

“Welcome to my world - Members’ approval of company activities in online communities”

Corresponding author: Johanna Gummerus, PhD candidate, Hanken School of Economics, PO box 479, 00101 Helsinki, Finland. Phone: +358-40-3521508.

Email: [johanna.gummerus@hanken.fi](mailto:johanna.gummerus@hanken.fi)

Veronica Liljander, Professor of Marketing at Hanken School of Economics, PO box 479, 00101 Helsinki, Finland. Phone: +358-40-3521288. Email:

[veronica.liljander@hanken.fi](mailto:veronica.liljander@hanken.fi)

Minna Seppänen, Project Manager, Family Inc.

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### Objectives

The present study sheds light on the degree to which online community members approve of different company activities in online communities.

### Methods

Online survey data were gathered through a large travel community, but the respondents were asked to think of any one community that they were familiar with whilst answering the questionnaire. As a result 374 usable responses were collected.

### Results

The results show that online community members are generally open to company activities, as long as these activities are transparent. However, there were differences in the acceptance of different company activities between customers that used the site daily versus those who used the site less frequently.

### Conclusions

The results of this study show that online community members had a surprisingly positive attitude towards company activity in communities, provided companies act transparently and express clearly their identity. Community members are particularly willing to welcome firm activities related to product development and innovation in online communities.

Keywords: online community, role theory, company activity, member acceptance

## **Introduction**

Consumers are increasingly turning to social media, both whilst using media in general and whilst searching for particular information (Mangold and Faulds, 2009). Online communities, or “affiliative groups whose online interactions are based upon a shared enthusiasm for, and knowledge of, a specific consumption activity or related group of activities” (Kozinets, 1999: 254), are evoking interest among practitioners and scholars alike due to their popularity, growth rates, and influence (Brown, Broderick and Lee, 2007).

These developments make online communities increasingly attractive to companies, who want to monitor and react to what is being said about them, but also see the benefits of acting proactively and communicating with the community members. However, in online communities, where members are the lifeblood of the activity since they provide the content and constitute the audience (de Valck, van Bruggen and Wierenga, 2009; Tang and Yang, 2006), companies may fear of annoying the users by intruding into their domain (Krishnamurthy and Dou 2008). Consequently, companies need to balance the need to participate in consumer experiences and influence the information that consumers share and create in those communities, and the need to preserve good relations with the community members. These sometimes contradictory goals may result in a conflict between what companies believe they would like or need to do and what they feel they can do in online communities.

In order to act successfully and with confidence within online communities, companies should understand how the members of these communities react to different company activities. To date, however, little is known about the types of marketing activities companies may take in these communities without annoying the members (Miller, Fabian and Lin, 2008), or what members’ reactions to company activities in general are. Therefore, there is a clear need to investigate community members’ acceptance of firm activities.

The aim of this study is to examine what kinds of company activities consumers approve of in online communities. To answer this question, the role theory is applied. Role theory was chosen for two reasons: 1) The study of roles is “the study of the conduct associated with certain socially defined positions ... of the degree to which a particular part is acted appropriately” (Solomon, Surprenant, Czepiel, and Gutman, 1985: 102), thus fitting the study of appropriate company behaviours; 2) it allows studying consumers covertly held expectations regarding firm activities, and meeting such expectations is the prerequisite for customer satisfaction (Oliver and Burke, 1999). The terms roles and activities are used interchangeably throughout the paper. Six types of firm activities/roles were identified from literature, and studied through an online survey: 1) observing and collecting information; 2) hosting or sponsoring communities; 3) providing content to communities; 4) participating as members of online communities (Miller et al. 2009); 5) product development (Maignan and Lukas, 1997); and 6) advertising (Haugtvedt, Machleit and Yalch, 2005).

