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Exploring Product information leaks in marketing communications and product development

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Abstract

Title: Exploring Product information leaks in marketing communications and product development

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Five key terms: Product information leaks, Marketing communications, New product development, Explorative study, Viral marketing

Purpose: The purpose of this thesis is to explore the phenomenon of Product information leaks and to address whether it can be used as tool in marketing communications and new product development.

Methodology: This qualitative exploratory study has studied the phenomenon product information leaks using two case studies (Apple iPad and Sony Ericsson Xperia Play) from the telecommunications and gaming industry. Data from online conversations about product information leaks were gathered and managed by utilization of netnography and analysed through the method of building-theory from cases.

Theoretical perspectives: New Product Development, Integrated Marketing Communications, Product Life Cycle, Brand Equity, Viral marketing

Empirical foundation: The empirical data was gathered from the online conversations about Product information leaks of the products from the case studies as found in the context of articles and videos on selected websites (MacRumors.com, Ign.com, Engadget.com, and YouTube.com). Overall 11,427 comments were considered.

Conclusions: Product information leaks might be fully employed as a tool in (integrated) marketing communications and help the organisations during selected stages of new product development. The phenomenon can be categorised as a below-the-line and viral type of advertising. Furthermore possible implications on the initial phases of product life cycle are suggested. The exploration resulted into conceptualization of a novel theoretical framework of the phenomenon, serving as possible guidance for practitioners and contributing to existing very limited theoretical knowledge.

Acknowledgement

First and foremost we want to thank our supervisor Magnus Nilsson, who has supported us with helpful advice and suggestions during the whole process. Our journey throughout the thesis has been very intense and challenging. However, the subject of product information leaks has been very exciting and interesting to explore.

Lund, May 2011

Jakub Hodbod & Remy Van Leeuwen

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Acronyms

In alphabetical appearance

ATL	Above-the-line
BTL	Below-the-line
CMC	Computer-Mediated Communication
eWOM	Electronic Word-of-Mouth
IMC	Integrated Marketing Communications
MWC	Mobile World Congress
OS	Operating System
NDS	Nintendo DS
NPD	New product development
PIL	Product Information Leaks
PLC	Product Life Cycle
PSN	PlayStation Network
PSP	PlayStation portable
SCE	Sony Computer Entertainment
UGC	User generated content
WOM	Word-of-Mouth

1 Introduction

Approximately one month before Apple released its first tablet device, the iPad, in the U.S., pre-orders for the product were estimated to exceed 150,000 (Ricker, 2010). On the day of release, April 3rd 2010, more than double the amounts of iPad's were sold (Apple, 2010). People queued up at their local Apple stores in order to get their hands on the new device, not hesitating to splash out the premium price minimum of $499.

> *"It's beyond technology. It's a culture. It's a community. No other company can drop a device and generate this much energy. Every big brand has to be envious of what Apple can do,..."*

...claimed to New York Times by Rey Gutierrez, a die-hard loyalist with a tattoo of the Apple logo on his left hand. He had waited outside the San Francisco Apple store since 4 A.M. that day (Stone, 2010). He was not alone. People around the globe waited in lines and filled in pre-orders the minute they were available in order to purchase the product as soon as it was released and to be amongst the first share of owners. Ultimately, Apple actually needed to delay their international releases of the product due to the high demand of it in the United States (Franklin, 2010).

Such stories, as well as impressive facts and figures show the incredible demand that Apple had been able to build up, before and straight after the day of release, for their new product. Before the release, people were already aware of the new device and were even willing to buy it as soon as possible after its release.

Although it is apparent that demand for the iPad was high before and immediately after release, it does not actually provide any information as to how this demand was built up. There might be a general impression that because of the internet, people had become increasingly aware of new products before they are actually introduced. However, in case of Apple iPad, major U.S. media outlet, The New York Times published more than 104 articles only before the actual release (New York Times, 2011). People talked about the expected device on the internet and shared videos and pictures of possible designs and features of the future iPads. Many rumours and acclaimed information leaks from Apple circulated.

It looks nearly impossible that this entire "buzz" around new, not even officially introduced product was natural and organically created. This could indeed lead to a question whether the extreme popularity that led to the enormous demand even before the release could have been caused by all the unofficial information circulating on the internet as well as in the mainstream media.

What if this postulation would be moved even further, assuming that some of information circulating globally in both mainstream media and niche groups of company fans were literally "leaked" from the organisation (Apple) on purpose - in certain time, to certain audiences, to certain online and offline sources?

Surprisingly enough, the above-mentioned organisation has already directly admitted through one of its former senior marketing managers that it had intentionally spread some rumours and product information leaks in the past (Wright, 2010, Martellaro, 2010, Etherington, 2010). In this case, an interesting phenomenon might be emerging; The phenomenon of product information leaks. It appears to be more relevant than ever to explore and understand it and see what effects and implications it could have.

Therefore, this thesis will, throughout a qualitative study, explore whether prior to release product leaks could play a role building consumer demand. In addition, the phenomenon of product information leaks is assessed whether it can be classed and used as a strategic tool in marketing communications.

Before an endeavour to explore the phenomenon can begin, a starting point might be to understand the environment that surrounds present-day consumers and changes that have occurred in human interactions over the last couple of decades. It can be assumed that exploration of the phenomenon will be more successful when looked into that environment in more detail.

2 Background

With the onset of the new century, the speed of the growth of the technological development and the rise of digital media has been manifested as fast by both "popular" authors (e.g. Godin, 2001; Gladwell, 2002) and respected academics (e.g. Kotler & Armstrong, 2009; Grönroos & Lindberg-Repo, 1998). Amongst other things, they have contributed to a considerable increase in two-way communication mediated by computers and have spawned a new phenomenon of relatively impactful online social networks such as YouTube, or Facebook (Pringle & Field, 2009). As the same authors followed…

> *"…there has been extraordinary growth of user-generated content (UGC) through blogs and uploads to these community websites…"*

...enabled by the increased accessibility of the internet (Ibid: 101). The goal of this chapter is to further address the changes that are still shaping today's world of marketing.

As the adoption-rate of broadband access to the internet increased during the late 1990s (e.g. Gladwell, 2002), the resulting growth in integration of the internet within our western society and culture can be perceived as fairly exceptional. Being online is no longer a privilege for the 'chosen few' but nowadays a reasonably common part of western mass culture (cf. Meyrowitz, 1985; Holzner, 2008). It is widely argued that this exponential adoption has had a significant impact on the way business has been conducted and spawned a New digital economy (Negroponte, 1999) where the flow of information is digital and everything is based on the provision of knowledge, or smart virtualisation (Tapscott & Williams, 1996:5). Borg (1996:76) established that computer based (i.e. digital) information may provide organisations with information on sales, market share and trends in the demand supply of products and services. Others talk about Participatory economy, when marketers might use the ability to engage in meaningful dialogue with customers about their brands products and services (Chaney, 2009:13). New technologies and internet have also provided organisations with a whole new variety of tools and techniques for the promotion and communication of their products (e.g. De Pelsmacker, 2007: 112). The effects of these significant changes have not been observed only among the organisations, but more distinctively also among consumers.

2.1 Web 2.0

During its moderately short life span, the internet has undergone several changes which evolved the purpose and usage of the medium. Most commonly known, Tim O'Reilly (2004) coined the term *Web 2.0* which does not represent a new version of the Web, but rather a reflection, or change of mind set when thinking about the internet. According to him, the key shift from Web 1.0 to Web 2.0 is related to the understanding of the Web as a platform on which new applications are becoming constantly better through, and this should be stressed, the networking effect of the rising number of users. Typical examples of Web 2.0 content are, but not limited to, online social networks, blogs, video sharing. The Web 2.0 is also said to promote '*prosumtion'* which is a concept that addresses the shrinking gap between the producer and consumer blurring into the same person or group (Tapscott, 2006: 62; O'Reilly, 2004).

On the other hand, there has been a number of critical theories suggesting that the Web 2.0 is only artificially constructed, poorly theoretically rooted and does not actually exist (Vaitheeswaran, 2005). In addition, the concept of the Web 2.0 might be misused when exploited for commercial purposes (e.g. Keen, 2008).

2.2 Consumer 2.0?

It is imperative to understand what the kinds of people are that use the Web 2.0. Several authors (e.g. Palfrey & Glaser, 2008, Huntley, 2006, etc.) have addressed this problem. For example, Palfrey and Gasser (2008) distinguished three types of internet users. Digital natives (cf. with the concepts of Millennials (Howe & Strauss, 1991) and Generation Y (Huntley, 2006)) are consumers that have been born after 1980, when social digital technologies came online. They have all got access to networked digital technologies accompanied with the skills to use them accordingly. The second group include Digital settlers who were there from the start and are very sophisticated in their use of technology; they still rely heavily upon traditional and analogue forms of interaction. Finally, there is a group called Digital immigrants. This group of internet users learned how to use email and use social networks late in their life.

One of the major movements of using the Web 2.0 is that consumers are becoming creators and facilitators of digital content. Human beings are naturally social beings (e.g. Harré, 1979; Tredennick, 1960: 105) and statistics, such as 1.5 billion daily visits to social networks, (Wave.5, 2010) demonstrate clearly that people like to talk and interact online as well. Williams et al. (1988, as citied in Lundkvist & Sjöstrand, 2002: 118) describe the concept of interactivity as the degree to which participants in a communication process have control over, and can exchange roles in, their mutual discourse.

Nearly anyone can create content and anyone can interact with that content, affecting both its nature and the direction of publishing. Consumers are given the opportunity to create and interact not only with peers, but also with content such as text, images, videos and audio files. Especially digital natives seem to possess excellent research skills when it comes to digging up digital information and materials as well as manipulating them easily in order to create new forms of expression (Palfrey & Gasser, 2008:116). The output of these creations might be called User generated content (UGC)[1]

Some argue that Web 2.0 and especially social media are "a revolution in publishing" as online conversation always flows in two directions (Comm, 2010:2) and that a new form of information transfer has been created (Grossman, 2010). It should be critically reflected that despite the rise of Web 2.0 provided consumers with interesting opportunities it also gave another impactful tool to the hands of organisations. It is also questionable whether the proclaimed deliberation caused by Web 2.0 has really had that significant impact on consumers' free choices.

