A Typology of Virtual Communities on the Internet:  
Contingency Marketing Approaches

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Abstract

A typology of virtual communities on the internet is proposed. At the outset, we discuss the motivations, mode of participation, characteristics and benefits of memberships in these groups followed by the stages of lifecycle of these groups. Issues of future research of these groups and contingency marketing approaches are also discussed.

Key words: Virtual Community, Affinity Groups, Netnography, Stages of Life Cycle

JEL Classification:
1. Introduction

With the advent of the Internet a little over a decade ago, technology has enabled communities to move beyond the physical face-to-face contacts to the virtual realm of the World Wide Web. With the advent of the highways in the 1950’s and 1960’s, “communities” were created in the suburbia. The Internet, on the other hand, has over the last fifteen years, enabled the creation of a myriad of “virtual communities” that have limitless boundaries across every corner of the globe.

This essay will begin by providing a definition of the term, “virtual communities” and then describing several typologies of this phenomenon. The various motivations for joining communities, how marketers create social bonds that enhance social relationships, as well as strategies used by firms in building virtual communities are also discussed. We conclude by discussing strategies for managing virtual communities, researching them, as well as directions for future research.

1.1 Definition

A “community” refers to an evolving group of people communicating and acting together to reach a common goal. It creates a sense of membership through involvement or shared common interests. It has been considered to be a closed system with relatively stable membership, and demonstrate little or no connection to other communities (Anderson 1999).

With the rapid growth of the Internet, the geographic boundaries constraining the limits of communities are no longer a factor, and the functions of maintaining a community can be fulfilled virtually from any where in the globe. This is the basic essence of a virtual community. Several authors have attempted to provide a formal definition of the term for semantic clarifications. The major definitions are as follows:

“Social aggregations that emerge from the Net when enough people carry on public discussions long enough, with sufficient human feeling, to form webs of personal relationships in cyberspace.” (Rheingold 1993)

Groups of people who communicate with each other via electronic media, rather than face-to-face. (Romm, Pliskin and Clarke 1997)

“Computer mediated spaces where there is a potential for an integration of content and communication with an emphasis on member generated content.” (Hagel and Armstrong 1997)

“Virtual Publics are symbolically delineated computer mediated spaces, whose existence is relatively transparent and open, that allow groups of individuals to attend and contribute to a similar set of computer-mediated interpersonal interactions.” (Jones and Rafaeli 2000)
While Rheingold (1993) provides one of the earliest definitions of the term, and one that is most quoted in the literature (Kozinets 1999), many may question whether “with sufficient human feeling” is a necessary conditions for virtual community formation. Romm, Pliskin and Clark’s (1997) definition may not sufficiently distinguish it from general web sites. Hagel and Armstrong (1997) emphasize member generated content, while Jones and Rafaeli (2000) use the term “virtual publics” instead of virtual community. Based on the above definitions the term may be simply defined as:

“A group of individuals with common interests who interact with one another on the Internet.”

2. Typologies of Virtual Communities

Virtual communities come in different shapes and sizes and may have memberships of a few dozen to millions of individuals. These communities may extend from active forums like discussion groups and chat rooms to passive ones like e-mails and bulletin boards. Given that these communities are not geographically constrained, their size can be much bigger than typical physical communities and many millions of them exist on the Internet. Uncovering archetype or gestalt patterns is fundamental to the study of social science and research and several authors have proposed classification schemes for configurations of virtual communities.

Lee, Vogel and Limayem (2003) in their review of classification schemes of virtual communities identify Hagel and Armstrong’s (1997) and Jones and Rafaeli’s (2000) typologies as being the most popularly referenced. Kozinets (1999) too delineates four kinds of virtual communities. These three typologies are reviewed, and a further popular typology of affinity groups proposed by Macchiette and Roy (1992) as applied to the virtual environment is also proposed.

Hagel and Armstrong (1997) propose four major types of virtual communities based on people’s desire to meet basic human needs: interest, relationship, fantasy and transaction. Jones and Rafaeli (2000) further segment these communities by social structure, i.e., communities formed based on social networks, e.g., virtual voluntary associations, cyber inns, etc. and technology base, i.e., types of technology platforms, e.g., e-mail lists, Usenet groups etc.

