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Domains of Digital Marketing Channels in the Sharing Economy

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The sharing economy has experienced major growth in a short period with little academic research that has looked into possible logistic factors that may have contributed to this phenomenon. This article explores the domains of digital marketing channels—specifically e-mail marketing, social media marketing, and search engine marketing—to understand how they can contribute to growth for organizations in the sharing economy. A detailed conceptual model of the decision spectrum necessary to coordinate digital marketing channels is presented and a special case is made for the role branded-mobile applications play in this context. In particular, branded-mobile applications leverage three embedded components to overcome common deterrents for participating in the sharing economy: trust, utility, and user experience.

Keywords: *branded-mobile applications, digital marketing channels, digital marketing channel strategy, search engine marketing, sharing economy, social media, United States*

Marketing channels have dramatically changed with technology and innovation over the last century. Increasingly, marketers desire to reach value partners, especially consumers, with more efficiency, effectiveness, relevance, and persuasive power. No transition has laid the foundation for more essential change to marketing channels than the digital revolution. Indeed, the invention and widespread adoption of the Internet has forced a reconceptualization of what constitutes a marketing channel in every context, from supply chain management (García-Dastugue & Lambert, 2003; Kozlenkova et al., 2015) to social relationships and word-of-mouth (Berger & Milkman, 2012). This is especially true for organizations in the sharing economy with Koetsier (2015) recently reporting that 17 are worth US\$1 billion or more. In this context, the exploration of digital marketing channel strategy designed to

simultaneously reach, grow, and retain a substantial consumer base in record-setting time frames is very important.

Digital marketing channels function very much like traditional marketing channels by coordinating the delivery of products and services from their point of origin to customers through a specific kind of supply chain (Pride & Ferrell, 2017). The supply chain in question consists largely (save physical production) of unique tools and methods that ensure delivery of products and services primarily through online digital connections via the Internet. Because the Internet has spawned entirely new categories of products and services that can be made, promoted, and delivered with networked computers (online tax services, for example), there is a need to more accurately study how these products and services get from various points of origin to their end customers.

Thus, *digital marketing channels* refer to Internet systems that have the ability to simultaneously create, promote, and deliver value from producers to consumers through digital networks. In some instances, a complete

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value chain transaction can occur entirely online. Software as a service (also referred to as *SaaS*), for example, constitutes products designed for use on computers and delivered to consumers over the Internet. Indeed, physical products may not originate or transport in digital landscapes, but their research, customization, purchase, review, and post-purchase communications can occur through a well-designed mobile application (also referred to as *mobile apps* or *apps*).

Conversely, the Internet has produced new efficiencies in the commoditization of information in that transactions often occur between consumers and firms for the cost of the customer's e-mail address for a subscription to keep them updated on promotions and / or to download a sample of research, entertainment, or other kinds of relevant material. In addition to such access, the built-in control, efficiency, and low cost of digital marketing channels is a significant feature of their application within the sharing economy.

Consensus on the definition of the sharing economy has proved somewhat problematic (Botsman, 2013). Telles (2016) has observed that companies such as Uber and TaskRabbit actually offer a digital platform that allows service providers and consumers to connect with each other.^{1,2} He considers it less a "sharing" scenario (implying there is no fee involved) and more a case of digital matching in which an individual uses his or her own underutilized assets to make money. Telles refers to these companies as *digital matching firms*—a term that as of this writing has not gathered traction in popular culture.

For the sake of clarity, this article will use the term *sharing economy* when referring to the larger phenomenon of an economic model that involves underutilized personal resource transactions, with one exception. In the specific context of underutilized economic models with transactions that occur entirely online through mobile devices, the term *gig economy* is used (Ferrell et al., 2017). In both contexts, the emphasis is on the particular resource model and applying the concept of digital marketing channels for user growth and value delivery.

Massive growth in compressed time-periods has characterized a number of companies in the sharing economy. As a whole, the sharing economy has grown faster than Yahoo, Google, and Facebook combined (Matofska, 2015). The first seven years of the sharing economy has seen growth of US\$15 billion, where the aforementioned power trio realized US\$11 billion in their first seven years. Some estimates speculate that by 2025, the global sharing economy could reach US\$335 billion in total revenue (Carson, 2014).

Explanations for such rapid growth include the digital platform business model (Parker et al., 2016), depressed labor markets, and as a result of the 2008 financial crisis (Roose, 2014). However, another, less explored contributor to the growth and success of the sharing economy includes significant changes to marketing channels. These changes, when combined with a genuinely innovative product / service, allow scaled growth at unparalleled levels in history.

The most common and widely used digital marketing channels in the sharing economy are presented and divided into three domains: e-mail, social media, and search engine marketing (SEM). These domains reflect the digital marketing industry that has been a key instrument in driving growth strategies within the sharing economy. This is especially true of those that rely on matching products and services to providers and consumers through Internet technology (Telles, 2016).

This does not mean that the sharing economy relies on, or is exclusively bound by, digital marketing channels; rather, the focus is on those corners of the sharing economy that have leveraged these channels for quick and effective growth in consumer base. This is an important contribution to the channels literature because of the lack of strategy-level research in this particular area of study.