### **Marketing in online communities**

Online communities (or virtual communities) may either be customer-endorsed as proposed by Kozinets (1999) or company-endorsed (Wiertz, 2005). They are characterized by both co-creation and consumption of content, which leads to the achievement of personal and shared goals of the members (Dholakia, Bagozzi and Pearo, 2004). They encompass a broad range of electronic platforms, such as online marketplaces, social networking sites, blogs, gaming communities, company-sponsored sites and interest groups (Miller et al., 2009). Online communities shift control from firms to customers in particular within fields where knowledge asymmetry has traditionally been high (health care, for instance) because customers get access to a rich source of synthesized and filterable knowledge (Kane, Fichman, Gallagher and Glaser, 2009). The advantages of online communities for consumers and firms have been discussed widely (e.g. Dholakia, Blazevic, Wiertz and Algesheimer, 2009; Dholakia et al., 2004). De Valck et al. (2009) found that community members share knowledge, negotiate norms, oppose values, and celebrate similarities with each other. Firms, in turn, can communicate and co-operate with their customers.

The dilemma associated with social networks is based on one hand on the firms' need to make sure that brand-related messages come through clearly to a wide audience, and on the other hand on the members' need to maintain a sense of ownership of the community (Palmer and Koenig-Lewis, 2009). This applies to media owners (companies hosting the community) who need to find a balance between the economic and social domains (Balasubramanian and Mahajan, 2001) to be able to keep such communities up and running, and to other companies wishing to associate themselves with the community. Thompson (2005) posed this question eloquently in relation to organizational communities: *“If communities -- are best understood as fluid social relations, enacted among a self-selected group of participants, then are they best left alone, free from “interference” by organizational managers and policymakers? Or are there ways in which organizations can provide helpful support to such communities, without constraining the delicate dynamic by which they are sustained?”* (p. 151).

Whilst social media in general imply a loss of control of marketing communications (Mangold and Faulds, 2009), firms need to find out ways to regain some of that control. In social media, this means finding ways to participate in the everyday activities of the community. However, the threat of killing off the community with company interference seems real - It has been reported that many online social communities have experienced a rapid decline after when, what was first experienced as an attractive community of peers, commercial activities have replaced the peer-to-peer discussions (Boyd and Ellison, 2007; Palmer and Koenig-Lewis, 2009). To avoid such undesirable consequences, Cova and Pace (2006) advised that firms should act as non-intrusive enablers in brand communities. Simultaneously, strategists argue that firms need to participate in online communities to enhance demand for their products (Miller et al. 2009), to encourage innovations (Kozinets, Hemetsberger and Schau, 2008), or to acquire new customers (Trusov, Bucklin and Pauwels, 2009).

Next, we will discuss the different strategically important firm activities.

### **Observing and information collecting**

Observing online communities refers to the monitoring of what consumers do and the kind of issues they discuss. The observations are collected and they may be used for business purposes. Based on such information, it is also possible to correct wrong information about a company's product or service. Companies may also deploy online communities for research purposes and try to identify and understand the desires, tastes and decision-making processes of target groups. Netnography, a specific observation method for online use, is often used when conducting professional research in online communities (see Kozinets, 2002). Netnography means using the information that is publicly available in online communities and it provides marketing researchers an open window to observe and study consumers' naturally occurring behaviour. This consumer setting implies that in netnographic studies, particular attention should be given to research ethics, since the online community members who originally created the data have not necessarily intended or understood that the data be used for research purposes. If consumers do not tolerate the manner in which netnography is conducted, companies/researchers can harm online communities by observing and collecting information. (Kozinets, 2002)

### **Hosting or sponsoring**

Hosting or sponsoring a community means that a company either establishes an online community or sponsors an existing online community. The company has to decide how visibly it wants to host or sponsor the community, because this might affect consumers' behaviour in it.

Firm-hosted online communities often mix the hosting and product development/innovation roles. Studies have found that companies may achieve a competitive advantage by having a community of innovative users connected with the company's product (Jeppesen and Fredriksen, 2006). Moreover, companies should encourage the establishment of communities around their products (i.e. brand communities) and try to encourage consumers to participate in communities, even if someone else operates it, because the company benefits the more people are interested in and talking about their products (Shang et al., 2006).

Many companies have already established brand communities and dedicated marketing resources to encourage consumers to join and participate in these communities. The positive consequences can take place in two ways. First, membership in a brand community may engender a sense of loyalty among members, which means that they may purchase the company's product in the future. Second, membership in brand communities may create a sense of "oppositional loyalty" (Muniz and O'Guinn, 2001). This means that the likelihood that members will buy products from competing companies reduces.