It has been widely argued that present-day consumers are using the internet in sophisticated ways (e.g. Springer, 2007:278; Gerezma & Lebar, 2008). Halligan (2009:6) explains that people shop and learn about products and services in a quite different way compared to just a few years ago, so marketers need to adapt.

People gather information online using search engines, the blogosphere and the social media sphere. Some authors (e.g. Weber, 2009:19) argue that today's consumers want engagement with products, brands and organisations solely on their terms and they are sometimes willing to participate on the creation of he brands. Nowadays, consumers seem to be sceptic, resistant to advertising which pressures organisations to improve the targeting of their marketing efforts in increasing relevance (Chaney, 2009: 222). To some extent the notion that today's consumers have...

> *"…morphed into information-hungry machines that are no longer willing to sit back and passively absorb information that companies feed them..."* (Gerezma & Lebar, 2008:108)

...might be accepted. However this overall excitement about the 'powerful new consumer' noted in some rather 'popular' studies on this topic (e.g. Gladwell, 2002; Godin, 2001; Gerezma & Lebar, 2008) has to be critically assessed. An example of the tattooed hard-core Apple fan mentioned previously rises questions to what extend the consumers have really become independent by using the 'endless' virtual information resources. The proclaimed awareness, sophistication and resistance to advertising and promotion might be therefore challenged (e.g. Marion, 2006).

The changes in both real and virtual world have attracted quite naturally the attention of both marketing practitioners seeking utilisation of these changes and academia trying to

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[1] Also known as '*user-created content*' (UCC) (Palfrey & Gasser, 2008: 114) or '*consumer-generated media*' (CGM) (Gerezma & Lebar, 2008: 93).

create sufficient theoretical understanding. This also further elaborates on the fact that the internet stimulated the further fragmentation of the media (Chaney, 2009:13; Brown, R., 2009:78) which challenges marketers' ability to reach consumers. Although marketing communication efforts in the Web 2.0 environment might be a relatively cheap alternative to traditional marketing (Weinberg, 2009: 7), it can also face organisations with difficulties as to how it should be used and interpreted properly. Nonetheless, several new marketing tools (e.g. electronic Word-of-Mouth, Buzz marketing, Viral marketing) have started to be employed by organisations in order to fully use the potential of the new setting as explained earlier.

In summary, during the 1990s, most of the organisations simply set up a website and presented their products. Marketing communications was mainly related to product introduction and promotion. As it has been illustrated, the environment in which organisations operate has fairly changed. To some extent, the consumers' expectations have transformed and therefore the way companies interact with consumers and customers has adjusted too. There is a growing need for instant interaction that suits the desires of today's consumers. Organisations were suggested to listen to their consumers more than ever before, and engage them with their brands (Weber, 2009: 31)

Consequently, instant interaction and conversation between brands and consumers are not limited only to existing products and offerings. As mentioned earlier, it might embrace the brand as a whole and go beyond it (e.g. causes, conversations related to the product development). It is suggested that some customers might be even able and willing to assist in the product development phase and engage and educate each other. As the result, sometimes consumers might know about the products before they are released or even announced by the respective organisation.

Hence to come to the core of the problem, organisations seemingly might have a potential to engage consumer in products in early stages, i.e. before the product is released. This might hint to a potential demand for products to be built up before they are actually released. As a consequence, the traditional view on early stages of the product life cycle (See chapter 3) might be affected. This implies, that there might be a need to interact with consumers during these early phases of product development and launch.

It would be interesting to explore whether leaks of information and rumours have the potential to be a valid tool in engaging and conversing with consumers and if and how they can play a role within marketing communications as well as potential product development strategies. Furthermore, understanding of this phenomenon could contribute to both academia as well as having meaningful practical implications as there seems to be rather very limited scholarship about this phenomenon.

2.3 Research Purpose and Objectives

Based on previously described problematisation, this study aims to explore, understand (Eisenhardt, 1989, Yin, 1984, Bryman & Bell, 2007) and answers following research questions:

Question 1: How can product information leaks be utilized in integrated marketing communications?

By exploring this question, the ambition is illustrate the way in which the chosen topic represents a valid contribution to existing knowledge, applicable to both managerial implications as well as theory (cf. Eisenhardt & Graebner, 2007). The aim is to introduce an initial theoretical framework that might help to shape the existing relatively scarce academic knowledge as well as serve as a base for examination of managerial implications. The research question will be explored in the context of theory of integrated marketing communications (See Chapter 3).

The chosen combination of methodology and methods, i.e. building-theory from cases (Eisenhardt, 1989) admits elaboration of the research question into sub-questions (Eisenhardt & Graebner, 2007). Thus in order to elaborate on potential managerial contributions of the phenomenon, the research will be driven towards exploration of different dimensions appearing in product information leaks. Further on, it is assumed that it might be beneficial to explore how do these dimensions affect conversations about new (future) products.

Question 2: What are potential practical and theoretical implications of the utilisation of product information leaks regarding the process of product development?

The second indicates potential links to existing theories of new product development and product development (See chapter 3). The aim is to build upon existing constructs by exploring what are the potential implications of the conversations about product information leaks in terms of affecting the traditional view of the product life cycle (Levitt, 1965). A potential influence of product information leaks on the Introduction phase of product life cycle, might serve as an addition to the traditional theory thereof. It might imply the reduction of high costs on marketing communications in the early stages of product life cycle, could help to build up demand and maybe even avoid slow initial sales volumes.

Due to the exploratory nature of the study, the lack of viable theory and empirical evidence, the research questions are rather broadly scoped, as suggested by Eisenhardt & Graebner, 2007. As a consequence, this decision provides researchers with more flexibility during shaping of methodology and analysis. Importantly (e.g. Eisenhardt & Graebner, 2007), based on detailed examination it is assumed that these research questions have yet not been addressed by existing scholarship, i.e. the supposed existence of the research gap is increasing the overall relevance of this study.

2.4 Disposition of the thesis

The structure of the thesis is now to be elaborated in order to facilitate the reading and provide the disposition of the concepts.

Chapter three presents theoretical academic foundations valid for the explored phenomenon by providing a review of existing theory and scholarship. Since the knowledge and theoretical background about product information leaks appears to be rather sparse, it was important to delimit the investigation with existing theory and knowledge.

Chapter four provides the reader with a comprehensive explanation of the methodological underpinnings and research design of the thesis. At first, the methodology including ontological and epistemological foundations is presented. Secondly, the research design is introduced followed by addressing the methodological delimitations and ethical issues.

Chapter five introduces the product information leaks framework and processes the introduction to selected cases. Further on, the actual data analysis and the process of sharpening of emerging of theoretical framework is presented.

Chapter six discusses and conceptualizes the research findings by drawing conclusions. The detailed discussion follows and complements main theoretical constructs with the aim to reflect back upon existing theory. The limitations of the study are presented as well as suggestions for future research are made.

3 Theory review

3.1 Introduction

The aim of this chapter is to introduce the main theoretical sources and inspirations used for the exploration of product information leaks phenomenon (market-driven innovation, consumer-centred view on marketing). As a next step selected theoretical concepts within these sources are presented (brand equity, integrated marketing communications, new product development and product life cycle), and linked to previously defined research questions. Finally, the product information leaks are defined in relationship to existing theory.

The notion of the importance of the role of a consumer[2] can be seen as a commonality that as a red thread permeates throughout the study. Two essential streams of scholarships have influenced this thesis, namely the existing knowledge from the area of Market-driven innovation theories and the stream of knowledge coming from Consumer-centred view on marketing (relationship marketing).

Using a content analysis of the term Innovation, the latter has been understood as...

> *"... multi-stage process whereby organisations transform ideas into improved products, service or processes, in order to advance, compete and differentiate themselves successfully in their marketplace" (Baregheh et al., 2009: 1133).*

It can be argued that the scholarship has recognised the importance and relevance of innovation (e.g. Kotler & Keller, 2006). Eisenhardt and Tabirizi (1995) added that innovation aids organisation during times of high uncertainty and support long-term organisational continuity (cf. Armstrong & Kotler, 2009:263).

On the one hand, Tapscott (1996:59) radically stated that innovation is ultimately driving today's economy (innovation-based economy), on the other hand less than 10% of new products are truly innovative as most of the products end up being innovative only incrementally (Kotler & Keller, 2006:336; Verhage, 2006:426). This suggests that there might still be a need for more knowledge related to this field.

The role of innovation in the New product development (NPD) process has also been acknowledged (e.g. Kotler & Armstrong, 2009:275). Bodin (2000) has distinguished two

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[2] In this sense, it should be noted that consumer is viewed as potential future consumer of the non-existing product in the context of this study.

polarised approaches to innovation; Market-driven vs. Technology-driven innovation. These processes respectively see the market (consumer) and the technology (product) as sources for innovation within the NPD process.

As for the latter, market or consumer-driven innovation approach is considered to further influence the theoretical concepts of the development of new products and their life cycles.

Similarities between the market-driven view on innovation and consumer-centric view of marketing can be perceived. Putting consumer in the centre of all marketing-related activities, Pringle and Field (2009:89) describes that a Consumer-centric approach might also help modern organisations to compete and succeed. This view can be seen as challenging traditional 4P (Product, Price, Promotion, Place) of the marketing mix, i.e. a planned mix of the controllable elements of a product's marketing plan (McCarthy, 1960, e.g. Kotler & Armstrong, 2009). It should be also noted that on a more general level, this builds upon the notion of criticism of transactional view on marketing coming from the Nordic (Scandinavian) stream of relationship marketing scholarship (e.g. Grönroos, 1994; Gummeson, 1994; Gatarski & Lundkvist, 1998). In an attempt to stress the importance of the consumer-centric approach organisations should employ an alternative 4C model, alternating Product for Consumer needs, Price for Cost to consumer, Place for Convenience and finally Promotion for Communications. (Lauterborn, 1990; cf. with the 4A alternative by Sheth & Sisodia, 1999).

