



Positioning in Cyberspace: Evaluating Telecom Web Sites Using Correspondence Analysis

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The growth of presence in the marketspace of the Web has been exponential, both in general and within specific industries. While the academic literature on the phenomena is still in its infancy, there exists a pressing need to establish methodologies to evaluate and map Web sites within and between industries. With the exception of a few notable papers little or no theoretical, descriptive, or normative research has been conducted into Web site positioning and evaluation. This article goes a little towards addressing this lacuna. Specifically, Web sites from the Telecom Industry are evaluated and mapped using correspondence analysis. The technique of correspondence analysis and the interpretation of the maps produced are described in detail. The implications for management are also discussed.

INTRODUCTION

The Internet is possibly the most prominent manifestation of what Rayport and Sviokla (1994) term the marketspace – the virtual equivalent of the traditional physical marketplace. Web sites have seen explosive growth in the last few years (e.g., Kehoe, 1996). Among most major and minor organisations (both for profit, not-for-profit, and governmental) there has been some experimenting with Web sites ranging from simple presence to sophisticated virtual organisations. While the academic literature on the phenomenon is still inchoate, there exists a pressing need to develop methodologies to map and evaluate the marketing impact of Web sites in and between industries (Jayaratna, 1999). With the exception of a few papers (e.g. Berthon, Pitt and Watson, 1996; Berthon, Pitt and Prendergast, 1997; Peterson, Balasubramanian, and Bronnenberg, 1997) little or no theoretical, descriptive, or normative research has been conducted on the evaluation of Web sites. This article is offered as a step towards addressing this deficiency. The technique of Correspondence Analysis and the interpretation of the maps produced are described in detail using the international telecommunications industry as an example. The implications for management are discussed.

WEBBING THE NET

The Internet is the name given to a vast global collection of interconnected computer networks. It comprises many separate networks, belonging to disparate organisations such as universities, business and Internet service providers, joined together in a haphazard way. The Web or World Wide Web can be thought of as a platform that rides on the Internet: a hypermedia information system that links computer-based resources around the world. Browser software allows hyperlinked words or icons to display a multitude of spatially dispersed media sources – comprising text, video, graphics, and sound – on a local computer screen. Characteristics of the Web that are important from a strategic marketing perspective include:

- *Interactivity*: the ability to interact both with and through the medium.
- *Availability*: 24 hour-a-day presence.
- *Facilitation and flexibility*: advertising, informing, full-colour virtual catalogues, on-line transactions, on-line customer support, distribution of certain products and services, and the eliciting of customer feedback.
- *Non-intrusiveness*: the customer generally has to find the marketer rather than vice versa, to a greater extent than is the case with most other media (e.g., Anderson, 1995). This renders the medium unique from a marketing perspective.

- *Cost*: (in most cases) initial presence on the medium is relatively easy and inexpensive to establish.
- *International reach*: any business or organization that has a Web presence is international by definition.
- *Equality*: compared to other media, the Web provides a more or less level playing field for all participants - access opportunities are essentially equal for all players, regardless of size.
- *Intermediaries*: permits a lot of intermediaries to operate without the customer becoming aware of it.

Given the characteristics of the new medium, it is perhaps unsurprising that the Web has achieved such a phenomenal growth rate. However, while many companies are simply attempting to establish a beachhead in marketspace, others view it as their lifeblood. What is certain is that the issue of the effective use of the new medium will escalate rapidly in importance, as the growing number of managerial 'how to' books on the subject attests (e.g., Cronin, 1994). Therefore the issue of evaluation and comparatively mapping Web sites - both within and between industries-- will continue to become a significant issue for marketers.

EXTANT LITERATURE

Research into the evaluation of Web sites as a marketing medium is still in its infancy. Berthon, Pitt and Watson (1996) and Berthon, Pitt and Prendergast (1997) developed and refined a series of metrics for the objective measurement of Web site effectiveness. Peterson, Balasubramanian, and Bronnenberg (1997) go some way toward trying to understand what types of products and services are likely to sell effectively through Web sites, while Ainscough and Luckett (1996) explore the elements of effective consumer marketing on the Web. Other research has begun to lay the conceptual foundations of marketing on the Web (e.g. Deighton, 1997; Hoffman and Novak, 1996), but little or no attention has been paid to empirical research into evaluation, comparing and positioning of Web sites.

At this stage, there has been little research and publications with regard to Web site evaluation criteria. However, researchers have begun to address what seemed to be the fundamental issues in this regard. For example, Berthon, Pitt and Watson (1996) used hierarchy of effects models which are well known in marketing to model the phases which a surfer would pass through from finding a Web site all the way through to purchasing from and indeed repurchasing from that site. The conceptual issue as they see it is that of Web site efficiency: how efficient is the Web site at moving a customer through the various stages of the purchasing decision process. Hoffman and Nowak (1996) view Web site efficiency and effectiveness criteria of the flow construct. Flow has to do with the extent to which the surfer is engaged, captivated and entertained by the Website. Simply efficient and effective websites enhance a stage of consumer flow. We believe that in the years to come, conceptual aspects of Web site evalua-

tion criteria will receive considerable attention by researchers.

A BRIEF INTRODUCTION TO POSITIONING STRATEGY

The term positioning is widely used in marketing strategy and management. The term itself was popularised by two advertising executives (Ries and Trout, 1982). Ries and Trout had been fascinated by the spectacular failures of many organisations that had attempted to combat opposition head on. They pointed to the sensational flops of companies such as General Electric and RCA in the 1960s in their attempts to enter the mainframe computer market in direct opposition to an entrenched company such as IBM. Ries and Trout explained the failure of these strategies by saying that it was very difficult to dislodge an entrenched competitor from a market, because that competitor was firmly 'positioned' in the minds of prospects. Thus for one to say that your firm would also be a successful very large manufacturer of mainframe computers was simply an imitation strategy - for the customer knew who the real champion was. It was IBM.

It would be far more effective said Trout and Ries to position products by looking for 'gaps' in the minds of customers. Thus for Avis it made more sense to reinforce the objective knowledge that consumers already had (that Hertz was the largest car rental company) and to position itself against Hertz, not as an equally large or very large competitor, but as 'number two'. The consumer could accept this - he or she knew that Avis was indeed the second largest competitor in the market. This position against the entrenched competitor enabled Avis to further pursue the strategy by saying that because it was number two it would have to try harder. The 'We Try Harder' campaign became one of the most successful advertising and indeed positioning strategies of all time. Thus we see that positioning has both an objective and a subjective element. Positioning is something that occurs in the minds of a customer, and which marketers actively seek to influence by framing (direct and indirect) objective knowledge in new ways. A product must match or fulfil the communicated message or the customer will rapidly become disappointed - as the disconfirmation paradigm argues (Oliver, 1980). Positioning maps have a number of important uses:

- Firstly they enable the marketer to see where his or her product or brand (a Web site in this instance) is positioned compared to others in the marketplace. Thus the marketer can see where their brand is relative to a brand leader.
- The marketer can also use maps to determine the effectiveness or otherwise of marketing strategy, particularly marketing communication strategy.
- Maps can also be useful to marketers who wish to 'identify a gap in the market'. Thus there may be a market for brands for which there is no position or closely associated position occupied at the present time. However just as one inquires 'Is there a gap in the market?' one should also always ask the question 'Is there a market in the gap?' Indeed there

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