A special case is made that branded-mobile applications represent a unique digital marketing channel that has proven particularly well suited for rapid growth in the sharing economy. *Branded-mobile applications* refer to a specifically designed software interface that a user downloads to a mobile device for the sole purpose of branded engagement with a company via entertainment, information, and / or market transaction.

The development of mobile-based digital marketing channel strategies is particularly effective in creating, communicating, and delivering value in the sharing economy. A distinctive feature of mobile apps for the sharing economy is the *utility* value of most successful sharing-economy organizations—that is, offerings within the sharing economy that are practical in nature, such as a place to work, a room to rent, food to share, and so on. Utility value also corresponds to one of the most popular uses (save entertainment) of mobile apps (Chaffey, 2016).

Mobil apps also have two other built-in features that accommodate growth: *trust* and *user experience*. A common feature found in mobile-app trust is the ability to rate the quality of a product or service. This provides consumers with confidence to pursue the product or service. Likewise, a common feature found in user experience is the ability to pay quickly and easily for the product or service within the mobile app.

This article provides four relevant contributions to the marketing channel literature. First, the article provides a conceptual explanation of the most common domains of

¹For additional information, see <https://www.uber.com/>

²For additional information, see <https://www.taskrabbit.com/>

digital marketing channels used in the sharing economy. Second, an account is provided of how digital marketing channels have influenced staggering growth within the sharing economy. Third, a description and conceptual development explores mobile apps as an effective digital marketing channel. And, fourth, this work facilitates future research by establishing the domains of digital marketing channels.

Combined, this research provides the foundation for conceptual extrapolation beyond the scope of the sharing economy into other areas of marketing's domain. Moreover, it will also serve to help managers of both startups and existing companies who desire to better leverage digital marketing channels strategically and engage the digital landscape more effectively.

Substantive research on digital marketing channels consists largely of fine-grain analyses of digital marketing channel performance (e.g., e-mail in Dapko & Artis, 2014) or consumer behavior on digital marketing channels (e.g., social media marketing in De Vries et al., 2012). What appears to be missing is an overarching conceptualization of what constitutes digital marketing channels as reflected in business practice upon which there is an enormous industry built. The disparity between extant research and practice indicates the need for work focused on conceptualization of digital marketing channels, how they work, and their role in growth.

The structure of this article begins with an abbreviated overview of what constitutes the most common digital marketing channels divided into three domains: e-mail marketing, social media marketing, and SEM, key instruments in the process of delivering value and, in many cases, products and services solely distributed online. This is followed with a contextual description of the relationship between sharing-economy organizations and digital marketing channels. Then, an exploration and description of how mobile apps, in the context of the sharing economy, have become an incredibly efficient and effective means of facilitating growth accomplished through expert design and user insight is presented.

DOMAINS OF DIGITAL MARKETING CHANNELS

The number of choices and decisions necessary when selecting a digital channel strategy is increasingly overwhelming in the post-digital age. E-mail, social media, and SEM, that includes search engine optimization (SEO) and pay per click (PPC) advertising, each contain countless tactical options and variations. In addition, new social media platforms are introduced and made obsolete within the digital landscape almost weekly.

Well-developed channels such as e-mail marketing and online advertising continue to produce significant return on investment when properly managed, in part due to

their highly targeted reach and flexible low-cost configuration potential. The benefits of e-mail as a marketing channel are well documented in practice. For example, Forrester Research reports that 89% of marketers use e-mail as a lead generator, providing 50% more sales-ready leads with 33% lower costs (HubSpot, 2016).

Periscope, a live video-streaming social media platform owned by Twitter, represents a newer social media platform. It produced 200 million broadcasts in its first year by more than 10 million users (Trefis Team, 2016). However, with many newer platforms it is unclear which will be the most beneficial for growth in the early stages of a digital channel strategy, requiring iterative and experimental selection. This puts a considerable burden on decision making associated with channel reach and target-market engagement.

Figure 1 represents a partial decision-spectrum based on the three most established areas of digital marketing channels: e-mail marketing, social media marketing, and SEM. This does not represent a hierarchical process of decision order or magnitude; rather, it demonstrates the inter- and intra-connectedness that exists in digital marketing channels. It does not capture every component of each of these domains, but is a broad overview that presents the various features of digital marketing channels and channel strategy.

Within each of the channel domains there are several decisions and tactical experimentations, all requiring ongoing target-market research. However, along with these challenges come unique benefits leveraged in the digital environment that have not been possible through traditional marketing channels.

Table 1 provides a summary of the components of digital marketing channels and their associated factors of differentiation from traditional marketing channels. For example, there are an increasing number of analytic packages available and platform-indigenous metrics that provide measured channel activity in the context of digital marketing channels. This in turn delivers real-time data for iterative corrections during tactical execution of a digital marketing channel strategy. Understanding the major components of the three major domains of digital marketing channels is useful for contextualizing the changes, challenges, and opportunities facing sharing-economy organizations and how many of them have utilized the Internet for growth in user base.

