capability is the result of a specific attitude of Dainese. The firm, in fact, has been collaborating with pilots and customers for improving their product. Studying the athletic gesture and the dynamic of an accident is fundamental for understanding how to protect people.

From a marketing and communication point of view, Dainese invests in traditional advertising but its strategy is to sponsor important testimonials. The firm has work with pilots of both MotoGP and Motocross. In particular, Dainese has now a contract with Valentino Rossi, one of the well-known MotoGP pilot in the world, but whose fame goes beyond the world of motorbike. Through this approach Dainese has achieved a strong brand awareness and wider recognition. This strength has been exploited to launch 15 D-store (Dainese store) all over the world and being more visible in the buying process of the customer.

From a website to a conversational platform

Dainese website was quite conventional: a window to company products and activities. More close to an online brochure than a meeting place. The website has played a marginal role in the communication strategy of the firm. Dainese decided that this approach was not inline with the new brand experience and awareness and started to redesign its web presence. It was a step-by-step process. Dainese opened three years ago D-Club a community based area where customer or just people interested in Dainese could join for receiving news, information about the company initiatives. Although its simplicity, this tool had a strong success. D-Club now counts more than 55.000 subscribers. The company noted also an important increase in the access to the web site. In 2007, Dainese web site had 5.000.000 million visitors, 30% more than the 2006. The company understood that there were a lot of potential to be exploited.
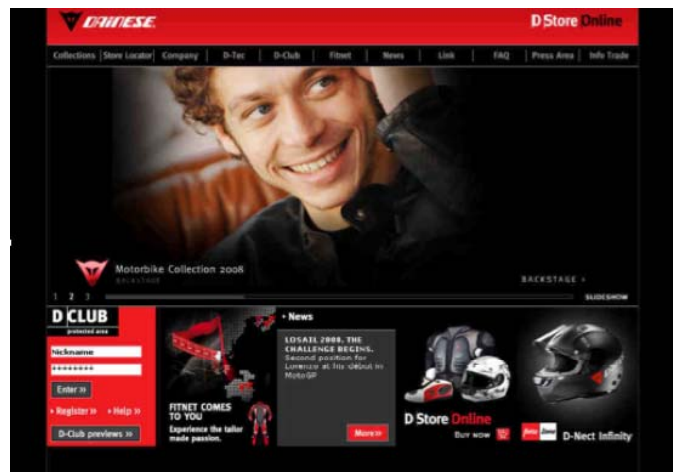

Fig 5 Dainese website

The objective was to transform the static and traditional web site into a conversational platform where Dainese could interact and dialogue with customers and developing with them shared values about the brand. This project is under development and the company will open the new site in 2009. In the meanwhile Dainese wanted also to add something more. the idea was no only to increase the level of communication with the customer but also to improve the quality of the innovation process. Dainese was used to collaborate with customers and pilots for inventing new products and solutions. The company thought that was a good idea to increase this process collaborating online with the customer. Dainese started a program called Betatest experience where the company gives the opportunity to a limited amount of people

that are part of the D-Club to try prototypes of new products and give feedback. This process is very used in the software world (in particular in the open source) but it is only emerging in consumer products. This experience is giving Dainese important results. Firstly the company obtains several information and suggestions from the customer before the product is out in the market, with the opportunity to improve it. Secondly, Dainese gains a much stronger relationship with his customer base. The customer who participates to the project became "natural" evangelist of the product even if Dainese did not force them to do so. Thirdly the brand acquires more legitimacy establishing a more transparent relationship with its customers.

3.2 LAGO: social networks for the management of the distribution channel

Lago is based in Padua in the north-east part of Italy and produces pieces of furniture: wardrobes, tables, beds, etc. Lago's turnover amounts to 25 million euro (2007). The company has 100 employees. Although Lago has a limited dimension, the firm exports 40% of its annual turnover specifically in Europe (Germany) and in the US. The firm has undergone a deep transformation in the last 10 years. In the past Lago was a traditional furniture manufacturer and was used to sell its products unbranded or working as a subcontractor for other well-know brand in the furniture industry. The new management composed by the founder's son (Daniele Lago) and a group of young managers completely re-defined the company's strategy. They invested in product innovation with a particular focus on design. Lago established an internal design department with the objectives of reviewing traditional Lago products and inventing new products. Thanks to its art director, Diego Paccagnella, Lago started a collaboration with several international design schools (Royal College of Arts, S. Martin's School). On regular basis, Lago hosts students coming from those schools and they work together on concepts that the firm could develop into products in the future. As a result of this process, Lago was able to design a bunch of several new product lines that has changed the image of Lago towards the consumers. At the same time, Lago decided to transform its trademark into a brand. They renovated Lago corporate image into a more dynamic contemporary brand-design firm. The first communication object to be changed was the catalogue (the key element for the corporate image in the furniture business) where both pictures of the product and technical information are contained. Lago decided to develop a more aesthetically sophisticated version of the catalogue (each version has a unique design as for a book) in order to stands out in relation to their competitors.