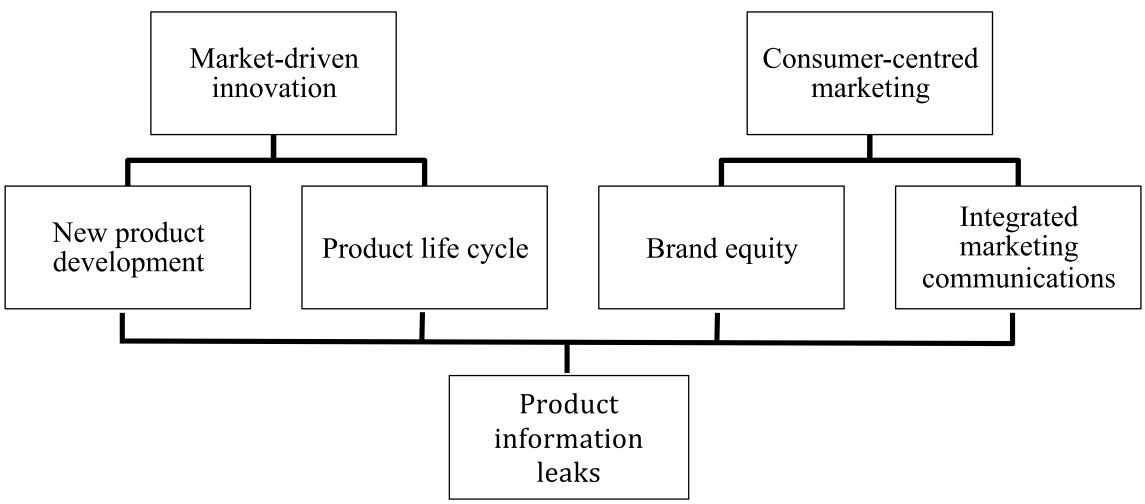

Figure 1: The conceptualisation of the main sources of the theory

Consequently, this approach is in line with two other key theoretical concepts used within this study, namely the integrated approach to marketing communications and the notion of branding and brand equity. Furthermore, it is argued that another linkage of chosen theoretical base by coined the connection between the latter mentioned theory of branding and the knowledge on innovation in which innovation and new product development are perceived as key drivers forming and developing brands (Kapferer, 2004; Barney, 1991 as cited by Christiansen, Varnes, Hollensen & Blomberg, 2009: 320). The overall approach to the existing theory is visualised above in the Figure 1.

3.2 Theory of Brand equity

Bullmore (2003) argues that products are made by companies, but brands, on the other hand, are made and owned by people (consumers). Therefore, the image of a brand always belongs to the consumer, not to the brand itself. This image is created by the consumer's earlier experiences with the brand, the company's communication, marketing and WOM (Grönroos, 2002:190, 317-318). The knowledge that people have about brands are conclusions that stem from an uncountable number of different stimuli, many of which are way outside the control or even influence of the organisation (Pringle & Field, 2009:17). Baker and Hart (2007:312) further built upon that by claiming that brands are regarded as the set of associations perceived by an individual, over time, resulting from direct or indirect experience from a brand. As addressed earlier, today's consumers discuss brands openly and freely using the internet and all of its channels (Pringle & Field, 2009:23). Pringle and Field (2009) continued by arguing that wise marketers should seek to influence rather than control the public perceptions of their brands. These perceptions can affect an organisation's brands in a positive as well as a negative way.

Aaker (1996) brought up the concept of brand equity (also acknowledged by Keller, 1993; Leuthesser, Kohli & Harich, 1995 and others) and defined it by assigning five categories (divided in ten elements) that organisations can use to measure and enhance it. These five categories include Loyalty (price premium, customer satisfaction), Perceived quality (perceived quality, leadership), Customer associations (perceived value, brand personality, organisational associations), Awareness (brand awareness), and Market behaviour (market share, market price and distribution average). De Pelsmacker (2007:59) argues that brand equity consist of the elements Awareness, Perceived quality, Strong brand associations and High brand loyalty.

For decades, both marketing practitioners and scholars have investigated various ways as to how brand equity can be increased and leveraged (Kapferer, 2004). Marketing communications has played an important role within this process, affecting various categories of brand equity concept (De Pelsmacker, 2007: 45).

3.3 Theory of Integrated marketing communications

The concept of Integrated marketing communications (IMC) has been a leading concept within marketing communications theory (e.g. Clow & Baack, 2007, Journal of IMC, 2011, Belch & Belch, 2009) and should therefore be elaborated upon. IMC can be seen as...

> *"...a strategic business process used to develop, execute, and evaluate coordinated, measureable, persuasive brand communications programs over time with customers, prospects, employees, associates, and other targeted relevant internal and external audiences."* (Belch & Belch, 2009: 775).

Van Raaij (1998 as citied in Baker & Hart, 2008: 342) argues that organisations should adopt an IMC view. Reid (2003, as cited by Grant, 2010: 332) claims that IMC is increasingly recognised for the strategic role it can play in managing the 'intangible side of businesses'…

> *"….as it can assist in building relationships with customers and other stakeholders as well as in creating positive perceptions, attitudes and behaviours towards brands."*

On a more strategic level, IMC is in line with the consumer-centric view on marketing, which places the consumer in the centre of all marketing-related activities.

Traditional Marketing Communications	**Integrated Marketing Communications**
Aimed at acquisition	Aimed at retention and relationship
Mass communications	Selective communications
Monologue	Dialogue
Information is sent	Information is requested
Information provision	Information self-service
Sender takes initiative	Receiver takes initiative
Persuasive hold-up	Provide information
Effect through repetition	Effect through relevance
Offensive	Defensive
Hard sell	Soft sell
Salience of brand	Confidence in brand
Transaction	Relationship oriented
Attitude change	Satisfaction
Modern, linear massive	Post-modern, cyclical, fragmented

Figure 2: Characteristics of Integrated marketing communications in contrast to traditional marketing communications. Adapted from Van Raaij (1998 as citied in Baker & Hart, 2008: 342)

In contrast to a traditional marketing communications view, IMC will allow organisations to combine different tools and efforts in order to provide more clarity, more consistency leading to a maximum communications impact. IMC differs in a number of ways from traditional marketing communications according to the table above (Figure 2).

De Pelsmacker (2007:22) list key drivers that can lead to IMC. These include but are not limited to the need for more impact, media fragmentation, technological evolutions, need to build customer loyalty and increasing relationship marketing. This lines up with the way the world has changed and the impact and growth the internet has had on human life in recent years as described earlier. According to Linton and Morley (1995), IMC can lead to at least eight potential benefits to organisations such as Creative integrity, Consistent messages, Unbiased marketing recommendations, Better use of media, Greater marketing precision, Operational efficiency, Cost savings, High calibre consistent service and Easier working relations.

Adopting an IMC approach can include both Above-the-line (ATL, e.g. mass media advertising such as TV, print etc.) and Below-the-line (BTL, e.g. more personalised advertising such as direct marketing, one-to-one selling) communications (De Pelsmacker, 2007:7). IMC can be used by implementing both ATL and BTL communications. However, implementing any type should not be limited by traditional media (e.g. television, radio and print) only. Franz (2000) argues that the proliferation of new media (e.g. digital technologies, internet, mobile ads, guerrilla marketing) adds complexity to the media landscape. Since these new media channels rarely replace the traditional media, they rather tend to complement each other.

As discussed earlier, the internet offers consumers the opportunity to interact with each other without being constrained by a physical marketplace or even so much as just a phone call between two people. The digital highway makes way for similarly minded people to discuss their interests and lifestyles as well as to meet others (Gummeson, 2008:123). According to him (Ibid: 122), the heart of implementing digital technology lies in relationships, networks and interaction. Springer (2007:312) lists the four phases in using digital technology for marketers that act as enablers in order to get closer to consumers and eventually customers. These four phases consists of Talking to consumers, Creating dialogue, Involvement and Advocacy. Once the phase of Advocacy is achieved, new (digital) media allows consumers to become Message creators and Messengers (Springer, 2007:320).

Existing relevant theoretical knowledge coming from branding and communication scholarship has been now elaborated with the emphasis on major concepts. It has been necessary to build the argument beyond the theory of marketing communications despite the initial aim of this study, i.e. to explore product information leaks with emphasis on the area of marketing communications. Therefore, it is argued that the illustrated theoretical relationship between these two scholarships, i.e. impact of marketing communications on branding, might also impose potential implications of product information leaks on certain dimensions of the branding concept as well.

3.4 Theory of New product development

In order to comprehensively explore and understand the effect that product information leaks might have, it is necessary to understand what the potential impact customers and consumers might have on the product development process, as the product information leaks appear during this process.

New product development (NPD)[3] can be a risky process as 90% of newly introduced products fail (Kotler & Armstrong, 2009:265), predominantly because of poor design, incorrect positioning, wrong timing, pricing being too high and poor advertising (Baker & Hart, 2008:260). Products that organisations develop and eventually introduce can be classified either as Original products, Product improvements, Product modifications, Line extensions or New brands (Armstrong & Kotler, 2009:265, cf. Booz, Allen & Hamilton's categorisation, 1982)

There has been general agreement among the scholars on the overall importance of the product development (cf. e.g. Armstrong & Kotler, 2009, Baker & Hart, 2008, etc.). However, less common understanding exists as to how the NPD should be approached (from both a managerial as well as an academic perspective). Three important perspectives will be detailed.

In the beginning of the NPD process, organisations doubt whether to focus on one 'big killer idea' or rather leverage more initiatives at the same time. Baker and Hart (2008:261) state that...

> *"…contrary to the common view that what makes a successful new product is a 'killer idea', the really important capabilities are to do with controlling the NPD process to ensure the efficient use of scarce resources."*

However, there has not been a common notion about how to control the NPD process among the practitioners nor scholars. Brown and Eisenhardt (1995) support the argument that the field of product development is fragmented and differentiate three crucial

[3] Bodin's (2000:21) vision is followed in a differentiation between Product Development (PD), Product Development Process (PDP) and New Product Development (NPD). Since it virtually entails the same process, the term New Product Development (NPD) will be used.

streams: Rational stream, Communication stream and the Problem-solving stream (e.g. Ima, Ikujiro & Takeuchi, 1985 as citied by Bodin, 2000: 21).

