

IMAGINING AN ALTERNATIVE DIGITAL DIVIDE: REFLECTIONS ON DIGITAL BOOKS

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***Abstract** Researchers have defined digital divide in a variety of ways, but with no conceptual framework to link different types of computer-mediated environments or indicate their interaction in influencing effective online marketing strategy. The potential of new media tools, used in an appropriate combination, and a strategy to manage each of these, can create the basis of a sound marketing strategy that integrates offline and online modalities. This paper aims to contribute to extant knowledge on digital divide, particularly the impact of e-reading devices on widening digital divide and also reinforce academic behaviour related to issues wider than publication, e.g. understanding consumer behaviour in the development of innovative business models in the industry, particularly marketing communications programme to target those segments that are digitally disaffected*

***Keywords:** digital divide, digital items, e-reading devices, value-in-exchange, value-in-use.*

1. Introduction and Contextualisation

There is a raging debate in expert circles about the definition of the digital divide itself, and in this debate lies the key to the conceptual framework for this research. Popular perception seems to point to at least this one common understanding of the digital divide on socio-economic differences (James, 2008; Castells, 2002). Literature relevant to purchasing behaviour reveals a lack of understanding of individual motivation to purchase digital items, particularly e-books. Even though companies clearly provided an innovative and profitable business model centred on the sales of digital items, the reason that individuals purchase and use digital books remain unclear (Kim, Gupta and Koh, 2011) and a number of studies have relatedly pointed towards digital divide (Ozuem and Lancaster, 2012; Samuelson, 2002; Kiiski and Pohjola, 2002). Thus, customer value propositions in the digital environments have been approached from many different directions, but we concentrate on the value propositions between value-in-exchange and value-in-use dimensions suggested by Kowalkowski, (2011) and adopt the following point of view. In accordance with the view of Holbrook (2006), Kowalkowski, (2011) provided pragmatic explication that treats ‘value-in-use’ as a higher-order concept than ‘value-in-exchange’, while acknowledging that value-in-use deserves at least equal emphasis in any practical definition of the value proposition. Kowalkowski (2011) proposed two bifurcated value creations: value-in-exchange, the negotiated

evaluation that buyers and sellers offer and receive among themselves and value-in-use as higher order value propositions. He urged for deeper understanding of value-in-use, aimed at helping firms to craft competitive value propositions, but offers few suggestions on how this might be accomplished. It is demanding to pursue a true service strategy with a comprehensive focus on value-in-use, on account of the time, cost and effort implications, and possibly of conflicting business logic, customer strategies and buyer behaviour. Kowalkowski (2011), in particular, influenced practitioners and researchers to start grappling with customer-provider dyad in networked environments. In a recent study, Jolibert, Muhlbacher, Flores and Dubois (2012) posited that stakeholders evaluate the offer of a potential exchange partner by considering its fairness as well as its equity. They go on to contend that the fairness of an offer is assessed by comparing the benefits to be gained with the sacrifices to be made. They identified three dimensions of perceived benefits as well as sacrifices:

- 1) The exchange preparation process,
- 2) The exchange itself ,
- 3) The consequences of the exchange.

In making this assertion, they appear to overlook the direct link between the ‘medium of exchange’ and the satisfaction of specific customer needs. In our view, the content of electronic media differs from print media along a number of significant dimensions that interact with the medium of exchange. In computer-mediated marketing environments, the boundaries of interaction become much fuzzier than the physical locations. As Thompson, (1995) notes: ‘the development of communication media not only creates new forms of interaction, it also gives rise to new kinds of action which have distinctive characteristics and consequences. The most general characteristic of these new kinds of action is that they are oriented towards or responsive to actions or other persons who are situated in contexts that are spatially (and perhaps also temporally) remote. In other words, the development of communication media has given rise to new kinds of ‘action at a distance’ which have become important in the modern world’ (p. 100). He goes on to suggest that the growing significance of communication media not only creates means of communication, but creates ‘action at a distance’ which may alienate some individuals’ clear experience of the impact in the consumption process. The contextual nature of value implies that it is uniquely and phenomenologically determined by the customer and created during in-use experience (Vargo and Lusch, 2008). It is important to recognise that the nature of value is eminently transient and contextually bounded, which is determined by the customer. The development of sustainable competitive advantage depends on understanding a number of abstract dimensions of quality in the interactive digital marketplace. Discussing customer intention to purchase digital items in social networking sites (SNCs), Kim, et al. (2011) defined ‘functional quality (an aspect of functional value) as the perceived

overall excellence and expected performance of a digital item which can take on different qualities across SNCs' (p. 230). The quality of a graphical digital item may include its features (e.g., motion of digital avatars). Essentially, the content and the means of digital items differ from the quality of tangible product, which is generally measured in terms of its performance. Meyrowitz, (1997) takes up this gauntlet, stating that the spread of printing, radio, television, telephone, computer networks and other technologies have altered the nature of social interaction in ways that cannot be reduced to the content of the messages communicated through them. Drawing on the work of McLuhan, (1964) in his ground-breaking book: 'Understanding media: the extensions of Man', which notes that the 'medium is the message', Meyrowitz (1997) extends McLuhan's ideas and outlines a theoretical perspective he terms 'medium theory'. He contends that the importance of the 'means of communications' impacts on recipients' perception of message content. Whilst it is beneficial to know that technological advances usher in new ways of communicating with various stakeholders, and the means of communicating the underlying contents are fractionalised and marginalised with some segments straying away from the perpetuation of digital consumption processes, Meyrowitz explication fails to address the enhanced relative disparity of digital consumption in the emerging e-book digital tapestry. In terms of digital consumption, the commercialisation and the burgeoning spread of digital books as means of communications supports enlightened disparities and creates digitally disaffected consumers. The new emphasis on reading through digital processes increasingly alienates literate adults and widens the gap between those who read well and those who do not. In addition, it can isolate literate adults from the spheres of knowledge acquisition, simply because they find the means inaccessible or the means fails to meet up to their expectations.