Content creation is the act of producing and / or reproducing intentional and relevant information for a target market. It is one of the most challenging components of digital marketing channels. It requires a deep knowledge, intuition, and experimentation regarding what will resonate with target markets across channels and is a central issue for all domains of digital marketing channels. Often, one of the most daunting aspects of content creation is the decision of whether to task existing employees

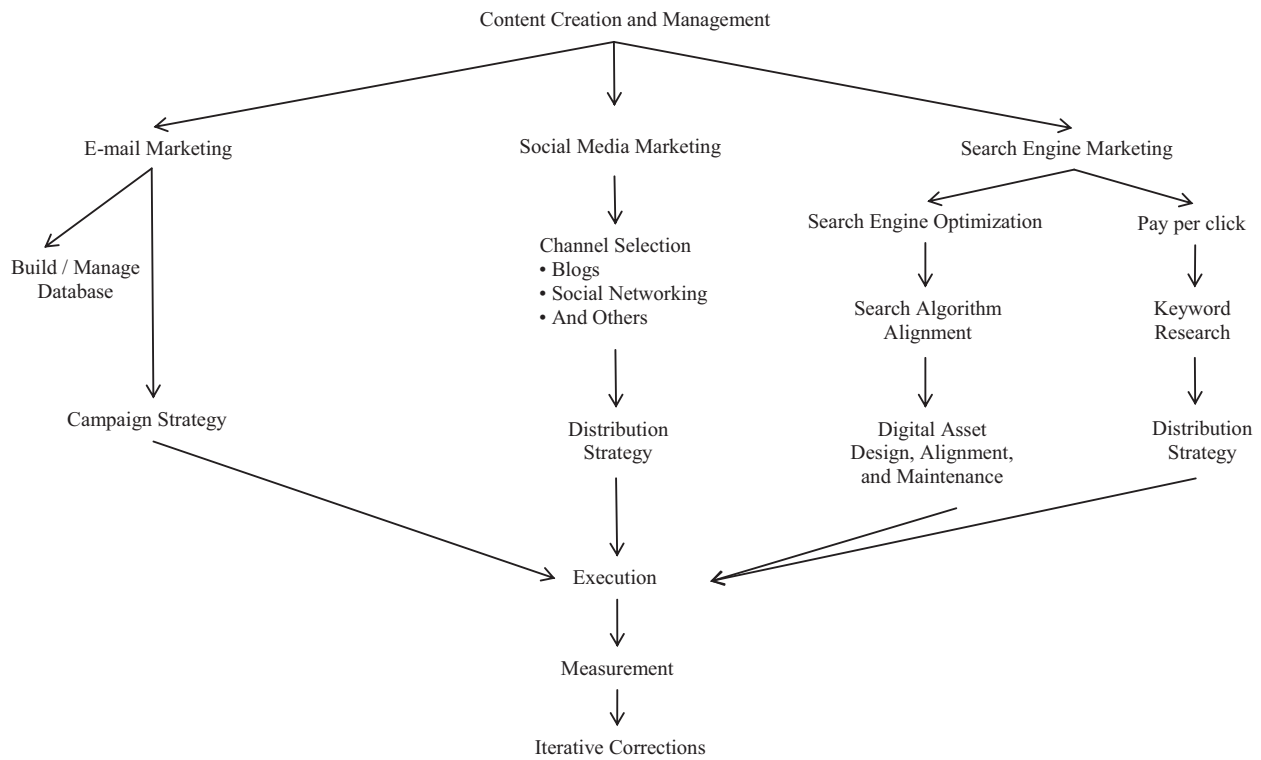


FIGURE 1 Digital marketing channel decision spectrum.

within the organization, hire specifically for the role of content creator, or outsource content creation to a third party.

Measurement is the use of specific metrics that provide a variety of analytic information based on goals and objectives specific to strategic goals and objectives of a channel strategy. It is not an end result, rather, it is an ongoing necessity that provides real-time information

integral for the effective management and iterative correction of digital marketing channel strategy.

E-mail marketing is the direct marketing technique that blends the lines between informative, promotional, and customer relationship management. It requires the development or purchase of a recipient list made up of an organization's past, present, or potential customer base. One critical aspect to effective management of an e-mail

TABLE 1
Components of Digital Marketing Channels

Channel	Description	Differentiating factors from traditional marketing channels
E-mail	Direct digital channel for delivery of informative and promotional content for customer relationship management.	Mass customization for content personalized for individual recipients. Immediately measurable and updatable in real time.
Social media	Text, photo, audio, and / or video content that is easily shared among an interconnected group of users.	Capable of global word-of-mouth effects and content dissemination with two-way engagement. Immediately measurable and updatable in real time.
Search engine optimization	Long-term strategy for delivering consumer-relevant content and producing higher ranked search results.	Ability for firms to influence digital access of their content and deliver relevant information to customers. Immediately measurable and updatable in real time.
Pay per click	Paid online advertising that delivers search-query based content.	Direct pathway from initial offering to final conversion. Immediately measurable and updatable in real time.
Branded-mobile application	Firm-specific software interface designed to be downloaded to a mobile device for the sole purpose of branded engagement via entertainment, information, and / or market transaction.	Immediate geo-temporal access to potential customers along with core elements (trust, utility, and user experience) that facilitate growth and conversion.

database is taking advantage of the segmentation potential to create relevant content and promotion based on criteria such as gender, age, and / or purchase history.