The Rational stream (based on Myers and Darquis, 1969; Rothwell, 1972*)* defines success through developing a superior product for an attractive market. This is achieved by employment of cross-functional teams (e.g. R&D collaborating with the Marketing department etc.) within a rationally operating organisation. The rational stream approach quite intuitively prioritises logical step-by-step process within the NPD. In contrast, the Communication stream (based on Allen, 1971) emphasises good internal and external communication as crucially affecting NPD project's performance. Von Hippel (1988) stresses the importance of communication with key customers and the impact that it might have on product development. External communication issues are found as important or even critical for the success of NPD (Ancona & Caldwell, 1990;1992). According to Bodin (2000:26) the rational stream is dominant in the theory. It has been acknowledged as a guiding theoretical concept for this study as well in order to conceptually frame the usage of PIL in NPD process. However, the influences from the communication stream is acknowledged too as it is focusing on communication with key customers.

On a more descriptive level, there has been another way to analyse how the NPD processes are carried out by looking at an idea-to-launch framework. Cooper (1992, 1994, 2006) introduced the Stage-Gate® process (phase-gate process) that can be employed during NPD. The end-to-end scoped stage gate process separates each stage in the NPD by a meeting where further progress is evaluated, i.e. the NPD proceeds to a next stage, is dismissed or instead re-evaluated or recycled (Chesbrough, 2003). The Stage-Gate® inspired conceptualisations of NPD processes have been generally comprehensively criticised, especially for ignoring the horizontal dimensions of the process (e.g. Griffin, 1997, Von Hippel, 2002). Thus, Cooper (2006) has tried to disprove this criticism by updating the Stage-Gate® process and linking it to an idea of open innovation process (Docherty, 2006).

Among many substitutions available, one should be mentioned. Alternatively, according to for example Kotler and Keller (2006: 640), it is also possible for a NPD process to follow that of a 'Funnel development' (cf. Wheelwright & Clark, 1992). This allows for the organisation to continuously return into previous stages before having to move forward in the development process

Further on, there was a need to develop a more descriptive framework for the above-presented NPD approaches. Thus several frameworks have been designed by acknowledged scholars to illustrate what is the process that the NPD could go through. Most frameworks contain similar stages although they can consist of a different number of stages. The similar dimensions of criticism as in the case of Stage-Gate® view have been recognised, i.e. lack of horizontal view and acknowledgment of idiosyncrasy of the project. However, this framework is meant to be used as a rather descriptive road-mapping or timeframe-related tool to help to accommodate PIL into NPD process. The NPD model by Booz, Allen & Hamilton (1982 cited by Baker & Hart, 2008:261) has been used for such a purpose.

According to this model the process of NPD starts with Idea generation, where the ideas are generated or managed from both outside and within the organisation. In the Idea screening the goal is to dismiss irrelevant concepts prior to devoting resources to them. These stages generally correspond with alternative constructs of Concept definition (Livesay, Rorke & Lux, 1989:272) or Raw ideas and Conceptual project stages (Boer, 1999:22). Marketing and engineering details are developed and investigation of intellectual property is steered in the next stage named Concept development & testing. At this stage initial tests among potential customers are conducted. In the Business analysis stage the estimation about pricing, sales volume, profitability etc. are done. As a next step the physical prototypes and mock-ups are created and tested on customers, i.e. Product development & testing and Test marketing stages. Finally the product is introduced to the market, i.e. launched and commercialised (Boer 1999:22, Armstrong & Kotler, 2009:267).

Booz, Allen and Hamilton NPD Model						
Idea generation	Idea screening	Concept development & testing	Business analysis	Product development & testing	Test marketing	Launch

Figure 3: New product development model by Booz, Allen and Hamilton (1982).
(Adapted from Baker & Hart, 2008:261)

3.4.1 Consumer's role in the New Product development process

In spite of the type of NPD framework used, the scholarship has recognised that consumer-involvement is needed for the development of successful products. This can be viewed from at least two perspectives. Naturally, new products should aim to solve major consumer problems and offer undeniable value propositions to consumers (Cooper, 2006). Kotler and Keller (2006:646) argue that it is important to measure dimensions such as communicability and believability, need level, gap level, perceived value, purchase intension, purchase frequency/occasion during the NPD process.

In addition, getting consumer insights and putting importance on them from the beginning and throughout the NPD process as well as compelling forms of communication have been identified as a key to success (Armstrong & Kotler, 2009:274; Kotler & Keller, 2006:637; Dechamps & Nayak, 1995). In his study on user interactions as sources of innovation, Lundkvist (2003:21) has also confirmed the importance about involving customers in an organisation's innovation process and further detailed that organisation should engage in a process of identifying and attracting a small group of users into a progress of joint development with the manufacturer's personnel (cf. Von Hippel, 1988). Pitta et al. (1996:53) has further brought up the concept of experienced users, called Lead users, who can assist when forecasting and solving problems. Usually, they can be characterised as highly involved individuals who...

> *"...use and know the product extensively and are familiar with its features, advantages and benefits."* (Ibid).

It is also suggested that trends and new product ideas can be identified through using the views as expressed by these Lead users (Pitta et al., 1994:54; Urban & Von Hippel, 1988; Lynn et al., 1996; Verona, 1999) This notion was further explored and confirmed among industrial (B2B) customers too (Webster, 1992:14). Furthermore, previous research by Herstatt and Von Hippel (1992; as cited by Pitta et al., 1996:54) suggested that tested lead user concepts line up with the views of other characteristic users in target markets.

This thesis has built upon the notion of lead users as they have been seen as one of the potential targets of the product information leaks messages. Connections and similarities between specified consumer's role in the NPD, the consumer-centric view of marketing and the concepts of Innovators and Early adopters from the theory of PLC has been considered when drawing conclusions about potential impacts of product information leaks.

3.5 The Product Life Cycle

Levitt (1965) pioneered the concept of the Product Life Cycle (PLC) in which he describes that every product goes through four stages during its 'life cycle.' These stages include Introduction, Growth, Maturity and Decline. Over the years, several variations of the framework have been developed by adding and renaming one or several stages (Box, 1983). The concept has also been criticized as it would be too product-oriented and not focus on the market (e.g. Dhalla & Yuspeh, 1976) and its stages of evolutions (emergence, growth, maturity and decline) (Kotler & Keller, 2006:332). Kotler and Armstrong (2009:278) argue that the model can be applied to product categories and brands albeit differently in terms of the length of the life cycle. It is also argued that...

> *"…marketers should not blindly follow the classic stages of PLC, but try to position their products in unexpected ways - as a results news products can be catapulted into growing stages."* (Moon, 2005 as cited by Kotler and Armstrong, 2009:280).

The focus of this thesis implies the concentration on the initial phases of PLC. Hence thoughts on the Introduction stage will be now detailed. De Pelsmacker et al. (2009:158) state that the market needs to be developed during the product's Introduction stage. A need for the new product category has to be created by stressing the basic selling points and the central functional advantages of the products. The Introduction stage is characterised by a low volume of sales, high costs per customer, heavy sales promotion and few or no competitors (Levitt, 1965, Kotler & Keller, 2009:283). Webster (1991) adds that the market is likely to be undersupplied once it starts to develop. Traditionally, the introduction stage features a wide variety of product types that reflect the diversity of technologies and designs as well as the lack over consumer consensus (Grant, 2010:276). Verhage (2004:364) argues that it is important to differentiate between primary (the introduction of a new product category) and secondary demand (the introduction of a new brand within an existing category). Introducing a whole new product category could require the respective organisation to engage in consumer education, which could slow down the introduction stage. In case of secondary demand, the introduction relates more to creating brand awareness (i.e. assets in the consumers minds, which include an emotional bonding to the brand (Kapferer 2008:23)) and the support of psycho-sociological brand image connotations (De Pelsmacker, 2007:159).

Finally, a connection between the PLC, the theory of marketing communications and branding can be drawn based on the notion of different types of potential customers linked to different stages of the PLC. Not all potential customers of a new product adopt the new product at the same time (Rogers, 1996). Perceived in a more normative sense, the Introduction stage is connected to Innovators, Growth stage to Early adopters, Maturity to Middle majority and during the Decline stage the type of customers are Laggards (Kotler & Keller, 2006:332). In line with the PLC, a rough categorisation on the basis of relative time adoption of innovations can be made. Innovators will consist of roughly 2,5 %, Early adopters will be 13,5 %, the Early majority will be 34 %, the Late majority will be another 34 % and the Laggards will consist of 16 % of the total sales for the respective product. Mahajan, Muller and Srivastava (1990) have challenged these findings by using a different method and assigned broader ranges to particular categories (cf. Mahajan & Muller, 1998). This thesis will recognize the importance of first two categories, i.e. innovators and early adopters, as they might be more likely influenced by the product information leaks.

3.6 Theory Product Information Leaks

3.6.1 Defining Product information leaks

The lack of a clear definition of the phenomenon required this research to form one in order to carry out the research as accurately as possible. The definition has to be first approached from general semantic-based perspective concerning the terms previously used among scholars. The aim here is to clarify distinction between three similar concepts; A rumour, a leak and speculation. These three terms appear to be used most commonly in the marketing based literature (e.g. Godin, 2001; De Pelsmacker, 2007; Hughes, 2006). However, they are quite often used without properly reflecting on the term's definition (cf. e.g. Springer, 2007 and Hughes, 2006). This makes it all the more difficult to distinguish between the three terms that share several overlapping characteristics.

In case of a term speculation, the commonality among official definitions from selected dictionaries is suggested to lie in the dynamics that the expression comprehends. Oxford dictionaries (2011) defines speculation as *"...the forming of a theory or conjecture without firm evidence."*

Collins dictionaries (2011) and Merriam-Webster dictionary (2011) builds upon this notion by forming an opinion about something based on the information available. The rumour definition has been found to rotate around the validity, verifiability or certainty of the information. Collins dictionary (2011a) defines a rumour as...

> *"information, often a mixture of truth and untruth, told by one person or another".*

The Oxford dictionaries (2011a) adds that the information is actually a story and Merriam-Webster (2011a) speaks of

> *"...talk or opinion widely disseminated with no discernible source, a statement or report current without known authority for its truth".*

A leak is defined by Collins (2011b) as *"...a disclosure of secret information*". The Oxford dictionary (2011b) distinguishes between accidentally leaked out information versus intentionally leaked out information. Merriam-Webster (2011b) adds that information can "*...become known despite efforts at concealment*".