### **Content providing**

As content providers, companies can provide e.g. information, music or entertainment for members. (Miller et al., 2009) The content may be more accepted by the members, if it relates to the topic of the community, otherwise members may perceive it as advertising.

In some cases, consumers might even be willing to pay for online content. The current success stories involve companies selling information with a well-defined purpose. These companies have been successful by providing informational content to subscribers that may have direct impact on their decisions. Consumers may e.g. save time or gain financial rewards by using the information. Also, much content is considered by users to be inherently interesting or enjoyable. (Lopes and Galletta, 2006) In this study, content in online communities is taken to be free for community members and companies are not trying to charge from it, but are trying to use online communities as a marketing channel to transmit their message to the consumers.

### **Participating as members**

Participating as online community members in discussions is one role companies may take, and it provides an interactive channel between a company and consumers. However, a company should consider carefully who represents it in online communities, and always inform that this person is discussing on the behalf of the company, because anonymous participation and pretending to be an individual

consumer (if members realize it later) might create negative effects among community members. (Sernowitz, 2006)

### **Product Developer/Innovator**

Online community members can provide valuable thoughts for the product development or innovation processes, and consequently, one important company role is that of product developer/Innovator. Members may have ideas about how to improve companies' products or what kind of products a company should produce for them. In this role, companies produce information about their products to online community members and receive feedback from consumers. In addition, a company and consumers may innovate new products together (Maignan and Lukas, 1997).

Moreover, the innovations made in firm-hosted online communities usually come from leading-edge users and this has positive effects on the quality of the innovations, because these lead users are ahead of the market in terms of discovering new product concepts. However, community members mostly generate incremental innovations, meaning that they usually extend or improve an already existing product. This finding shows that even though user generated innovations are important for manufacturers, they are relatively low on novelty. These innovations fill out those small niches in the market, which the company has not even paid attention to and help the company to produce the complement, rather than substitute, products. A firm-hosted online community can turn into a strategic asset, which is an imperfectly imitable resource that cannot be purchase but must evolve. (Jeppesen et al., 2006)

### **Advertising**

The advertiser role is a traditional role companies often take. However, online communities are diverge from other media and consequently, companies have to consider how to use the communities for advertising-related purposes in an effective way. Zhang and Watts (2008) mention one case, where a travel agency had posted an advertisement to an online travel forum. Whereas some members argued that the ad should be deleted, because the forum was for backpackers, not for organized group tours, others insisted that advertisements contained important information, which



backpackers could use, too, should be allowed. Finally the two sides made a compromise and agreed that although advertisements were not welcomed in general, they could be tolerated if they explicitly labelled themselves as advertisements. Clearly, advertising is often required to finance particularly third-party hosted communities, but it is nevertheless important to study the members' acceptance of advertising.

Next, the application of role theory to study member acceptance of company activities is discussed.

### **Application of the role theory to study member acceptance of company activities**

In this paper, we propose that role theory can be used to examine consumer-company interaction in online communities, since these are social systems which fall into the domain of role theory (Biddle, 1979). Role theory assumes that subjects have roles, i.e. "behaviours characteristic of one or more persons in a context" (Biddle, 1979:393). The behaviours studied in the present paper are activities characteristic to a company in the context of an online community. Parallels with our approach to investigate the role of the company can be found in other studies that have adapted role theory to investigate consumer-company interaction in service encounters, (i.e. in service situations, where the service component of the total offering is of major importance, e.g. consulting services and hairdressing) (Broderick, 1998; Solomon et al., 1985). The role theory allows studying people's expectations of company activities, as it presumes that people hold expectations for the behaviours of others (Biddle, 1986). Expected roles refer to "The set of expectations for the behaviours (in context)... that are consensually held by one or more subject persons" (Biddle, 1979:387). Accordingly, information about community members' role expectations offers important information for companies that aim at congruence between consumers' role expectations and their behaviour.