There are also various strategic decisions about an e-mail campaign such as balancing promotional offers with relevant content in the form of a newsletter that does not focus on making a sale. Newsletters, unlike promotional e-mails, strengthen consumer relationships through the dissemination of relevant content related to the particular industry in question. The content can range from educational to humorous, but is meant to demonstrate a shared interest between the consumer and the organization. Newsletter e-mails are also responsible for establishing the voice of the organization and its authority as an expert in the particular industry in which it operates.

Another component of an effective e-mail marketing strategy involves timing. The over use of a direct digital marketing channel such as e-mail can surpass relevance and become intrusion. This may lead to high unsubscription rates and damage important associations about an organization's brand. Indications of intrusion can be measured with key performance indicators (e.g., how many e-mails are opened, forwarded to other recipients, or immediately thrown away). Unlike traditional marketing channels, e-mail marketing provides direct consumer access that is customizable for large audiences, measurable, and can be updated in real time.

Social media has become a catch-all term that encompasses the more ubiquitous social networking sites (e.g., LinkedIn, Facebook, YouTube, etc.), as well as blogs (e.g., WordPress, Blogger, etc.) and micro-blog platforms (e.g., Twitter and Snapchat). Social media is defined by content that is easily shared among an interconnected group of users, most commonly in the form of text, photo, and / or video.

Once content creation and management decisions are made, decisions of how to distribute the content becomes paramount. Often, the goal is to have information spread as widely through user groups as possible both within and across social media platforms. Unique to social media marketing is the two-way nature of communication that marketers can use to listen and respond to their network base. Another goal can be to elicit user-generated content to create word-of-mouth effects that produce personal referrals within networks.

Key performance indicators typically monitored in a social media strategy include platform-specific metrics (e.g., Facebook "likes" or Pinterest "pins") and metrics indicating shares and / or forwarded links to the content. If enough sharing occurs, the content reaches a critical threshold and becomes *viral* (Hinz et al., 2011). Viral content experiences exponential growth through widespread network effects amplified by mainstream media coverage and Internet websites that publish aggregated trends.

The current state of social media facilitates word-of-mouth effects far greater and in shorter time frames than seen with traditional marketing channels. This challenges traditional channels on a number of levels.

First, individuals are now capable of sharing information through networks to create global reach in a matter of hours. Marketers use this as a powerful tool to leverage engagement and provide value through the commoditization of information.

Second, social media is integral for building relationships in both business-to-consumer and business-to-business environments (De Vries et al., 2012; Michaelidou et al., 2011). This is an important tool to establish and reinforce business associations formerly reserved for front-line sales. The efficiencies of managing a professional social network between a sales force and consumers can be very high.

SEM, encompassing both SEO strategy and PPC campaigns, requires a significant knowledge of the technology embedded in specific platforms. *SEO* is the long-term, ongoing improvement of content and digital-asset design with the intent to rank as high as possible on search engine result pages.

When a user enters a search query into a search engine there are two kinds of results provided, those that occur based on the perceived relevance and performance according to the search engine algorithm and those paid for in the form of advertisements. To manage effective SEO strategy, there must be a thorough understanding of search algorithms used by search engines such as Google, Bing, and Baidu.

The purpose of search engines is to populate relevant results based on search queries. However, there is a constant barrage of individuals attempting to "game" the system and show up in search results by manipulating weaknesses in search algorithms rather than by producing superior content and / or superior user experience. Thus, search engine engineers are motivated to combat exploitative SEO practices and make algorithm changes accordingly. For example, Google has changed their algorithm (that reportedly looks at over 200 pieces of information when deciding on what kinds of results to aggregate) to favor content themes over individual keywords, fresh content over older information, and websites designed for mobile use over desktop only.

There are also elements of design that communicates to search engines that a website creates value for visitors. Good user experience signals to search engines that visitors find this site useful, relevant, easy to navigate, and spend time on it.

Another aspect of how search algorithms work is acknowledging third-party validation of content quality in the form of link building. If a credible website has URL links to another lesser-known website's content, the latter benefits from the former's perceived endorsement.

Key performance indicators for effective management of SEO include search ranking and a number of onsite user behaviors such as time on page, page exits, and unique visitors, to name a few.

SEO also challenges traditional marketing channels by delivering a very large amount of relevant information to potential consumers based on specific search queries. Similar to social media marketing, the commoditization of information is an important part of SEO's value offering. Product and service communication that in the past may have only occurred through value-chain activities are now available on businesses' websites. This positions the potential consumer in a place of channel power, whether upstream or downstream, because of the amount of comparison research available.