Previous short semantic discourse has confirmed that the usage of the term leak fits most to the phenomenon that is about to be explored, as it is a secret type of information that leaves, i.e. is 'leaked', the organisation despite its effort to keep the information as a secret. The closeness of the other term is perceived as the information leaks might start to spread and form speculations. The intentionality dimension of the information leak has played an important role as well. As it was impossible to retrieve whether the information leaks analysed were originally intentional or not, it was assumed that these were leaked on purpose, i.e. intentionally sent out from the organisation. This assumption builds upon the classification presented originally in the relation to concept of rumour. Information leaks, as well as rumours, might be noticed based on their factual grounds, and whether or not they are spontaneous or provoked. (Kapferer, 1990: 68). It is also imperative to address that the leaks studied should not be confused with physical 'tangible' leaks (failure) of products.

Therefore, the term Product Information Leak (PIL)[4] is used throughout the study to describe the intentional disclosure of secret unofficial information relating to a certain technological product before its first official announcement.

3.6.2 Building upon theory of product information leaks

Previous research in the field of product information leaks has been rather sparse. The detailed analysis of current scholarship spawned rather more confusion than clarification of the definition of the phenomenon.

Several different disciplines have somewhat "touched upon" the product leaks phenomenon, generally focusing mostly on the closely related concept of rumours. Research coming from the sociological tradition can be perceived as one of the strongly influencing scholarships (Kapferer, 1990). Despite having established a research-tradition during the World War II., e.g. Knapp (1944), or utilising the well-respected work by Allport & Postman (1947 as cited by Kamins, Folks & Perner, 1997:16), this research stream has nonetheless put only minor focus on rumours or leaks appearing in the marketplace. Research that involves marketplace rumours has traditionally focused on the negative consequences that these might have on organisations (e.g. Pointing, 1973; Akande & Odewale, 1994). Some media studies also tend to build upon the negative notion of information leaks (document leaks), as they are perceived as *"...stolen goods that can be published by the journalists"* (e.g. Koshland, 1991:9). Thus it is suggested that the focus on a positive utilisation of the PIL, e.g. employment as a tool in marketing communications affecting NPD, can provide relatively distinctive contribution to the existing theoretical knowledge.

As for the conceptualisation of the theoretical framework of the PIL the research has faced similar difficulty of a lack of existing theoretical knowledge. Hence the notion of a linear transmission of the marketing message (Kotler & Armstrong, 2009) has been

[4] Both PIL and PILs abreviations are used in order to respectively differentiate between singular and plural forms of the term.

considered in the combination with view of the hierarchy of effect models (Howard & Barry, 1990). Despite the recognised criticism (linearity) of these concepts (cf. De Pelsmacker et al., 2007:75) they have been recognised to provide descriptive foundations for the accommodation of a theoretical framework that has emerged from this study. The framework will be introduced at the beginning of the Analysis chapter.

3.6.3 The dynamics of Product information leaks

In order to better explore the essentials of the nature and dynamics of the PIL phenomenon, it is meaningful to understand how the PIL is spread. The theory of Word-of-Mouth (with the emphasis on its electronic version) has been implied to closely illustrate potential diffusion of the PIL.

The importance of Word-of-Mouth (WOM) has been widely acknowledged, as e.g. Brown and Hayes (2008) claim that has potentially helped to create some of today's most powerful brands such as Starbucks, Nike and Google.

Alongside the growth that the internet has seen the emergence of a digital version of the phenomena, known as electronic Word-of-Mouth (eWOM) has been noted. Besides the term eWOM, this phenomenon has been more or less described by several other terms given by various scholars; Viral marketing (e.g. Brown, 2009, Weber 2009, Godin, 2001), Buzz marketing (Hughes, 2006), breaching the Tipping point (Gladwell, 2002) or Convergence marketing (e.g. Rosen & Rosen, 2001).

Spread of information on the social network Twitter during "non-marketing-based" events such as the 2008 earthquakes in Chile or the terrorist attacks in Mumbai (Beaumont, 2008) could serve as the examples of the shift from traditional offline sharing to electronic word of mouth via online social networks and UGC. The spread of eWOM can be seen within the numerous forms of communication channels that the internet has to offer and it is argued that it might strongly influence the exploration of the product leaks phenomenon too (Pringle & Field, 2009).

The potentials of eWOM has quite naturally caught the attention of practitioners and thus the eWOM has been more and more been used as a planned communications tool in marketing (Grönroos & Lindberg-Repo 1998, 10). Dobele, Toleman and Beverland (2005:144) argue in this context that this usage offers several advantages to the organisations: eWOM (viral marketing) incurs little expenses to create and it also brings a possibility to target consumers effectively as it is based on voluntary forwarding of (electronic) messages. It is suggested that a similar process and outcome might occur in case the PIL can be used as IMC tool.

Logically, marketers have been searching for the most efficient ways of eWOM usage while the key has been to find out "whom to talk to" (Brown, Hayes 2008). Springer (2007:302) tries to describe these efforts by using the term Viral seeding. This is a way to place information at selected digital sites where interested people can find it (Ibid).

The idea of targeting the right consumers with viral efforts has been suggested in existing literature. For example, Gladwell (2002) introduced the law of the few. His key idea virus spreaders are divided into three groups: Connectors, Mavens and Salespeople. Godin (2001) talks about a category of so-called Sneezers, i.e. people who are far more likely to spread ideas than others. (Brown, 2009:78) suggested to link eWOM with the concept of early adopters originated from knowledge the product life cycle. The possible link between latter mentioned targets of viral seeding and concepts of lead users and early adopters introduced earlier in this chapter might be drawn.

Additionally, it is important to note that some of the constructs (especially authors targeting wider audiences) within eWOM or viral marketing discourse can be perceived as lacking theoretical rigidity and clarity. Dobele, Toleman and Beverland (2005:144) critically add that some authors have either identified the eWOM phenomenon as the stuff of marketing legend or confused it with other marketing tools.

Lastly, one more perspective has to be added in order to provide complex theoretical foundations for the PIL research. The eWOM and eventually the PIL are expected to evolve and spread not only in the context of inviduals but also certain groups, i.e. virtual or Brand communities. Muñiz and O'Guinn (2001:412) provided widely recognised definition seeing Brand communities as a...

> *"...specialized, non-geographically bound community, based on a structured set of social relationships among admirers of a brand. It is specialized because at its centre is a branded good or service."*

Kozinets (1999) further divided members of a virtual community into Insiders, Minglers and Tourists according to the individual's ties and commitment to the community. In addition, a similar three-level concentric commitment structure (Hard-core members, Soft-core members and Pretenders were identified by Fox (1987). The potentials of communities as a valid source of information in the process of innovation and NPD (Füller, Matzler & Hoppe, 2008) Moreover, Thompson and Sinha (2009) are perceived as supporting the notions presented in the context of NPD and PLC theory review.

Moreover, although the PILs are defined as unofficial messages, their implications might be compared to the concept official new product pre-announcements, as presented by Su and Rao (2011). They suggest that these official forms or announcing a product long before it can possibly be released on the market, facilitate the adoption and stimulate the demand of the new product by providing customers or distributors early information. Urban et al. (1990) and later Moe and Fader (2002) add that

> *"...new product pre-announcements* […] *help firms to test a new product's design and pricing and estimate its future market potential".*

4 Methodology and methods

In this chapter, the first goal will be to set up a platform for the design of study consisting the appropriate set of theories and techniques. This platform corresponds with researchers' view on the questions of ontology and epistemology and can be indicated as the Methodology. Since it determines further methodological reasoning it has to be elaborated as first. Afterwards, the focus will turn to the search of instruments appropriate for the study, i.e. methods. Methods then can be described as the tools and techniques that are employed during the process of investigation (Nilsson, 2008:18).

4.1 Methodology

Social sciences is an area where subjectivity is constantly present (e.g. Bodin, 2000: 19). Therefore every person involved and reading this study, including the researchers who might have their own ways (i.e. implicit and/or explicit presuppositions) of looking at a social phenomenon (e,g, Easterby-Smith et al., 2008: 62). The world and its social phenomena can be perceived as a continuous process, which is created by individuals interacting through language, behaviour, and symbols. (Bodin, 2000: 60). Therefore the first underlining assumption for this study is that reality is socially constructed

4.1.1 Notes on ontological positioning

The ontological position (i.e. position aiming to understand the nature of world, existence or reality as such (e.g. Sayer, 2000)) of this research is partly shaped by the realist tradition. However, the realist tradition itself is quite broad (Sayer, 2000) as it contains distinctively diverse positions. Therefore, the construct of realist ontology has to be developed.

The specific ontological position of critical (transcendental or also scientific (cf. Wight, 2006)) realism is recognized, as broadly advocated by Bhaskar (1975, Sayer, 1997). Compared to the naive realism (Nilsson, 2008: 39), critical realism problematises that researcher's perceptions per sé represent a direct and secure access to reality. This can be further explained on the notion of open/closed systems.

The closed system exists only in the laboratory and experimental conditions (i.e. in natural science). Only in this case, the direct relationship between the causal mechanisms (Koran, 2007:57) (causal law, i.e. constant conjunctions) and its manifestations occurs, because no other factors „step into the game“. (Bhaskar, 1975: 11-14) In other words, the condition of closure appears (Bhaskar, 1975: 84). In contrast, in the open system the realisations of the manifestations of existing causal mechanism might not occur at all, or the manifestations might not correspond with mechanism's attributes. This happens because of the intervention of other mechanisms and because the closure in the social world cannot be achieved. It can be implied that the intransitive world, i.e. "the real world" is created by *"…mechanisms not by observable events*" (Ibid: 48). The events that are observable might not correspond with the essence of mechanism; rather they are independent on them. Admitting that some aspects of the reality remain hidden to the research due to the open system nature of social reality automatically problematises a possibility to directly and safely approach reality (Nilsson, 2008: 24).

Critical (scientific) realism claims that knowledge and understanding does not provide an access to the reality (Archer, et. al, 1998: 41). However that does not mean that scientific theories do not correspond with the reality. Rather, because of transitive nature of our knowledge, these theories should not be tested against the reality. Hence, empirically driven positivist falsifications or proving of theories are challenged (Bhaskar, 1975: 46).