According to Biddle (1979), most role researchers are not satisfied with studying overt expressions of expectation, because the notion of expectation suggests the existence of covert conceptions that are not directly observable. Conceptions can be studied by measuring something else that relates to covert processes and based on this, inferring

the presence of covert events. It is assumed that subjects have in their minds a facet for expressing object characteristics and a modality scale. The scale development is discussed more detailed next.

### **Questionnaire design**

Questionnaire design was based on combining Biddle's scales and the six company roles identified in the literature review. Two methods suggested by Biddle were employed: the modal strength and the facet alternative method. The modal strength method asks questions that are closely akin to the format a respondent might use in expressing his/her expectation. A phrase is presented to a respondent, and the respondent is asked to assign a value on a modal scale. For example, the respondent is given the phrase "how much do you approve or disapprove advertising in online community". Typically a Likert-type scale of response alternatives is provided for the respondents for such a question (I approve it strongly – I disapprove it strongly). If the respondent reports that he or she "disapproves strongly" of advertising in online communities, it would be interpreted that she held a strong expectation on this issue (Biddle, 1979).

The facet alternative method makes different assumptions. It does not ask respondents to choose among modal alternatives, but to pick among facet categories representing the object characteristic. For example, the respondents might be asked to choose among various amounts of "advertising" that he/she most approves, e.g. ranging from "No advertising at all – Heavy advertising". Thus, if the respondent chooses the alternative "heavy advertising" he is said to approve a greater amount of advertising than another respondent who chooses "occasional advertising" or "no advertising at all". (Biddle, 1979)

For each of the identified firm roles, multiple items were constructed as advised by Hair et al. (2010) to improve the reliability of the scale. Simultaneously, it was necessary to keep the questionnaire as clear and short as possible to avoid non-response bias and consequently, each role was examined with 3-7 items.

Firstly, the respondents were asked how much they agree or disagree with statements about a certain company activity within the online community. A 7-point Likert-type scale was used (strongly agree - strongly disagree). The reverse coded items are marked with (r). For example:

*Content provider*

- Companies should not create any content to online communities, because those communities are for consumers (r)

*Participating as members of online communities*

- Companies can participate in online community discussions if members ask for advice related to some product or service

*Hosting or sponsoring online communities*

- It disturbs me, if an online community has a visible sponsor (i.e. the site is paid for by a company) (r)

*Advertising*

- Companies should not advertise in online communities (r)

Also the respondents' approval of firm activity in online communities was probed for. The modal strength method was used and a 7-point Likert-type scale was applied to measure the expectations (strongly approve – strongly disapprove). The respondents were given the phrase and asked to tell how much he or she approves or disapproves this kind of behaviour. For example:

*Observing and collecting information*

- How much do you approve or disapprove that companies collect information from online community discussions in order to know what consumers say about their products

*Hosting and sponsoring online communities*

- How much do you approve or disapprove that online community is sponsored by a company

*Content provider*

- How much do you approve or disapprove that companies provide information about their products or services in online communities

### *Participating as members of online communities*

- How much do you approve or disapprove that companies are participating in online community activities as members

### *Product development/innovation*

- How much do you approve or disapprove that companies use online communities for product development and ask opinions of products or services from members

### *Advertising*

- How much do you approve or disapprove that companies are trying to sell their products or services in the online community

Finally, in order to discover the amount of advertising accepted by members, the facet alternative method was applied and the 7-point Likert-type scale was assessed between “heavy advertising” to “No advertising at all”. For example:

### *Advertising*

- How much visible advertising do you approve of in online communities (e.g.banners)

Biddle’s (1979) scales were considered as validate scales, and pretesting the questionnaire was deemed unnecessary. However, in order to make sure that the questions and the vocabulary used were correct, the questionnaire was subjected to content validity testing. The content validity of a scale can be examined by determining the extent to which it covers a representative and balanced sample of items reflecting the construct being measured (Peterson, 2000), and it can be tested by using experts as judges (Hair et al., 2010). In this study, the questionnaire’s content validity was tested among social media specialists, whose work includes the planning and creation of marketing communications in social media (of which online communities are a prominent part). Based on their comments, the wording was modified slightly and some minor changes were made to assure the content validity of the questionnaire.