Consumers now have the opportunity to self-educate and compare products, services, delivery methods, and payment options based on the kinds of information companies provide and search engines deliver. Companies must consider this, think about their target market, and prepare a wide variety of content that communicates relevance, their brand essence, and value proposition.

PPC is one of the most widely used methods of online advertising in the form of highly targeted content delivery. It depends on well-researched keywords and keyword phrases that when typed or spoken into a search engine prompts a specifically designed ad to display. A common form of PPC ads used in social media platforms that mimic the style and look of the platform's normal content (e.g., ads that resemble closely the normal Facebook newsfeed) is known as *native advertising*.

Regardless of the form of the PPC campaign, the advertiser only pays when a user clicks on the ad. It is crucial to understand where and when ads may have the most impact, requiring an understanding of display options and channel selection for overall distribution. Key performance indicators include click through rates, conversion rates, and a variety of platform-specific metrics such as Google's quality score, that in part determines ad placement based on previous performance.

Similar to the way SEO has affected and challenged traditional marketing channels, PPC represents another tool that when properly wielded provides a delivery vehicle for consumer value. PPC campaigns provide a direct pathway from an initial offering to final conversion. Once a consumer clicks on an ad, they are taken to a landing page where he or she can complete the transaction with just a few mouse clicks. The most effective PPC campaigns have well-designed landing pages to minimize the barriers to conversion.

Each digital marketing channel domain requires a unique, but shared, skill set, that when combined creates a synergy in the digital environment not possible in traditional marketing channels. For example, PPC campaigns

often align with SEO strategy to maximize thematic content privileged by search algorithms. The intention is to use keywords and keyword phrases in PPC ads that mirror customer search queries. Likewise, e-mail newsletters can reinforce content from an organization's social media channels (such as blogs) by having similar voice, themes, and relevance.

Community engagement can also be a source of effective and relevant content when consumers share their experiences or enter contests. This too creates web traffic that strengthens SEO strategy and influences search results. A pivotal addition to this synergistic planning is real-time measurement to provide insight for iterative corrections that provide flexibility and improvements unique to these domains.

DIGITAL MARKETING CHANNELS AND THE SHARING ECONOMY

Similar to the experience of many new companies, sharing organizations must make strategic decisions about what marketing channels will most effectively reach their target markets and deliver value. In this context, organizations in the sharing economy must balance lack of and / or limited initial funding with supplying the widest market possible. But, again in this context, digital marketing channels provide an incentive for experimentation because of its reach and low cost. However, not all sharing organizations choose to use digital channels; those considered within the purview of the Internet gig economy are often the most likely to do so. Airbnb provides an exemplar of the effectiveness of digital marketing channels through their platform that allows individuals to market their homes to travelers.³

In 2010, as part of Airbnb's growth strategy, the owners targeted Craigslist as a source of potential listings. This free digital platform (loosely considered a social network) was a "go to" environment for Airbnb's target market, consisting of individuals who desired hotel alternatives.

When individuals posted a place to stay on Craigslist, software developed by Airbnb would respond with an automated e-mail suggesting the user post their listing on Airbnb's website. The focus then moved downstream to users who were encouraged to share their experience through social media and invite friends through incentivized e-mail invitations, both of which create word-of-mouth network effects.

Airbnb also integrated social media into their customer service, sales, and operations teams that dramatically influenced their success (Holmes, 2013). Specifically, in 2011 Airbnb introduced the "Social Connections"

³For additional information, see <https://www.airbnb.com/>

feature that used Facebook to provide additional trust by allowing users to see if a particular Airbnb listing is within their personal social network in that it is perhaps owned by a friend of a friend or that perhaps friends have stayed there.

The use of Facebook as a supplementary digital marketing channel is also relevant in terms of the increasing use of mobile devices by consumers. For example, Facebook was the most used mobile app in 2015 (Eadicicco, 2015). Mobile use has grown at a rate of 58% year over the year (Chaffey, 2016) and most consumers who book travel on a digital channel will use their mobile device (eMarketer, 2015).

In 2013, Airbnb made a four-minute video based entirely on crowdsourced video around the theme of travel and adventure. The video produced hundreds of thousands of views on YouTube and was praised for its creativity.

Airbnb illustrates the flexibility and creative resources available through digital marketing channels and, when used together, form strategic channel synergy that is very effective for growth. Parsing out the embedded advantages of digital marketing channels in the sharing economy, we find: (a) a preponderance of time spent online either on desktop devices (including laptop computers) or mobile, with the latter experiencing increased preference; (b) low initial cost and highly specific targeting; and (c) the increased trend toward mobile use producing significant opportunity for growth.

Mobile Apps as a Sharing-Economy Marketing Channel

Mobile devices are significantly differentiated from traditional electronics (i.e., television, desktop, and laptop computers) because they are considered intimate personal accessories, rarely shared, that people keep on their person almost constantly and use for establishing and maintaining a variety of virtual (personal) relationships (Shankar et al., 2010). Common to all digital marketing channels is the opportunity to create and deliver value in unprecedented fashions, as well as to measure digital behavior and performance at levels never before seen. These features are significantly amplified on mobile devices and through mobile marketing efforts.