As a result, this thesis builds upon the notion that it might prove to be difficult to satisfactorily explore the phenomenon of PIL within closed system conditions. It is suggested that in case of multidimensional phenomenon such as PILs, some mechanisms that govern the creation and spread of PILs might occur as unobservable. Nonetheless, this is not a mistake of a researcher but rather a consequence of open system nature of the social world (Nilsson, 2008: 39). Latter assumptions will be considered when assessing the employment of appropriate methods.

4.1.2 Epistemological foundations of the research

Having established ontological foundations, focus can now be directed at the epistemology. Epistemology is perceived as determining the nature of knowledge about the world and how it might be "accessed" (e.g. Sayer, 2000). It can also be interpreted as

> *"…general set of assumptions about the best way of inquiring into the nature of the world."* (Easterby-Smith et al., 2008: 62)

Easterby-Smith et al. (2008) state that the acceptance of particular epistemological foundations usually leads the researcher to adopt methods that are characteristic of those positions. For this study, interpretivist paradigm has been suggested to influence the exploration, to some extent connected to the intellectual tradition of hermeneutics (double hermeneutics) and the Weberian Verstehen tradition from interpretative sociology (Martin, 2000: 35, Elwell, 1996).

At first, it is important to clarify in what way the researcher aims to take on the responses to the research question. The goal of this thesis to describe, explain and explore the PIL as seen in compliance with the paradigm called interpretivist (e.g. Burell & Morgan, 1979, Sayer, 2000). The interpertivist belief of rejecting the notion of theory-neutral observations and the idea of universal laws in science Guba and Lincoln (1994: 113) has been acknowledged, connotating that interpretivism also alternates the traditional positivist approach (Bryman & Bell, 2003: 19). Further on according Gioia & Pitre (1990: 588), recognized epistemological position might contribute to a 'deeper' insight generation.

The conception of interpretivism is also closely connected to the notion of double hermeneutics belonging to hermeneutic-phenomenological tradition (Bryman & Bell, 2003: 19). The research is perceived in the context of theory of interpretations, i.e. hermeneutics. The traditional Giddens (1987) notion of double hermeneutics in social sciences is recognized. As Sayer states:

> *"While natural scientists necessarily have to enter the hermeneutics circle of their scientific community…*[i.e. single hermeneutics]*… social scientists also have to enter that of those whom they study* [i.e. double hermeneutics]..." (Sayer, 2000:17).

This means there might be need to understand not just what consumers do, but also understand how consumers understand their world, and how that understanding shapes their practice (Gummesson, 2005: 17). In other words, the social relations between subjects (their concepts and meaning) are coupled with an understanding of the relations between the objects themselves (Nilsson, 2008: 43). Consequently, the social structures (unlike natural structures) do not exist independently of the activities they govern (Ibid.). Hence this study tries to understand and interpret conversations about PIL not only in the context of the dimensions of PIL phenomenon and relationships among them but also in the context in which they occur (time-space dimension).

4.2 Design of Study: Methods, Object of Study

It is now possible to proceed to the actual set of methods that form research design, tools and techniques by which this study has been conducted. This will be done by addressing the nature of the study (qualitative study) the rationale behind the selection of objects (Nilsson, 2008:47) (extended concept of object of study), the methods for data gathering (netnography) and the modus in which the empirical material has been managed (case study approach) and analysed (Ibid) (building-theory from cases). Afterwards, reflections on reliability, validity, reflexivity and saturation are addressed as well as ethical considerations.

The thesis aims to explore the phenomenon of PILs, hence the research tends to have exploratory (explorative) nature. The exploratory nature is suggested to correspond with chosen research question, as it can be used during initial efforts of designing new concepts and coining new theories, i.e. explore new topics in order to find out most about them (Stebbins, 2001, Hendl 2005). The exploratory research should be creative and flexible enough to be able to reflect upon all unexpected dimensions of selected phenomenon (Stebbins, 2001. In this context the cases have been used as the basis from which develop theory inductively with the awareness of the possibility of unexpected dimensions to occur.

It has been assumed that findings lead to a theory building at the middle-range level (Bryman & Bell, 2007: 7). Overall, study inclines to contribute mainly to universal knowledge (Easterby-Smith, et al., 2008: 109).

4.2.1 Qualitative approach

The notion of a qualitative research can be seen as an "all-embracing" element behind the methods of this thesis. It is perceived and coined as an "approach" to the empirical data, consisting of set of particular methods (Miles & Huberman, 1984). (Strauss & Corbin, 1999: 11) state that qualitative approach can be used to explore and understand the essence of phenomena of which there is not much known. As Patton (1990 as citied in Lundkvist, 2003:50) implies, inductive research strategy often relies on qualitative methods. Furthermore, Yin (1984:16) argues...

> *"...by learning how and why the actors do what they do, there is a possibility to generate new knowledge."*

These views would support the utilisation of qualitative approach for the purpose of this study. Indicating earlier mentioned issue of open/closed systems and constant conjunctions, it is also

> *"...preposterous to think that the researcher can keep a strict and well controlled environment, based on situation and actors involved"* (Bodin, 2000: 62).

Therefore, more open and adjustable approach is preferred, i.e. qualitative methods. Patton (1990) claims that the methods within qualitative approach uphold empathy while providing the researcher with an empirical basis for describing the perspectives of others (Patton, 1990: 58 as citied in Lundkvist, 2003: 50).

4.2.2 Centrality of the Building-theory from cases method

The study acknowledges the centrality of the building-theory from cases method as presented by Eisenhardt (Eisenhardt, 1989, Eisenhardt & Graebner, 2007). This method was chosen mainly because research findings has been suggested to generate and contributed to a newly emerging theory. The situation before the research, i.e. very limited existing practical and academic knowledge, corresponded with desired starting point for chosen method. As Eisenhardt suggests, it is anticipated...

> *"…to beginning as close as possible to the ideal of no theory under consideration and no hypotheses to test"* (Eisenhardt, 1989: 538).

Furthermore, a constant juxtaposition of conflicting realities that leads to "unfreeze" of thinking is appreciated (Eisenhardt, 1989). Weick (2007) also values the potential of chosen method to generate theory with less biased researcher's perspective while preserving richness of empirics.

From the practical point of view, Eisenhardt's roadmap for building-theory from case studies has been found as a useful guidance during the actual data gathering and analysing. This "roadmap" consists of following stages: Getting started, Selecting cases, Crafting instruments and protocols, Entering the field, Analysing data, Shaping hypotheses, Enfolding literature (1989: 533).

4.2.3 Case study research design

Overall, case study approach (e.g. Yin, 1984, 2009) is acknowledged for providing readers with holistic picture of complex social phenomena (Yin, 1984: 14). It is suggested that this statement might relate to the previously defined aim and nature of this research. Case studies also tend to be in line with the chosen epistemological position. Chosen approach has allowed in-depth concentration on a small number of units (cf. Easterby-Smith et al., 2008: 97) with the possibility of data combination. Also, the method was chosen for the possibility of rich, empirical descriptions of particular instances of a phenomenon that are typically based on a variety of data sources (Yin, 1994 as citied in Eisenhardt & Graebner, 2007)

Chosen case studies incline to be rather instrumental (cf. Stake, 1995: 4) leading towards development of general principles (cf. exploratory nature of study). Likewise, they can be classified as retrospective (alternatively called "historical" (Weick, 1993)) case studies (Bennett & George, 2005, Barton, 1990, Eisenhardt & Graebner, 2007) due to the nature of empirical data, i.e. existing online conversations from the past. Little instrumentation (Miles & Huberman, 1984), i.e. activities prior going "to the field", has been conducted prior actual utilisation of the case studies as this seems to be appropriate for the studies of exploratory nature (Ibid: 35).

Both comparative case study approach (Eisenhardt, 1989, Yin, 2003) and single case study approach (e.g. Dutton & Dukerich, 1991, Dyer & Wilkins, 1991) were genuinely considered as alternatives for the design of the thesis research. Finally, the multiple/comparative case study approach, alternatively called cross-case analysis (e.g. Bourgeois & Eisenhardt, 1988, Easterby-Smith, et al., 2008), was chosen for this purpose. It is argued that this approach might appropriately challenge current fairly limited knowledge of chosen phenomenon.

4.2.4 Selecting Cases

The selection of the cases is an important process within chosen method (Eisenhardt, 1989: 536) and random selection of the case is not preferred (Pettigrew, 1988). Cases might be chosen in order to reproduce previous cases or to extend and outspread emergent theoretical framework (Eisenhardt & Graebner, 2007). Pettigrew (1988) noted that it makes sense to select cases such as extreme situations or polar types in which the process of interest is "transparently observable." (Eisenhardt, 1989: 537).

In order to explore the novelty of the PIL phenomena, two case studies have been chosen for this study. Both cases represent are examples of successful introduction of a product to the market. Both products can be classified as new-to-the-world products (Kotler & Armstrong, 2009), however the technological novelty itself was not a precondition for the cases to be selected. Products having strong brands (cf. Aaker, 1996) and existing brand communities as well as significant online presence were preferred. That was one of the reasons, why the focus turned in to the hi-tech and technology industries, as the products within these areas often fulfil the desired prerequisites. Another important aspect was in the search of the right cases was naturally the presence of leaked product information. It is argues that the telecommunications and gaming industry can be identified as industries in which rumours and PIL are broadly available. This notion was supported by preliminary familiarity of both researchers with the industry coming from both personal interests in the area as well as professional experiences (one of the researchers having a recent two-year long work experience with a major global telecommunication provider). Based on above defined preconditions, following cases of product development and introduction were selected: Apple iPad and Sony Ericsson Xperia Play. Comprehensive elaboration of data sampling as well as detailed description of the cases (cf. Eisenhardt's construct of write-ups (1989: 538) will be discussed later on.

4.2.5 Conceptualisation of Object of study

Following the ontological and epistemological assumptions as set up earlier, there is a need to put the construct of object of study under scrutiny. As Svensson (2003) explored, the discussion about research object and object of study are closely linked to the issue of observability and the notion of open systems. Therefore the Object of study is rather difficult to observe and grasp in its whole complexity (Nilsson, 2008: 51). This thesis considers the PIL utilisation in integrated marketing communications and new product development as the object of study. Nonetheless, the need for more easily observable empirical matter is desired. Hence, the construct of Empirical object is utilized in order to comprehend the manifestations of the object of study, i.e. actual events generated by the object of study. In this case the marketing communication messages serve as manifestation of the phenomena. Further down in the top-bottom logic stand Empirical experiences. Online conversations as reactions and effects to the product leaks can be considered as the empirics – the experiences of casual mechanism or their manifestations (Ibid). For a better illustration the enhanced construct of the object of study is presented in Figure 4.