## **The empirical study**

The empirical study was conducted on an online travel community site in June 2009. An online survey collected 439 responses within one week, of which 65 were dropped from further analyses because these respondents reported using the community less frequently than once a month. Consequently, the final analysis was based on 374 responses. The sample characteristics are presented below in Table I.

Table I: Sample characteristics

<b>SEX</b>	<b>N</b>	<b>%</b>
<b>Male</b>	88	23.5
<b>Female</b>	286	76.5
<b>AGE</b>		
<b>Under 15</b>	6	1.6
<b>16-24</b>	87	23.3
<b>25-34</b>	97	25.9
<b>35-44</b>	88	23.5
<b>45-54</b>	66	17.6
<b>55-64</b>	24	6.4
<b>Over 54</b>	6	1.6
<b>EDUCATION</b>		
<b>Comprehensive school</b>	40	10.7
<b>Vocational school</b>	71	19.0
<b>High school</b>	93	24.9
<b>Polytechnic school</b>	75	20.1
<b>University</b>	95	25.4

N=374

Most of the respondents were female (76.5 %), but this bias is not expected to impact the results since no significant findings could be found between male and female respondents regarding their acceptance of company activities. To improve generalizability, the respondents were asked to choose one community that they were acquainted with and would think of while answering the questionnaire. The most popular communities were discussion & friends, travelling, and other (including music, cars, handicrafts, politics and religion). The respondents were also asked to report the frequency of site use as well as the main reason to use the community. Most community members (49 %) mentioned that the main reason to visit the chosen community was to spend time on the site and read the other members' comments. The second often quoted reason was to search for information to some problem (30 %), followed by wanting to discuss with other members (15 %), creating information to other members (3 %) and other reasons (3 %).

Next, the respondents were asked to report their acceptance of the different company activities, or on the amount of activity they would approve of.

## **Results**

In order to examine the dimensionality of firm activities, the data were subjected to factor analysis. The results revealed some unexpected results. Although the studied firm activities were predetermined based on previous theories, the identified roles diverged from those originally proposed and gave additional insight into how members interpret firm activities.

Firstly, some of the activities loaded on the same factor, meaning that members had similar attitudes towards those roles, and some of the predefined roles were not identified. The results revealed that 'Content Provider' and 'Host/Sponsor' form a single activity, not two separate ones as was originally proposed. Furthermore, the 'Participator' role did not emerge. This may be due to members seeing all company activity as participative. Consequently, four company activities were identified in the analysis ('Content Provider/Host and Sponsor', 'Observer/Information Collector', 'Advertiser' and 'Product Developer/Innovator'). Secondly, two unexpected firm activities emerged. 'General activity' reflects the acceptance of company activity in online communities in general. The second factor was 'Transparency of activity'. The items constituting the final scales are included in the appendix.

In order to study customer acceptance of different firm roles, the questions relating to each factor were summated. Most of the mean values concerning the different company roles were over 4.40. The mean value for general activity acceptance was the lowest, being 3.79. This mean value, close to the scale mean, indicates that members may be less willing to accept company activity in general in comparison to particular activities.

Transparency of activity had the highest mean value,  $M=5.77$ , i.e. when a company is participating in online community activity, it should always identify itself. These results confirm that transparency is extremely important to community members.

The number of items, reliabilities and mean values are reported in Table II.

Table II. Reliability and mean values of customer approval of company activities

Factor	Number of items	Cronbach's alpha/item-item	Mean value
Transparency of activity	2	0.39	5.77
Product Developer and Innovator	4	0.87	5.01
Observer and information Collector	4	0.83	4.84
Content Provider/Host and Sponsor	8	0.92	4.78
Advertiser	3	0.87	4.40
General activity	4	0.84	3.79

The correlations and standard deviations are reported in Table III.