Shankar and Balasubramanian (2009) define *mobile marketing* as “the two-way or multi-way communication and promotion of an offer between a firm and its customers using a mobile medium, device, or technology” (p. 118). This definition focuses on the communication and transmission aspect of a firm reaching potential consumers through a mobile device, mainly to deliver a coupon or some other special offer (Andrews et al., 2016).

However, mobile devices, smartphones in particular, offer more than a means to transfer information. In fact,

the proliferation of branded-mobile applications have expanded mobile from a means of delivering promotional offers to a legitimate marketing channel delivering products and services (Kim et al., 2015). This encapsulates many digital offerings in the sharing economy, especially those delivered through the Internet gig economy where scheduling, reviews, pricing, and payment occur within a mobile app (Ferrell et al., 2017).

Intrinsic to the value of mobile apps is the geotemporal nature of the device that is often within arm’s reach 24 hours a day. Mobile marketing research has found substantial implications for marketers, especially in the areas of mobile service delivery, mobile browsing experience, applications to retailing, mobile app demand, and mobile advertising and promotions (cf. Shankar et al., 2010; Shankar et al., 2016). Conversely, research specifically on mobile apps is less well-developed (Bellman et al., 2011). There have been some preliminary findings, however, that confirm that mobile app use has a positive impact on purchase behavior, although more strategic considerations, observations, and explanations have not been as forthcoming (Kim et al., 2015).

Mobile apps as a digital marketing channel for growth provide holistic integration of features that overcome potential digital marketing channel roadblocks. They contain the most useful components needed to increase ease of use and facilitate conversion, for example, built-in ratings for increased trust and in-app messages for relevant and direct promotions. This is one reason why mobile app use has skyrocketed, particularly with Millennials (Chaffey, 2016).

Although the marketing literature is still catching up with the study and use of mobile apps, it is clear that their function as a channel for growth will be a continuing trend. In particular, the combination of three key dimensions provides the basis for understanding how and why individuals desire mobile apps and how the sharing economy has leveraged them for growth. The key dimensions are *trust*, *utility*, and *user experience*.

Trust is at the heart of many sharing organizations and represents a significant hurdle for reaching critical mass in terms of threshold growth. For example, the Internet gig economy often requires reaching out to a stranger to provide a service. In the case of a ride-sharing service, such as Lyft or Uber, the consumer needs reassurance that (a) someone will actually show up to give them a ride, (b) that individual will not put them in danger, and (c) the vehicle will be adequate (e.g., clean, roomy, etc.) for the consumer.⁴

Mobile apps facilitate very specific features perfectly suited for overcoming this kind of obstacle. For example, many techniques for establishing trust, also referred to as *credibility* in the digital landscape, come in the form

⁴For additional information, see <https://www.lyft.com/>

of user-generated content such as ratings, reviews, and social media recommendations (Jiménez & Mendoza, 2013). These are the exact features often highlighted and depended upon when using mobile devices.

In the case of Lyft and Uber, their mobile apps allow the consumer to (a) watch the exact location of the car and driver requested through a maps feature, (b) see previous ratings for the quality of the driver, and (c) make a choice about the car in terms of size, capacity, and luxury. However, as Urban et al. (2009) point out “trust is more than privacy and security” (p. 181).

For example, strong brand equity has been a powerful contributor to trust in the minds of consumers as are reliable transactions and consumer empowerment (Bart et al., 2005). This is where mobile apps demonstrate a challenge to traditional marketing channels. Mobile apps used for gigs have channel power designed into the delivery method that shifts engagement and value creation toward the consumer (Hoffman et al., 1999). Mobile app users are simultaneously the creators and receivers of sources of trust and credibility for sharing organizations.

Utility represents a particular kind of value that successful sharing companies offer potential users. These are practical products and services that have significant geo-temporal components best suited for mobile apps, such as car sharing (e.g., Turo), a place to stay (e.g., VRBO), or a doctor’s visit (e.g., Heal).

The Pew Research Center has shown that over 40% of smartphone owners use their device for banking, to find a place to live, and to find a job (Smith, 2015), activities that correlate with the kinds of utilitarian value found in the sharing economy. A significant portion of searches on mobile devices focus on location and immediacy, and these local searches are growing at an astonishing rate (Sterling, 2016).

This focus on practical, geo-temporal consumer needs emphasizes the kind of mobile apps that are well-suited for sharing organizations. TaskRabbit, a marketplace for chores, allows individuals to find help for odd jobs around the house (Ferrell et al., 2017). Its value proposition is finding trustworthy help quickly, close to the consumer’s proximity, and with convenient in-app payment.

User experience represents the overall satisfaction and ease of use designed into a mobile app. The most used apps are the ones that provide the best solution combined with the best user interface. User experience focuses on designing functional aspects, such as how to navigate to different features within the app, with creative aspects of how the app “looks.” The goal is to combine functionality and aesthetic components to create a tool that the user is satisfied with and enjoys.