Kozinets (1999) proposed the four types of communities as dungeons, i.e., virtual environments where players interact, such as for online video games, circles, i.e., interest structured collection of common interests, rooms, i.e., computer-mediated environments where people interact socially in real time, and boards, i.e., virtual communities organized around interest specific bulletin boards.
Finally, Macchiette and Roy (1992) proposed a typology of affinity communities that can also be used for classifying virtual communities. They defined communities as either being: professional (e.g., doctors, lawyers etc.), common interest (e.g., hobbies, interests), demographic (e.g., by gender, age etc.), cause-based (e.g., Sierra Club, Green Peace) and marketer generated (e.g., Disney, Nintendo) communities. These communities may also be constructed in the virtual environment.

It is also interesting to make other dichotomous distinctions of virtual communities such as: (a) between formal (e.g., associations) vs. informal communities, (b) commercial (which offers goods and services to make revenues that in turn fuels community operations) vs. noncommercial (communities created from the ground up by a group of individuals e.g., with an interest in stamp collection), and (c) open or public (where everyone regardless of their qualifications and individual profile can enter the community and participate) vs. closed or private (where outsiders are not allowed into the community, or where membership is very difficult to obtain).

2.1 Virtual Communities: Motivations, Mode of Participation, Characteristics, and Benefits

Rayport and Jaworski (2004) present a model of how the various components of a virtual community can be integrated. An adapted version of the model is shown in Figure 1. The model illustrates how members’ motivations for joining the virtual community, their mode of participation and the community’s degree of connectedness in many ways determine the characteristics of the community, which in turn influences the benefits sought by the members in these communities. The various components of the model are discussed next.

2.2 Motivations

A member’s reasons for joining a community may depend on a wide range of factors, such as affiliation (others like them are members of the community), information (about experiences, ideas and issues), recreation (meeting people, playing around, sharing stories etc.) or transaction (e.g., those who join a website for buying and trading possessions).

3. Mode of Participation

Participation can occur in a myriad of ways, e.g., through e-mails, chat rooms, discussion groups, online events, bulletin boards etc. Some (such as discussion groups, chat rooms) have more active members than passive members (e.g., e-mail or bulletin board).

3.1 Characteristics of Virtual Communities

With the growth and maturity of virtual communities, certain characteristics are prevalent. Adler and Christopher (1999) identify six such characteristics:

- **Cohesion**: Members seek a sense of belonging and develop group identity over time.
• **Relationships**: Community members interact and develop friendships over time.

• **Effectiveness**: The group has an impact on members’ lives.

• **Help**: Community members feel comfortable asking and receiving help from each other.

• **Language**: Members develop shared communication tools that have a unique meaning within the community.

• **Self-Regulation**: The community develops a system for policing itself and sets ground rules of operation.

### 3.2 Benefits to Members

Adler and Christopher (1999) further point out that the members of the virtual community develop various emotional benefits depending on the communities that they join. They include: inclusion, shared information and experiences, need fulfillment, and mutual influence amongst others.

### 3.3 Degree of Connectedness in Virtual Communities

The degree of connectedness in virtual communities also plays a significant role in how a virtual community develops. They can be classified as: weak, limited, or strong. This primarily depends on the degree of interactivity between and amongst members.

- **Weak**: Members of these sites have no opportunities of interacting with each other on an one-on-one basis, e.g., newspaper web sites, corporate web sites etc.

- **Limited**: These communities offer limited opportunities for members to interact with other, e.g., reading, posting information or opinions etc.

- **Strong**: These communities offer chat rooms and message boards and allow users to form strong bonds with each other.

Research has shown that both strong and weak connectednesses have their own advantages. While weak ties are shown to facilitate such tasks as finding jobs (Granovetter 1973), strong ties are required to facilitate major changes in the communities (Krackhardt 1992). Figure 1 is presented below:
Figure 1: Virtual Communities: Motivations, Mode of Participation, Characteristics, and Benefits

Members’ Motivations for Joining Virtual Community
- Affiliation
- Information
- Recreation
- Transaction

Members Mode of Participation in the Virtual Community
- E-mails
- Chat rooms
- Bulletin Boards
- Discussion Groups

Community Characteristics
- Effectiveness
- Help
- Cohesion
- Relationships
- Language
- Self-Regulation

Benefits to Members
- Shared Experience
- Inclusiveness
- Need Fulfillment
- Information

Degree of Connectedness

4. Stages of Virtual Community Life Cycle

Kim (2000) proposes a five stage virtual community building process which progresses as follows:
1. **Visitors:** These are individuals who “lurk” in the virtual community, yet don’t participate in them.
2. **Novices:** They are new members or “newbies” who are usually passive and are busy learning the rules and culture of the virtual community and thus are not actively engaged in it.
3. **Regulars:** They are established members comfortably participating in the exchanges and make up the largest segment of the virtual community.
4. **Leaders**: These members are volunteers, contractors and staff who create topics and plan activities that keep the virtual community running.