Table III Correlations between the variables

Factors	Means	St. deviation	Correlations					
			Transparency of activity	Product developer/innovator	Observer/information collector	Content Providers/Host and Sponsor	Advertiser	General activity
Transparency of activity	5.77	1.17	1					
Product Developer and Innovator	5.01	1.30	-.056	1				
Observer and information Collector	4.84	1.33	-.023	.603**	1			
Content Provider/Host and Sponsor	4.78	1.23	-.051	.650**	.515**	1		
Advertiser	4.40	1.35	-.142**	.561**	.373**	.620**	1	
General activity	3.79	1.39	-.282**	.420**	.283**	.523**	.466**	1

Not perhaps surprisingly, the requirement of transparency of activity is negatively correlated with the other roles. In particular, the more customers require transparency, the less willing they are to accept advertising and general activity. In contrast, the other roles are positively correlated, meaning that the more consumers accept one firm activity, the more likely they are also to accept other activities.

The acceptance towards different types of firm activities was also studied in relation to user visit frequency. In order to take this step, the respondents were split up into two groups. Respondents who reported using the community daily were placed to the first group, 'enthusiasts'. The second group, 'frequent visitors' constitute of those respondents who use the site less frequently than daily and at least on a monthly basis.

It might be assumed that the more often a member uses an online community, the less he/she approves of firm activities. However, when an independent-samples t-test was conducted to compare the scores between 'enthusiasts' and 'frequent visitors', the results were somewhat unexpected. Firstly, 'enthusiasts' were more ( $M=5.10$ ,  $SD=1.24$ ), rather than less, approving of firms providing content/hosting and sponsoring than 'frequent visitors' ( $M=4.63$ ,  $SD=1.20$ ;  $t(372)=3.45$ ,  $p=.001$ ). Secondly, 'enthusiasts' were more approving of advertising ( $M=4.75$ ,  $SD=1.39$ ) in comparison to frequent visitors ( $M=4.25$ ,  $SD=1.31$ ;  $t(372)=3.31$ ,  $p=.001$ ). Thirdly, 'enthusiasts' also accepted more that firms in general act in the online community ( $M=4.20$ ,  $SD=1.49$ ) than the others ( $M=3.68$ ,  $SD=1.38$ ;  $t(372)=3.28$ ,  $p=.001$ ). The



results are presented in Table IV. These findings may be due to the fact that daily visitors believe that they can gain more from firm activities than less frequent visitors.

Table IV: Enthusiast versus frequent visitor acceptance of firm activities.

Groups	<b>Enthusiasts</b> Use the site daily N=114	<b>Frequent visitors</b> Use the site several times per week N=260	T-value
<b>Content Provider/Host and Sponsor</b>	<b>5.10</b>	<b>4.63</b>	<b>3.45**</b>
Observer and information Collector	4.84	4.83	.08
<b>Advertiser</b>	<b>4.75</b>	<b>4.25</b>	<b>3.31**</b>
Product Developer and Innovator	5.20	4.93	1.88
<b>General activity</b>	<b>4.20</b>	<b>3.68</b>	<b>3.28**</b>
Transparency of activity	5.95	5.69	1.95

\*\* = significant at 0.01 level

## Discussion

The primary aim of this study was to discover to what degree online community members approve of company activities. The results gave interesting insight into the question highlighted by several authors: that companies need to find ways to operate in online communities together with community members in order to be able to participate in consumers' experiences and influence the information that consumers share and create in those communities (Gillin, 2007; Peters, 1998). Overall, the results demonstrate that members are relatively open to company activities, as long as these activities are transparent.

Product developer/Innovator role was the most accepted among respondents (M=5,01). This is in line with previous studies (Füller and von Hippel, 2008; Jeppesen and

Frederiksen, 2006), which have reported that members are eager to share their ideas and companies can create a collaborative community around product development and innovations.

The findings regarding consumers' approval of observation and information collection by companies in communities were likewise encouraging. The respondents do not seem to mind if companies are observing members' activity and collect information. This might indicate that consumers want companies to know what they think about different brands, products or services and learn from their comments. In the end, if companies use the information to develop their offerings, consumers may also benefit. As Kozinets (2002) points out, observing community activity provides companies with information about consumers' desires, tastes and decision-making influences of consumer groups and consumers. Nevertheless, the collection and use of information derived from online communities also requires consideration, because community members have not created the data for commercial purposes.