Uber’s spectacular success is partially due to their mobile app that allows users to bypass all of the frustrations of traditional taxis through a well-designed mobile interface. A consumer hails a ride at the push of a button

on a screen that provides real-time information about the driver’s location, time of arrival, price, rating, and car choice. The user has the freedom to choose the kind of car, decide whether they want to share the price with a “pool” of other passengers, watch as the Uber driver arrives at the location with the integrated maps feature, and even decide to cancel the transaction if they wish.

This combination of real time and relevant information provides a significant level of marketing channel control for the consumer, placing them in an empowered position within the value chain. This amount of channel power and options for practical solutions has also influenced how participants in the sharing economy think of ownership.

Ownership and Consumer Channel Control

Ferrell et al. (2017) point out that as sharing increasingly integrates into the traditional market economy, consumer attitudes change in regards to personal ownership. The option of borrowing or renting instead of owning resources is a genuine disruption (Price & Belk, 2016) in the status quo and in large part is more achievable because of transparency provided by information passed through, and accessible by, digital channels. Specifically, digital marketing channels that provide relevant content and product delivery are cocreated with a pronounced emphasis toward consumer control.

Consumers have choices about features of consumption such as the timing of service delivery and features of communication such as whether or not they receive e-mail and push promotions and newsletters. In this context, consumers are free to share (or discard) brand communication information and service experiences with others and may choose to complete a purchase immediately or in the future.

Likewise, the increased use of ad blocking software provides consumers with control to limit their exposure to promotional campaigns. Consumers choose the amount of push notifications they receive, the type of instant payment used and whether or not to delete the app—effectively severing the marketing channel connection. This amount of channel power necessitates improvement in every kind of communication and service delivery experience, especially as the sharing economy develops and attracts more competitors. Through these channel innovations consumers have more freedom and access to solutions beyond personal ownership and the burdens that come along with it.

DISCUSSION

The sharing economy is showing every indication that it is going to continue to be an innovative market force

in the United States (U.S.) and around the world. It is clearly important that scholars begin to ask questions about how the growth of such an important industry works and what is applicable to other areas of business knowledge. The development of digital marketing channels such as e-mail, social media, SEM, and mobile apps, will no doubt continue to transform business conduct and market reach. However, the current state of understanding is under developed.

Although not comprehensive, the domains set forth in this article are an attempt to capture and reflect the reality of what sharing organizations' face when attempting to reach and provide value for their target markets. It is a starting point in the exploration of how growth occurs in this specialized context through the integration of channels that are both newly established and constantly changing.

The strength of digital marketing channel strategy is the ability to reach the target audience with highly honed and relevant content, measure the effectiveness of the efforts, receive immediate feedback, and make iterative changes in real time. Indeed, mobile apps encapsulate all of these features, but also amplify the utility value harnessed and reflected in smartphones and many services in the sharing economy based on geo-temporal offerings.

The concept of digital marketing channels is ubiquitous in practice; however, research within the marketing literature is fragmented and consists of performance analyses rather than conceptual observation and explanation (e.g., Kozlenkova et al., 2015; Watson et al., 2015). Because the Internet has so fundamentally changed the business environment there exists an opportunity for mainstream marketing research to provide theoretical and empirical insight that may affect many areas of business scholarship (Clark et al., 2014).

In the present digital business landscape, there is huge competition for the attention of potential users. Digital marketing channels provide one of the most cost effective and flexible formats for new startup-business strategy. There is also much opportunity for digital marketing channel strategy beyond consumer end-goals in areas such as social marketing and corporate social responsibility (Key & Czaplewski, 2017).

Digital marketing channels also influence the nature of traditional marketing channels. There is increased integration between traditional and digital marketing channels with each pointing to the other in a seamless incorporation. Often, there is total integration between traditional and digital channels. For example, a company that sponsors a national event will often incorporate reminders to connect through social media. This is also true of print, radio, and television advertising, all with verbal or visual cues that direct consumers toward digital engagement.

The concept of engagement is becoming more complex as organizations must be more creative, entertaining, and relevant with transitions toward the two-way communication structure inherent in digital marketing channels. A traditional channel may be used to illicit feedback through digital channels as well as a means of discovering insight. Social media marketing spend continues to increase, indicating digital marketing channels are still in a growth stage and their effects will continue to be far reaching in not only the sharing economy, but the overall strategic-business context (Moorman, 2016).

There are still a number of risks and challenges present in the sharing economy. In some cases, even a well-honed digital presence and finely tuned mobile app may not be enough to attract venture capital or significant growth in consumer base. This is part of the need for more understanding in this area. In some cases, the issue of having enough demand for suppliers to facilitate, and vice versa, creates a balancing problem that influences startup traction for two-sided marketplaces (Parker et al., 2016).

Theoretical Implications

Exploring the domains of digital marketing channels has significant implications for theoretical development beyond the sharing economy. Unique to digital marketing channels is the nature of information as a commodity, providing value on multiple levels such as entertainment, informative, and educational.