Object of Study:
PIL in integrated marketing communications and new product development

↑

Empirical Object:
Marketing communication messages as manifestations

↑

Empirical experiences:
Online conversations as reactions and responses to the PIL

↑ = Research bottom-up logic

Figure 4: Conceptualization of the Object of study. Based on Nilsson (2008:51).

An additional reason for using Svensson's concept of Object of study is the funnel logic behind it. The actual process of identification is top-down in contrast to the research rationality, which goes bottom-up (Symbolized with the arrow in Figure 4) (Nilsson, 2008: 51). The inquiry begins at the level of higher observability and concrete statements and it provides rich empirical material. Hence at this preliminary stage, it is very difficult to draw a conclusion about the object of study. Therefore, the abstraction from the majority of potential topics has to be used in order to choose the themes that will be shaping the research project (Ibid.). Online conversations have been identified as the unit of analysis (e.g. Easterby-Smith et al., 2008). It is argued that this logic corresponds with the mechanisms behind the chosen Building theory from cases method. Thus, it is meaningful to problematise the construction of the object of study.

4.3 Data Gathering and Analysis

The process of data gathering and data analysing is shaped by certain elements of Eisenhardt's roadmap for building-theory from case studies (1989) and by the logic of open coding coming from the tradition of grounded theory. (Glaser & Strauss, 1967;

Strauss & Corbin, 1990). Furthermore, certain elements of netnography have been used regarding the nature chosen empirical data. Aim of this section is to further detail these concepts.

4.3.1 Netnography

The PIL phenomenon is investigated in the specific environment of internet, which possess a set of its own specific characteristics and features, as broadly discussed in earlier. These specifics have been reflected within the concept of netnography. Kozinets (2002: 11), one of the well-respected author within this field states that netnography is...

> *"...an interpretive and qualitative method adapted from ethnographic research techniques and constructed for the specific purpose of investigating the consumer behavior of cultures and communities existing on the internet"*

Particular aspects of the netnography method have been employed within this study. They have been considered rather as practical tools and guidelines for approaching empirical data. Additionally, this theory has helped to overcome several challenges connected to the delimitations of the research and ethical dimension of exploration

As in ethnography, the research employing the netnography method is suggested 'to get in' the media to understand the social structure (Lundkvist, 2003: 51). Yet this process occurs in the context of Computer-mediated communication (CMC) (Bertilsson 2009, Lundkvist & Sjöstrand, 2002). CMC can occur in textual, graphical, animated, audio or video-based media form, but text mostly stands for the human interaction in computer networks (Lundkvist & Sjöstrand, 2002: 121).

Within this study some samples of the CMC started as graphical video-based communication picturing actual leaked prototypes. Nonetheless afterwards, the communication has transformed into the text in the form of conversations commenting the original message. Electronic text is perceived as something more in-between spoken language (e.g. telephone) and written language (e.g. printed article) (Lundkvist & Sjöstrand, 2002: 122). Paccagnella (1997) therefore called it 'written speech'.

As a result, the research has conducted observations in an unobtrusive way, i.e. with the possibility to obtain naturally occurring conversations (Bertilsson, 2009: 52). Netnography has been employed in the sense of passive online analysis (Eysenback & Till, 2001) of the conversations, i.e. without the researcher's actual interference or involvement in any of the observed discussions or interactions.

Another advantage has come with the possibility to store and process electronic texts electronically (Lundkvist, 2003: 55). This feature has been embraced within this study. The complete list of links to all empirical sources has been published on the website *http://researchpil.wordpress.com* in order to comfortably serve for further research.

Additionally, the cost-effectiveness time-efficiency dimension (Bertilsson, 2009: 53) of the netnography has to be considered as an advantage. The technology and internet often offers a cost free way of gathering data compared to traditional methods. Furthermore the digital worlds also provide additional data previously incapable of being collected (Lundkvist & Sjöstrand, 2002: 143).

4.3.2 Data Samples

The empirical qualitative data were gathered through the analysis of PILs that have come to light and have been published selected websites. The first stream of data is connected to the type of websites where communities of selected brand were expected to emerge, as these websites might provide important information about the product, brand, organisation and industry as a whole. The main criteria for selecting the data sample – number of unique visitors (e.g. Burby, J., Brown, A., 2007:9) in the combination with the total number of articles containing a product information leak – determined the usage of following websites for each case: MacRumors (Apple iPad), Ign and Engadget (Xperia Play).

For the Apple iPad case, the webpage MacRumors (*http://www.macrumors.com*) was chosen based on previously stated criteria. MacRumors claims to be

> *"… an industry leader for lightning fast news coverage on anything related to Macintosh, Apple or iPod."* (NetShelter, 2011).

According to Compete (2011) the site run by Arnold Kim, Eric Slivka attracted 1,039,145 unique visitors in March 2011. The average age of the audience is declared to be 34 with the male sex majority (97 %) (Crowd Science as citied in NetShelter, 2011).

Based on the search feature on latter mentioned website 75 articles were generated after searching for terms "tablet" and "islate" (the researchers were aware of alternative rumoured product names). Time frame from for search was set up from January 1st 2003 to January 27th 2010 (product announcement). Based on the number of comments 11 articles were selected throughout the defined time frame in order to grasp most relevant evidence for the evolution of the PILs in time. Subsequently, overall 1,613 comments were analysed.

The same steps have been taken in order to identify the key sources of empirical information for the second case study Sony Ericsson Xperia Play. Gaming website Ign.com (*http://ign.com*) was identified as the most appropriate. IGN Entertainment is a unit of Fox Interactive Media, Inc., and it is claimed to the leading internet media and services provider focused on the videogame and entertainment enthusiast (Compete, 2011). The site attracted 7,956,611 unique visitors (Ibid) with the majority of male audience (69 %) in average age of 30,3 years old (Ign, 2011). The website Engadget (*http://www.engadget.com*) was identified as an additional key resource for the Xperia Play case. The website is an online magazine focused on news in the areas of technology, gadgets and consumer electronics. Engadget is owned by AOL (America Online) and attracted 1,110,429 unique visitors (Compete, 2011a). The majority of the website's visitors are male (63%) and the biggest proportion of its visitors is in-between 18-34 years old.

Search for the articles mentioning the terms "playstation phone" and "sony ericsson xperia play" generated 37 articles from both websites. Time frame from for search was set up from January 16th 2009 until February 13rd 2011 (product announcement). Based on the number of comments 11 articles were considered and consequently 2,433 comments were analysed from latter two sources.

In order to use diverse sources of computer-mediated communication and to reach saturation in a more creative way, the audio-visual element was included in the empirical data sample. The rapidly increasing popularity of video-sharing and video messages on the internet (Madden, 2007) was also taken into consideration. Most viewed videos mentioning PILs about Apple iPad and Sony Ericsson Xperia Play were searched (with same terms as in case of latter websites) on the famous video-sharing platform YouTube. YouTube is currently among the top visited webpages globally attracting 123,406,835 unique visitors a month (as of March 2011, based on Compete, 2011b). Based on the number of views and number of comments bellow the video, the top videos were included (links to selected video PILs are also presented on the aforementioned website *http://researchpil.wordpress.com*).

It has been assumed that since the platform YouTube attracts various "wider groups" of audiences. (Wave.5, 2010) the conversations might differ from those on latter mentioned websites, i.e. might be more generic. Overall this study considered 9,814 comments below top selected YouTube videos.

4.3.3 Getting to the conclusions

The procedures used in the process of data analysis can be now clarified. In her seminal concept, Eisenhardt (1989) came up with a "roadmap" for the actual process of building theory from the cases. The elements of this step-by-step process have been used for data exploration and reaching the conclusions. Further on, the influence of the grounded theory (Glaser & Strauss, 1967, Strauss & Corbin, 1990) has been acknowledged. Inclusion of this method was possible thanks to the proven compatibility (Eisenhardt, 1989, Strauss & Corbin, 1990: 39) with the core method, e.g. through the shared notion of emergence of theory, constant data comparison approach, inductive nature, etc. Coding methods (especially open coding) introduced in the grounded theory has served as inspiration for the data processing in the early stages of the analysis.

The actual process of analysis started with the detailed and descriptive introduction to the cases, so called ‘case write-ups’ (Eisenhardt, 1989: 536). Gersick (1988) acknowledged the importance of these write-ups for the insight generation process. They are also expected also help to cope with big volumes of data (Pettigrew, 1988). Also, a similar first step into the analysis has been acknowledged within netnography tradition (cf. Bertilsson, 2009: 57).

The case write-ups can be perceived as a initial part of the within-case analysis. Within-case analysis allows researchers to consider each case as a stand-alone entity while keeping understanding of the case and it embraces unique patterns within each case (Eisenhardt, 1989). In this study, the conversations have been coded, grouped and categorised. This helped the researchers to look at the data in various ways and creatively combine the data without necessity to draw any “early” conclusions.

At this stage, the cases were cross-analysed in order to list similarities and differences between them (Eisenhardt, 1989: 542, Eisenhardth & Graebner, 2007). The tactic has been used by which selected categories - partly formed by the research question and partly emergent from the data - have been compared with within-case similarities and cross-case differences (Eisenhardt, 1989: 541).

Sharpening of the emerging constructs has led as a next step to the shaping of hypotheses. Eisenhardt’s suggestions for this process has been followed in sense of a two-part procedure that has involved refining the definition of the constructs and building evidence, which has measured the constructs in each case (Eisenhardt, 1989: 545). The constructs with highest volume and quality of evidence were further validated.

In the end of this process the final constructs have been tabularised and more schematic approach has been used in order to present the conclusions. The PIL framework (See Chapter 6) has emerged as a final concluding theoretical construct of this research An important interconnection to existing theories ‘surrounding’ the phenomenon of product leaks has been made.