5. **Elders**: They are respected members of the virtual community who are always eager to share their knowledge and pass along the culture of the community to the newer members.

Mohammed et al. (2004) further suggest four relationship stages: awareness, exploration/expansion, commitment and dissolution, and the varying level of intensity patterns as virtual community members go through membership life cycle. At the initial “awareness” stage, members have the lowest intensity levels and are likely to be considered visitors up until the exploration stage. At this second stage, these novices develop greater intensity and commitment to the site. The equity building efforts over time translate into the virtual members becoming regulars and subsequently leaders or elders. Finally, over time even the most committed members outgrow a community and become “departing friends.” Figure 2 illustrates these stages.

Farmer (1994) had earlier described four similar stages through which individuals in virtual communities mature. According to him, members begin as passives (attending a community, yet not actively engaging in it), and then go on to become actives (participating in communities and taking part in conversations). The highest levels of participation are displayed by motivators (those who create conversation topics and plan activities) and caretakers (those who act as intermediaries between members).

The “passives” are analogous to the “visitors” and “novices”, the “actives” are similar to the “regulars,” while the “motivators” and “caretakers” are equivalent to the “leaders” and “elders” in the Mohammed et al. (2004) model.
5. Strategies for Managing Successful Virtual Communities

Duffy (1999) outlines the eight critical factors for community success as recommended by Accenture, the Management Company. They are:

- Increasing traffic and participation in the community.
- Focusing on the needs of the members by using facilitators and coordinators.
- Keeping the interest high by provoking controversial issues.
- Involving the community members in activities and recruiting.
- Providing tools and activities for member use.
- Managing the cultural environment.
- Encouraging free sharing of opinions and information.
- Obtaining financial sponsorship.

6. Researching Virtual Communities

Kozinets (2002) suggests using “netnography,” involving ethnographic techniques in studying virtual communities for providing insights into the symbolism, meanings and consumption patterns of virtual communities. The method is derived from “ethnography” which was developed in the field of anthropology. Netnography involves the study of distinctive meanings, practices and artifacts of virtual communities.

Rather than approaching the problem from a positivistic or scientific point of view, where a researcher begins with a theory, develops and tests hypotheses and draws conclusions, netnography approaches the construction of meaning in virtual communities in an open ended manner using inductive techniques using grounded theory. Since the research technique by
nature is unobtrusive, ethical research guidelines must strictly be followed such as: a) fully disclosing his or her presence, affiliations, and intentions to virtual community members, b) ensuring confidentiality and anonymity to respondents, and c) seeking and incorporating feedback from the online community being researched.

6.1 Future Research Issues

There are several issues relating to virtual communities that are worth investigating. First and foremost is the issue of whether or not they facilitate socialization or whether they a threat to civilization. Some see them as a way of enhancing social capital between families, friends, and acquaintances, empowering individuals and organizations, creating new ways of relating to each other. Innovative firms leverage this power to create growth and create loyal customers. Others see them as a far cry from the regular face-to-face interactions, creating weak ties between strangers instead of strengthening existing ties between friends and neighbors.

Other issues deal with how to integrate online and offline communities, and developing appropriate metrics for such integration. How can these communities reduce member churn and build loyalty? What are the appropriate metrics for measuring community strength? Hanson (2000) suggests using content attractiveness, member loyalty, member profiles, and transaction offerings as possible metrics for measuring this phenomenon. Under what circumstances is loyalty developed through member-to-member relationships vs. content attractiveness vs. the transaction offerings? What is the most appropriate way of classifying the typologies and taxonomies of these communities? How are intentional social actions generated in such communities? (Bagozzi and Dholakia 2002) Are virtual communities likely to replace regular face-to-face associations in the long run?

Virtual communities of all shapes and forms are rapidly evolving and creating values for their respective members. Many such communities have over millions of members. These communities will continue to attract the interest of researchers from a wide range of academic fields in the future.

References


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**Terms and Definitions**

**Virtual Community**: A group of Individuals with common interests who interact with one another on the Internet.

**Netnography**: Using ethnographic techniques to study virtual communities.

**Characteristics of Virtual Communities**: Virtual communities are characterized by their level of cohesion, effectiveness, helpfulness of members, quality of the relationships, language, and self-regulatory mechanisms.

**Affinity Communities**: Communities that are based on profession, common interest, cause, demographic or marketer generated phenomenon.

**Stages of the Virtual Community Life Cycle**: Virtual community members go through four relationship stages, i.e., awareness, exploration/expansion, commitment, and dissolution.