If a company is hosting a community, it is easier to provide also content for the site. The findings of this study suggest that customers do not distinguish between firms as content providers and as hosts/sponsors. The results of this study suggest that, provided the content is relevant or members find it otherwise useful, members seem to be relatively receptive towards companies hosting/sponsoring communities and providing content there. From a company perspective, it is important to have a community, where active and innovative users are connected with the company's offerings (Jeppesen and Frederiksen, 2006), and by hosting and creating content, firms can invite customers to participate in firm-endorsed communities. Hosted sites give the firm more control over the content, and enable the introduction of particular topics that are interesting from the firm perspective.

The mean value for Advertiser role was the lowest ( $M=4.40$ ), even though it was above the scale midway. Advertiser is probably the most common and easiest role for companies in online communities, but it was clearly a role that members shunned the most. This finding should encourage companies to think of untraditional ways of

marketing in communities, instead of traditional advertising. The results of this study are parallel to Zhang and Watts' (2008) study, which discovered that members have contradictory attitudes towards advertisements in communities. Some members may feel that banners, pop-ups or other advertisements should not exist at all in communities, because communities are for consumer members, whereas other members may see advertisements as relevant information, which members can use for their own purposes. A qualitative study of Kelly, Kerr and Drennan (2010) found that teenagers were more likely to avoid advertising when it was not perceived as relevant or credible, and consequently, advertising in communities should be clearly targeted to the community members.

Members were not particularly welcoming towards general activity, which might be a sign that acceptance of firm activities is provisional: customer are willing to accept firm activities, but they want to receive some benefit and perhaps also have a say about the terms on which firms may participate in communities.

Transparency was clearly important for the community members, which is in line with Sernowitz (2006), who suggested that when some persons are participating in online community activity on behalf of a company, they must always tell who they are and that they represent a company. The results of this study showed that this advice should be taken seriously.

Finally, a significant difference between enthusiasts and frequent visitors was found on the acceptance of three firm activities: enthusiasts approved more of firms as content providers/host and sponsors, as advertisers, and performing general activity. It is particularly noteworthy, that all of these differences relate to such activities that customers can immediate deploy.

## **Conclusions**

The results of this study indicate that online community members have a relatively positive attitude towards company activity in communities, but they expect that companies always act transparently and express their identity clearly. Community

members are willing to be in a co-operational relationship with companies and take part in e.g. product development and innovation processes in online communities.

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## **Appendix: Items for summated scales**

### **Content provider and Host & sponsor**

How much do you approve that online community is sponsored by some company?

How much do you approve that companies establish online communities?

How much do you approve that sponsored communities are utilised for commercial purposes (e.g. the sponsor company's products are sold in community)?

How much do you approve online communities being sponsored by some company, if the sponsor is related to the content of the community?

How much do you approve that companies provide music as content to online communities?

How much do you approve that companies provide content to online communities, if the content is related to the topic of the community?

How much do you approve that companies provide entertainment as content to online communities?

How much do you approve that companies provide content if it is entertaining, not only commercial message?

### **Observer and information collector**

How much do you approve that companies observe the activity (e.g. discussions) in the online communities?

How much do you approve that companies observe the discussions and correct those, if there exist some wrong information about their products or services?

How much do you approve or that companies collect information from online community discussions in order to know what consumers say about their products?

How much do you approve that companies collect information from online communities and use it for business purposes?

### **General Acceptance of company activity (reverse coded)**

Companies should not create any content to online communities, because those communities are for consumers

It disturbs me, if an online community has a visible sponsor (i.e. the site is paid by some company)

Companies should not advertise in online communities

Online communities are for consumers and companies should not perform in those communities.

### **Product developer and innovator**

Companies should interact more with consumers in online communities.



How much do you approve that companies use online communities for product development and ask opinions of products or services from members?

How much do you approve that companies invite online community members to innovate products together with companies?

How much do you approve that companies use online community members for product development?

Online communities are good channels for companies to see what consumers think about products and services

### **Advertiser**

How much do you approve visible advertising in online communities (e.g.banners)?

How much advertising do you approve in online communities if they are related to the topic of community?

How much advertising do you approve in online communities if they provide some special offers for members only?

### **Transparency**

If a company is participating in online community activity as a member, it should always tell that it is a company

If company is participating in online community activity, there must always be a person who represents the company with his/her own name