2. Extended Digital Divide

The buying behaviour of book consumers has undergone several shifts and revolutions since the dawn of the book selling industry. Several major changes in the book publishing industry have occurred, beginning with the invention of the mass market paperback. The paperback dramatically increased the speed of product to market and expanded the types of books available. The tasteful aesthetics of hard cover books were as important to discerning purchasers as the quality of the content. In contrast, paperbacks were produced quickly and inexpensively, with scant regard for taste in content or cover. Low cost Westerns, romance novels, sci-fi, spy novels, etc., opened the world of books to the masses. It was perhaps the single greatest innovation in twentieth-century publishing (Feather and Sturges 1997). Perhaps a similar pronouncement will be forthcoming about digital format books and the impact they are having on the industry today. Just as the significance of the modern paperback...is not solely in its physical form, the significance of digital format books

is not solely a switch from paper to screen. It is emblematic of the overall shift of society into the digital age.

Another major shift in the publishing industry occurred when on-line bookstores such as Amazon.com arrived in the 1990's. With no physical locations to support, these on-line stores were able to provide access to a huge range of titles for low prices. On-line retailers made it possible for consumers to search for titles related to their initial search, read reviews by other readers, and preview pages of books. Along with its competitors, Amazon.com "changed the landscape...with literally millions of listed titles, quick search systems, a number of appealing attributes ('people who bought this idea also purchased ...') quick and efficient ordering and paying procedures, and fast delivery (sometimes free) [they] convinced many people it was safe and easy to order books on the Internet" (Greco, 2004, p. 42). More recently, the evolution of printing technology brought about the print-on-demand era, which has complemented the on-line book shopping experience by making books with small to zero print runs available. On-line bookstores like Lulu.com can offer a huge range of titles which are only printed when ordered (Anderson, 2006). Sites like Lulu.com, Blurb, and Amazon's own CreateSpace have created pre-press technology which removes barriers of expense and the need for specialised publishing knowledge and has contributed to the increase in breadth of titles sold by on-line retailers.

Before the advent of digital format books, on-line book retailers were only selling physical goods on-line, termed partial-play e-commerce. The entrance of e-books to the mainstream market created the opportunity for on-line book sellers to engage in pure-play transactions, which further reduce distribution costs. E-readers such as the Kindle and iPad have seamless connections to e-book titles on-line, allowing for instant download of huge digital libraries. The combination of instant digital delivery with on-line search capabilities opens up millions of titles to the book consumer, even more than e-commerce sales of print books did. Barnes and Vidgen, (2003) showed in a study of consumer preferences for on-line book shopping that the most important features for web site users are ease of site use, finding accurate information, and being able to reliably transact and receive goods. Additional studies and market research have presented evidence about how best to serve - more adept on-line consumers, whose shopping expectations continue to change (Cao, Zhang, and Seydel, 2005). For example, Martin and Norton, (2009) explored the impact of partitioning attributes on consumer buying behaviour on-line, finding that attributes set as separate categories received heavier weighting than those grouped together. According to Martin and Norton (2009), the set-up of a website and how items are categorized relates to the overall theme of ease of site use and of finding accurate information sought by the consumer. The idea that consumer valuation of

attributes is influenced by how information is partitioned or presented is relevant to book buying, particularly with e-books. One side effect of digital formats is the homogenizing of the physical attributes of books to what is seen on a particular size screen. This serves to emphasize only the attributes central to the content, which by default will have more importance.

3. Conclusion and Managerial Implications

The development of a field of study depends on the relatedness of scholars ontological assumptions around the object of study. In this current study, we have attempted to contribute further (albeit, succinctly) by extending debate on the development and adoption of digital books. There are conceptual ambiguities around the concept of digital divide and the contradictory findings in the literature. For example, one major disjuncture is the emphasis on inequalities in material access to ICTs, which focuses on the technical and infrastructural domains of digital divide. One major conclusion from the current study is to identify that the challenge for researchers and practitioners in the field of marketing, particularly in the design and implementation of marketing communications programme is to cautiously re-examine their perspectives on emotional positionality of digital divide. However, as we have argued, a conceptualisation that focuses on the affective aspects of digital divide would render the conceptualisation of research less problematic than the current emphasis on two master interpretations or frames of the problem – inequalities in material access to ICTs, and inequalities in the skills necessary to use ICT effectively. Although, there may other viable approaches, we would argue that a focus on the emotional positionality of digital divide, offers a much wider spectrum in the design and development of strategic marketing communications programme that would integrate the two major frames into wider and inter-subjective design of marketing communications programmes.

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