Moreover they simplified the organization of the technical information in order to make the work of the dealer easier. Within given parameters, each product can be modified and tailored to the needs of the customer. The easier is for the dealer to get the appropriate information to the customer the higher is the opportunity that the dealer will sell Lago furniture.

Secondly, but not less importantly, Lago established a strong link with the contemporary art world working closely with artists in specific projects. They started to collaborate with an art gallery in Padua, Fondazione March, for the development of a new idea of waiting room. Lago gave the opportunity to young international artists to develop specific pieces of art to be shown in the waiting room within Lago headquarter. This exhibition is temporary and change every four months. Moreover, Lago asked to an independent artist to produce a photobook about the firm. The result was a book, entitled Television[4] that narrates everyday work and life in the company. While looking at the picture it is possible to see the people involved in all the phases of furniture design and production. Television has the objective to create an emotional bond between the firm and its customers.

This transformation in terms of corporate image has been achieved not investing in advertising on specialized magazines and newspapers, which are traditional communication tools in the furniture industry, but in a communication strategy targeted to specific niches of the market. From this perspective, network technologies and, in particular, Web 2.0 play a key role in the innovative communication strategy implemented by the firm. Lago identified two main targets: the end customers and resellers. They decided to address this two targets with specific tools and strategy.

Blog:design conversations

Lago opened its corporate blog, Design Conversations[5], in July 2006. The idea was to have a direct dialogue with the people interested in the values of the brand and in the concepts of furniture that the firm was developing. The blog was started as an experimental project and after one year it has become one of the most important means for communicating the brand to the end costumers and the influencers (interior designers and architects). The blog gave Lago the opportunity to express its characteristics and qualities with a language that is more in line with the requests of young people and couples (the first target of the firm). Lago uses Design

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[4] lago.typepad.com/lateral/television.html
[5] www.blog.lago.it

Conversations as an open channel between the firm and its community: people can freely participate to the dialogue adding comments to the blog posts. The blog is managed by the responsible for communication (Nicola Zago) and hosts posts by other managers (Chief Operations Officer, HR), the art director and even the entrepreneur. In terms of contents, the blog is focused on two main elements: news related to Lago (new products, fair and events where Lago was involved, facts that happened within the walls of the headquarter, announcements) and to the art and design world. This element is very important: the blog is not just an house organ but a place where customers can find interesting contents that are close to the values of the brand. The contents are based on multimedia: text posts are enriched with images and video that are produced internally by the communication department.
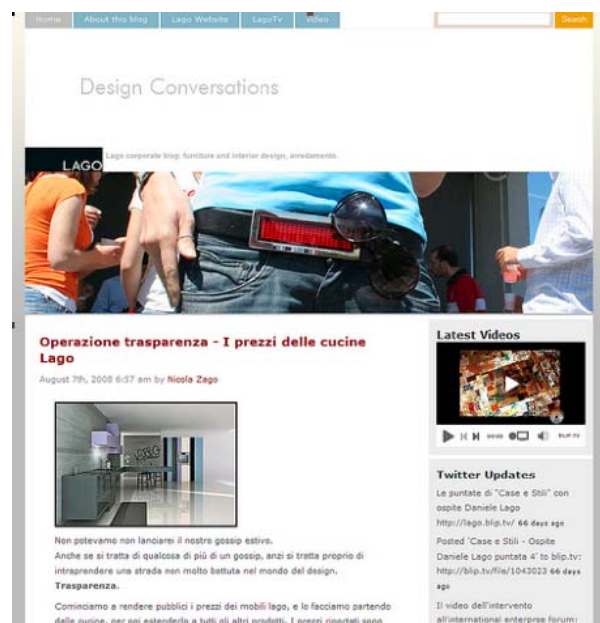

Fig 1. Design Conversations – Lago Corporate Blog

The blog is a place where people can discover and understand Lago identity and the larger culture of design within which Lago has decided to position its brand. Design conversations helped Lago to improve its brand awareness and to address new markets. Thanks to the viral marketing that takes place on the Internet, several posts published in the blog has been linked from other blogs that are trendsetter in the design world (core77.com and thecoolhunter.net). This links more than tripled the number of accesses to Lago website that were limited to 10.000 unique accesses per month and are now 40.000. The blog itself generates other 6000 unique accesses per month.