Nimmer and Krauthaus (1992) point out that information products substantially differ from tangible goods in such areas as value, how they are bought and sold, and notions of possession. For example, thousands of individuals can possess the same information product at the same time.

Digital marketing channels, the use of e-mail and social marketing in particular, are creating and satisfying demand for information products at unprecedented levels. These transactions are often not ends unto themselves, but constitute a significant portion of digital marketing strategy to build brand and product awareness and community growth (e.g., increases in user subscriptions, product downloads, social network members, e-mail database development, etc.). To this end, understanding the domains and components of the most prominent and established digital marketing channels provides a theoretical context for studying novel transactions (such as an e-mail address "given" in exchange for a whitepaper or new song download). These complexities in the form of information-product exchanges create uncommon nuances and potential quandary in such areas as ethical concerns.

Ferrell and Ferrell (2016) note that upstream and downstream supply-chain relationships are built on ethical decisions resulting in a foundation of trust. Within the

confines of digital marketing channels and their strategic implementation and management, countless areas of potential shortcoming and ethical dilemmas exist. An understanding of the domains of digital marketing channels can help overcome these shortcomings and identify where firms need to be more proactive in addressing potential ethical concerns that affect their value chain relationships.

Identifying digital marketing channels and their function in digital marketing strategy contributes to the re-examination of marketing ethics, specifically in the realm of digital marketing (Ferrell et al., 2013). This is a much-needed intervention in the sphere of information products because of the ease of information manipulation. For example, blog posts that praise a particular product can easily be purchased by the manufacturer. Inauthentic and falsified user-generated content disrupts the agreement between potential consumers and product reviewers that unadulterated opinions and experiences are offered.

Digital marketing channel ethical guidelines can work toward combating this through the recognition that these domains are far reaching. Once unscrupulous practices are discovered, the news will spread quickly that a firm participated in such actions. This should provide incentive for the revamping of ethical codes to include digital responsibility for firm marketing efforts.

CONCLUSION AND FUTURE RESEARCH

This article critically examines the current state of digital marketing channels and proposes elementary models meant to capture the usefulness, complexity, and benefit demonstrated in the tremendous growth of selected sharing organizations in the sharing economy. Three of the most established domains of digital channels, e-mail marketing, social media marketing, and SEM, are described and explained along with how they are used in practice. A special case is presented for what represents the most innovative of digital marketing channels, branded-mobile applications. These serve sharing organizations particularly well because of the trust, utility, and user experience they deliver.

Many of the on-demand and Internet gig offerings within the sharing economy are positioned as practical solutions for common consumer needs in a variety of contexts. Along with embedded features of trust, utility, and user experience, mobile apps are constantly available to smartphone users who have their device near them almost constantly. However, there are still many questions in need of exploration concerning digital marketing channels and the sharing economy.

Future research could address in more detail the nuances of how managers use digital marketing channels in combination with traditional channels and what sorts

of decisions delineate this boundary. There is also a need for further exploration of how digital marketing channels change over time with user behavior and technology, especially in contexts outside the U.S. within various economic systems (Eckhardt & Bardhi, 2016). This is particularly relevant in developing nation states where sharing organizations may have a business model based more on individual needs rather than conveniences (Gollnhofer et al., 2016).

Decisions about what kinds of shared offerings are available in predominantly poor countries may complicate the more established domains of digital marketing channels given the ubiquity of mobile devices in places such as India, Indonesia, and Thailand (Economist Staff, 2016). This would provide new contexts for exploring the economic impact of mobile apps and mobile marketing efforts in these geographic locations, especially to the degree smartphone availability increases in these regions.

There is also a need to understand sharing-economy technology and competition between lean startups and large established organizations entering this arena (Economist Staff, 2016). In particular, large companies have the power and resources to undermine years of investments made by smaller entrants who have pioneered innovation. Recent investments by large and more established companies into the sharing space will also have a large impact that may fundamentally change the current sharing-economy climate. Once large organizations begin to move into the sharing economy, a central question may be how this affects marketing channel trust and consumer perception.

A closer look at social issues such as discrimination in the sharing economy is also needed (Guo, 2016). This directly affects Internet gigs such as ride sharing and home sharing where drivers and owners have access to personal information (e.g., name, photo, etc.) about the consumer requesting their service. Ge et al. (2016) looked at transportation network companies, such as Lyft and Uber, and found that the number of drivers who accept, but then cancel rides, more than doubles with African-American consumers. This probability triples with African-American males when compared with white males.

One possible solution could involve assigning anonymous identifiers such as numbers to identify potential riders instead of names to help guard against racial profiling based on whether the name sounds African-American. Research that tests ideas such as this as part of user experience and app design will be crucial as the sharing economy continues to develop in the U.S. and around the world.

It also appears that comprehensive theoretical exploration and description of the current digital marketing channel landscape is still underdeveloped. There is a need for synthesis in the fragmented research that exists across

mainstream digital marketing domains. Perhaps this is partly due to the limited exposure digital marketing channels receives in scholarly research and the relative newness of the subject matter. However, given the ubiquity of digital marketing channels in the business world, now is the time to remedy this.

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