The furniture business, in particular for high-end products, has several critical points. The first one is its fragmentation in independent resellers and dealers of small-medium size located in historical city centers and in small villages. Lago does not sell the product directly to the end customer. The second is related to the role of the dealers towards the final customer. The dealers intermediate between the firm and the customer and can orientate the clients in their choice. Often, the dealer provides and interior-design service or it relies in on-site architects which can consult the customers. Consequently the communication activities put in place by the firm are filtered by the dealers which operates their show room independently. In fact, the dealer decides how to present the product and how much "space" to assign to a brand in the show room. This is a relevant barrier to overcome for a small firm like Lago that has changed recently its corporate identity and wants to communicate it in a proper manner. Without the capability of being present in the point of sale all the investments in product innovation and brand image could not pay off. Lago decided to innovate the relationships with the dealers and established a program that has different level of collaboration. Lago segmented its resellers in three main typologies: ***point*** that dedicates 50 sq meters of their show room to Lago's products, ***space*** that dedicates more of 50 sq meter and ***store*** an independent dealer that wants to dedicate all its show room to Lago (although without a franchising agreement). In relation of the typology, Lago offers services that range from several indications for the display of the products to on-site architect which study with the dealer *ad hoc* solutions for the characteristics of the show room in order to present Lago products properly. Among its dealers, Lago identified 200 clients that could participate to the new program. As part of the services provided, Lago started a social network under the platform ning.com completely dedicated to the dealers. The social network, called Sales community, has the objective to strengthen the relationship between the firm and the dealer and among the dealers themselves. In the social network each dealer has a homepage where she can upload its pictures and manage a blog. In the sales community, Lago publish catalogues, pictures and videos of the product, price lists and suggestions about products. Moreover there are several forum sessions where dealers can discuss issues related to products and services with both Lago and other dealers. This strategy improved the quality of the display of Lago product and helped the firm to be presented accordingly to its identity.

Fig 2 Sales Community – Lago network of dealers

3.2 Valcucine: sustainable kitchens

Valcucine produces high-end kitchens and is based in Pordenone (north-east part of Italy). The firm has 180 employees and has a turnover of 44 million euros with a growth rate of 24% just in the last year (2007). The export amounts at 30% of the turnover. Valcucine was founded more than 20 years ago with a strong statement: producing kitchens that are at the same time beautiful and sustainable form an environmental point of view. Gabriele Centazzo, founder and designer of Valcucine says: "We are responsible for the quantity and how we use the matter, we can not count on infinite recourses". This orientation towards the respect of the environment pushed the firm to elaborate four principles that characterize its activities*: long product life* from both a technical and aesthetical point of view*, low toxic emission* of the paint used for the color of the kitchen, *recycling* of the finished product, *dematerialization* (the less matter used the better). These principles are at the very heart of the creative activities of the firm. Several of the innovations that Valcucine realized (more than 40 patents registered) were achieved as a tentative to fulfill the principles the firm imposed to itself. In particular they started to gradually substitute wood with glass (for its recyclable potential) and to design a kitchen (and all its components) that is 100% recyclable. At the end of the product lifecycle the customer can give the kitchen back to Valcucine that will reuse it to produce brand new kitchens. This focus on sustainability was not played against aesthetics. Valcucine stands out for its contemporary design and has won several design awards. In

addition, the firm decided to work more closely with their customer. Thanks to use of glass, Valcucine offer a service for customizing the kitchens with drawings made by customers themselves or other artists. With this process every kitchen could be unique even though within the logic of an industrial production.

Interacting with the consumer through Web 2.0 and multimedia

This combination between beauty and sustainability strongly characterized the identity of Valcucine and helped to increase the brand awareness towards a niche of consumers already sensitive to the environment and its protection. This strategy paid off especially in the past when environmental sustainability was not mainstream. Today, the growing attention of media and general public towards sustainable issues is developing new market opportunities for a broader segment of the market. In consideration of this opportunity, Valcucine is trying to enlarge the scope of the public the firm is dealing with. Valcucine decided to review its communication strategy and started to strengthen advertising (magazines, newspapers, events) and investing almost 3% of its annual turnover. The objective was to consolidate the brand and its association with the environmental issue. The contents of advertising are not just limited to the promotion of the product and the brand itself but have often a pedagogical intent: increasing the consciousness of the people about the urgency of taking care of the environment. Besides the advertising, Valcucine decided to invest on the Web. The firm realized that through traditional advertising it was difficult to communicate the culture and the values that Valcucine developed and that distinguish its products. The symbolic and immaterial side of the product its crucial to understand the quality and uniqueness of Valcucine proposal. For this reason, the marketing manager, Daniele Prosdocimo, launched a new communication project based on the interaction and richness of expression of Web 2.0 solutions. The objective was to develop a more intense dialogue with both Valcucine customer and a community of potential new customer interested in eco friendly products. In particular, the firm realized that people belonging to the *creative class* (Florida, 2002) were the appropriate community to deal with although usually they do not have the budget to buy a Valcucine product (the average product is about 20.000 euro). There were two main reasons at the basis of this choice: creative class is more than average sensitive to environment and has a great influence in driving tastes and buying decisions of other customers. Valcucine worked on three different levels. They opened a *blog*, a *photo database* and a *myspace page*. It is interesting to underline the fact that all these three environments were developed

counting on free and consumer-like technologies: blogspot.com, flickr.com and myspace.com. Although these three areas are connected to each other, they play different roles. The *blog* is the place to exchange ideas and interact with the community. The posts that are published are not copycat of a product brochure but they are about Valcucine philosophy and environmental issues. Often, the firm discusses with the community its effort in terms of innovation and its initiatives (events, presentations) for increasing environment sensibility in the wider public.

Fig 3 – Valcucine Blog

The photo database, based on flickr, is a collection of pictures that narrates the product and its features through an emotional involvement of the community. It is difficult to explain by words all the solutions adopted for making a kitchen 100% recyclable. It is easier let the community understand looking at pictures related to details of the kitchen. Moreover the photo database is used by the firm as a multimedia diary where to put picture that describes what Valcucine is doing (e.g. participation to a conference to a fair, new catalogues, new patents and so on).
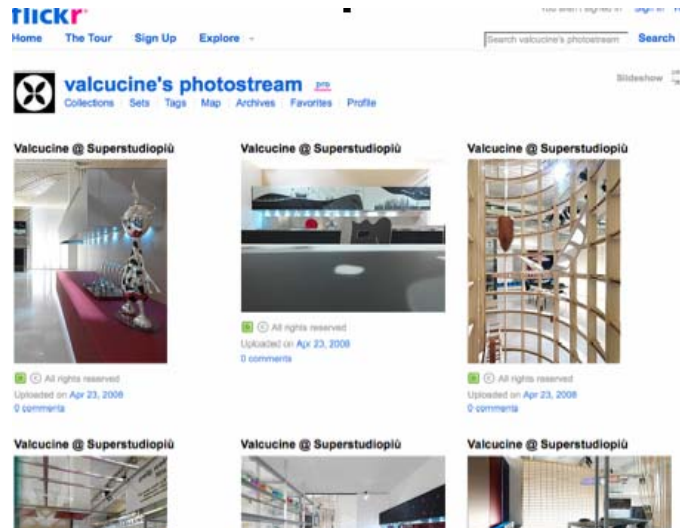
Fig 4 – Valcucine Flickr

Valcucine's Myspace is probably the more creative and open area where Valcucine publish videos, upload music, exchange messages and interact with people who have other myspace pages.

This new communication strategy based on Web 2.0 has had important consequences for Valcucine. From a quantitative point of view the access to the traditional web page has increased importantly and are now around 20.000 unique accesses per month. The blog is about 1500, Flickr has 53.000 impressions and more than 600 images, Myspace 1600 friends. More importantly, this new communication strategy has increased the *mindshare* of Valcucine among customers and potential customers. Thanks to the interactive potential of Web 2.0, the word of mouth has spread along what is called the blogshpere. Valcucine pictures are not only watched but they are used by other bloggers for commenting and discussing about the firm. The result is that now Valcucine can claim a strong leadership in Italy (and increasingly at international level) in eco-friendly products and environmental approach.

4. Conclusions: emerging evidence and orientation for further research

As said in the introduction to the case studies, the present article aims at singling out interesting preliminary evidences from the analysis of the three considered companies in order to shed light on the potential contribution of web 2.0 to marketing strategy and on the interesting contributions to marketing theory that the study of these technologies could provide. Being exploratory and part of a research effort still under development, the study

aims at proposing an exploratory analysis of the issue at stake. The holistic analysis (Yin, 1994) performed through the case studies which were synthesized in the previous section allowed us to identify some crucial issues worth to be addressed through further research.

The first is represented by the impact of web 2.0 and generally by the rising importance of consumer communities on brand management. While the earlier approaches to web marketing stressed the importance of relationships with customers, the case studies as well as the emerging literature analyzed in the first section suggest the need for a deeper formulation of the problem. Web technologies have subtracted companies with a share of control over their brand image and value. These are currently constructed in the market through the interactions and relationships occurring among consumers, which are actively charging their everyday practices with meaning and are thus creating coherent sets of symbolic references and cultures. Valcucine, under this perspective, represents an extremely valuable example. The company's commitment to sustainability is not a matter of environmentally oriented messages delivered through traditional or new media. It is rather the result of a process of re-definition of its brand and product strategies. Coherently with its sustainability-oriented strategy the company restructured its processes and redesigned their products, according to updated standards and thanks to a strong commitment in R&D. Sustainability, though, has not only to be communicated, but recognized by the market in order to generate value. In this sense, Valcucine inserted its communication in the general and broader debate on sustainability, contributing to it through its relationship with relevant consumer communities and incorporating the results of these interactions in its communication.

The striking element is that in doing so the company enlarged the scope and depth of its communication. Together with a promotional communication aimed at communicating its products, the company accepted also to discuss larger issues in sustainability and entertain a conversation with its customers which is independent from its products and its offering. It has become, in other words, an active and genuine participant in the debate over sustainability, providing consumers with references, ideas and links to the general debate on sustainability. The same can be said for Lago. Being design and aesthetics its competitive driver, it inserted itself in the broader debate on contemporary art not necessarily conducting its messages to its products. It rather contextualized its more commercially-oriented communication in a broader engagement in the art community.

Although tentative, these case studies, as well as many possible others, suggest that using web 2.0 and social media instruments in marketing stimulates a deep re-definition of

brand management practices that consists not only in recognizing emerging cultures in consumption and attaching them to brands, but rather to insert brands themselves within the process of culture creation becoming active contributors in the debate and in the culture itself. Legitimation and recognition as a sustainable (or artistic) brand requires the company to entertain conversations regarding sustainability, environment and arts as such. Within this larger effort in constructing and reinforcing emerging cultures, the company can contextualise also its more commercially-oriented messages.

The second issue that is emerging from the analysis is that Web 2.0 seems to pay off in the niche. Niche of consumers are typically sophisticated and prone to engage in conversations and discussions and their need for differentiation makes them valuable and active counterparts for companies. Although the case studies have different dimensions in terms of turnover and market this element did not seem to affect their capability of using Web 2.0 as an effective communication tools. Budget is not a variable in discriminating the use do these technologies, in consideration, also, of the limited amount of money the company need to start innovative project. Most of the Web 2.0 technologies are free of very cheap to use even in a business environment. What could be said is that the capability of adopting Web 2.0 is more influenced by managerial competences and approach. In all the three case studies, the use of Web 2.0 took-off after the companies hired young (in their 30s) and motivated managers who are familiar with these new communication languages and can leverage on their potential. Moreover, the use of Web 2.0 made in sense in relation also to a profound renovation of the brand management and communications strategy of the company. New managerial skills and a change in the brand strategy seem to be strongly correlated.

It is a compelling research question to understand the relevance of Web 2.0 for companies working in the mass market. There are interesting examples, like Nike, which shows that the use of web 2.0 technologies is possible also in larger markets and allows to manage sustainable relationships with larger communities. While the differential in the scale of investments does not represent a particularly interesting issue, the issue of how companies can capitalize relationships with small groups of consumers on larger markets suggests the need for further development and research efforts. The most pressing question is, in fact, how companies can balance their commitment to sophisticated niches of users while enlarging their communication to mass markets proposing emerging cultures and values without incurring in a sanction by their most devoted and active consumers.

The third issue is related to the capabilities of capturing valuable knowledge from the consumers not only from a technological point of view but also from a communication one.

Dainese represents the typical case in which lead users provide the company with valuable insights and useful knowledge for product innovation. A similar statement can be made for Lago, which through its social networks captures the attention and the knowledge of lead users and opinion leaders such as architects, interior designers and dealers which possess crucial knowledge of the market that could improve products. Literature on lead users and user-driven innovation has effectively shown the extent to which these actors contribute to product innovation and knowledge creation and has allowed marketing and innovation scholars to frame the importance of Ict in sustaining these networks of innovation. While the incentives and motivations of knowledge sharing by users has been at the center of many of these works, none of them has deeply taken in consideration the role of brand recognition in motivating contributors to generate and share innovative knowledge. Typical accounts of the drivers of knowledge sharing have referred to the difficulties for users in capitalizing on intellectual property and a general commitment and reciprocity towards communities and companies relating to them. We believe that merging the line of research regarding brand communities with that of user-driven innovation could allow to analyze the role of brand legitimation and recognition within consumer communities as an antecedent an a powerful incentive to knowledge sharing and participation to community-based innovation.

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