Additionally, it should be noted that the researchers were aware and therefore managed to avoid of some of the limitations related mainly to the data aggregation and analysis. In general, the key has been to balance the aim of the study with depth and understanding of observations (Lundkvist, 2003: 55). Sometimes there can be a tendency to incline to conclusions despite of limited data (Eisenhardt, 1989: 543). The extreme opposite is “satiation” and too significant influence of vividness of certain aspects of the phenomena

(Nisbett & Ross, 1980). Last but not least, based on the rigorous theoretical foundations of the research, the study was aware of different roles that consumers 'play' within the conversations and consequently managed to deal with leap to overuse inputs from more 'elite contributors' (Miles & Huberman, 1984).

4.4 Methodological Delimitations

In the relation to the data gathering and analysis it is necessary to address several possible issues related more generally to this process. The potential criticism of selected set up of methods might be linked primarily to the qualitative approach of the study. Hence the delimitations should be focused towards this approach. Some reflections on possible risks related to particular methods or methodology were already discussed earlier the issue of generalizability will be addressed in the final remarks.

While utilizing the qualitative approach, the research is fully aware of possible weaknesses of chosen approach. There are two opposing streams in respect to qualitative methods. On one hand, there is a critique of qualitative approach based on a notion of dealing with empirical data in a way that leaves room for only very limited interpretations (Lundkvist, 2003: 52). The second criticism is on the contrary related to the researcher giving space to too many interpretations. As a result, the position of a researcher as interpreter is usually considered as the strength of qualitative approach. However, it might be identified also as the weakness (Lundkvist, 2003: 53).

The building-theory from cases method allows employing tabular displays and graphs, usually perceived as tools of quantitative research. They could be used in order to coherently manage and present qualitative data (Eisenhardt, 1989). Consequently, the qualitative research will not produce generalizations, but rather genuine in-depth understandings and knowledge about chosen phenomenon Leininger (1993:106).

4.4.1 Reliability and Validity

A common delimitation of a research in social science relates to the reflections on reliability and validity. Reliability questions whether the study can be replicated and if so, to what extend similar results would emerge (Bodin, 2000: 78). Reliability might be perceived as linked to validity. In this sense, the authors have been aware of impact that the specifics of chosen industry (telecommunications) might have effects on replicability of the study. The issue related to lack of official confirmation of PILs from organisation's side (i.e. intentional tool) can be stated in this context too.

Lincoln & Guba (1985) argue that the high degree of reliability is a prerequisite for a high degree of validity. Coming from ethnographic tradition, Goldgen-Biddle and Locke (1993: 595) on the other hand identified authenticity, plausibility and criticality as validity's predispositions. Authenticity refers to the appeal to readers to accept that the researcher was indeed present in the “field”. This study deals with this challenge by presenting illustrative fragments of the conversations as well as by presenting the list of links to all sources in electronic form (please see *http://researchpil.wordpress.com*). Moreover the nature of computer-mediated communication allows readers to retrospectively “nest” into conversations at original websites. Through Plausibility, the studies try to convince readers that the findings are distinctively contributing to existing research. The overall novelty and exploratory nature of this study as well as detailed elaboration of the linkage of chosen phenomenon to existing knowledge sort out the issue of plausibility within the this study. Finally, the concept of criticality aims to evoke readers’ curiosity to re-examine the taken-for-granted assumptions that underlie the studies. (Goldgen-Biddle & Locke, 1993: 595). This study has induced readers’ inquisitiveness by drawing upon practical and recent themes, but especially by detailing the elaboration of the possible managerial and theoretical implications.

The research validity itself can be divided into external and internal dimensions. External aspect deals with the possibility of generalizations while internal dimension questions whether the research has captured the reality (Bodin, 2000: 80). Internal aspect plays more important role in qualitative research efforts and it is closely linked to the issue of trustworthiness (Golafshan, 2003: 602).

However, some author, such as Leininger (1993 as citied in Lundkvist, 2003: 53) argue that qualitative researchers should not rely on the use of predominantly quantitative criteria such as validity or reliability in order to explain or justify their findings at all. Qualitative research should be rather supported by using six criteria: Creditability, Confirmability, Meaning-in-context, Recurrent patterning, Transferability, and finally Saturation. Latter criterion has found particular importance in the context of exploratory nature of this study and virtually “endless” environment of online conversations. Therefore, saturation will be now specified in the following paragraph.

4.4.2 Saturation

As Bodin (2000:75) noted, in the qualitative studies it is difficult to say, when to stop collecting the empirical information since there is no exact calculable point where the process can stop. Thus the judgment has to come from the researcher. With the help of following four criteria of saturation categories (Lincoln & Guba (1985: 350) a possible saturation can be nonetheless identified. The four conditions are: 1) emergence of regularities, 2) overextension (i.e. further data will drive research to the direction out of aim of study), 3) exhaustion of sources, and 4) obligation to present the case and the findings in an open way in order to allow the reader to make his or her own judgment. For the purpose of this study, all conditions except the exhaustion of sources have been reflected and considered when searching for the empirical saturation.

In the context of the last requirement (to present the case and the findings in an open way) the time and space constrains had to be considered. In order to overcome reader's initial lack of knowledge about the brand and products selected for the case studies, the complementary empirical sources have been used in order to fully introduce reader to the situation, i.e. the process of Making entrée (netnography) (cf. Bertilsson, 2009: 57) or Case write-ups (building-theory from cases method) (cf. Eisenhardt, 2007). Furthermore, crucial parts of conversations are presented within the case analysis in order to illustrate and emphasize important steps within the analysis.

4.4.3 Reflexivity

The issue of reflexivity is another commonly mentioned criticism of qualitative research (e.g. Yin, 1994; Gretchen, et. al, 2003) with regards to the data analysis and interpretations. The efforts to unbiasedly independently approach the data must be perceived in the relations to chosen methodology automatically challenging some aspects of objectivity. Nonetheless, the researchers consciously considered the reflexivity, by discussing previous involvement in the process of following the PILs about selected product. The overall interest of researchers in the field of hi-tech could have been perceived as influencing assumptions, beliefs, and biases (Creswell & Miller, 2000) too. These were however openly addressed and discussed before the analysis and controlled during the research. It is also suggested, that the fact that the research has been conducted in pair actually contributed to its higher reflexivity as researchers tended to "regulate and balance" each other.

4.4.4 Notes on ethical issues

As Lundkvist and Sjöstrand (2002:139) claim:

> *"Ethical issues are important in all research but the special characteristics of communication technology make them even more outstanding."*

This study was deeply concerned about various ethical aspects of the product leaks phenomena and its exploration. The ethics behind product leak itself will be described later. The main concern has been however related to the nature of online conversations, i.e. their capturing and storage. The list of links to the empirical online data is provided on the specially established website as aforementioned in order to simplify future research efforts within this field. In this context, the same approach to ethics is expected from other scholars.

According to Lundkvist and Sjöstrand (2002), the researchers should always at least consider different ways to let the subjects know about planned collection of empirical data. Eysenbach and Till (2001) distinguished between private and public communication within online community. In case of private communication (based on the access condition such as subscription, registration, login or password), informed consent is required. In contrast, informed consent is not compulsory when the research method is based on non-intrusive and passive analysis (Bertilsson (2009: 64)). It described later on, this study has met these characteristics. Moreover, the data used in this study can be classified as retrospective (Bennett & George, 2005), which would make a possible gain of informed consents fairly difficult.

Despite these facts, the anonymisation (i.e. change of particular identities and nicknames of users to more generic names) of the comments and conversations about product leaks has been conducted.

5 Analysis

The analysis of the Product information leaks phenomenon is introduced as follows. At first, the analytical framework is introduced as it provides a guiding outline throughout the exploratory research. As a next step, the detailed introduction to the cases is provided in order to immerse the reader into the setup of both cases. The findings are broadly discussed following chosen framework.

5.1 Introduction of the analytical framework

The findings of the analysis are presented using the elements of the PIL framework illustrated in Figure 5. Following the methods chosen in previous chapter, this analytical framework resulted from the actual within-the-case and cross-case analyses. The bottom-up logic of this exploratory research was followed. The paragraphs below further detail the main four dimensions that emerged during the analysis of the empirical material. These main dimensions (PIL Characteristics, PIL Evaluations, PIL Conversations, Declared response to PIL) follow the consumer-based viewed of PIL (horizontal arrow). The linear logic of hierarchy of effects models (Howard & Barry, 1990) has been followed during the conceptualisation. However, the research has acknowledged the criticism of this perspective (De Pelsmacker, 2007: 75) During the sharpening *hypothesis* process, the dimensions have been filled up with the sub-dimensions and categories (visualized by vertical arrow logic) that closer describe the most distinctive elements of the phenomenon.

The first dimension of the framework is the PIL Characteristics. These characteristics describe what elementary aspects are shaping every PIL. The Source of the PIL is important as it is often related to the validity and relevance of the information presented in PILs. The sources include mainstream newspapers, industry analysts, blogs and fan-websites. However, it is also possible that PILs are reported with an unknown source. The Connectedness of the PIL describes the level of integration with other PILs, as well as a means of assessing the validity thereof. Furthermore, the Format of a PIL can be audio-visual or textual (cf. the concept of written speech by Paccagnella, 1997) but a PIL could also consist of elements from both. The final characteristic of a PIL is its Timing which could influence the perception of it. The consumer has basically a minimal influence on the first dimension of PIL as it is mainly constructed by the organisations (i.e. horizontal arrow not included).

The second dimension of the framework is the PIL Evaluations. This dimension can be pictured as containing two 'filters' employed by consumers both individually or/and as a community (cf. Muñiz & O'Guinn, 2001:412). These allow consumers to dissect the information in the PIL based on current knowledge and awareness. The first filter concerns the consumer's awareness of the PIL phenomenon. Awareness of intentionality of PILs and the awareness of the validity based on quality allows for evaluating the overall relevance of PILs. Furthermore, this filter includes the factors of entertainment, discussing eventual emotional attachment to PILs. The second filter is more specific to the nature of information in the PIL message and concerns the customers' awareness of brand perspectives, awareness of market and industry perspective, awareness of the product life cycle and new product development.

DIMENSION	**PIL CHARA-CTERISTICS**	**PIL EVALUATIONS**		**PIL CONVERSATIONS**		**DECLARED RESPONSE TO PIL**	
Sub-Dimension		Awareness of the leaks phenomenon	Awareness of the brand, market and industry	Marketing mix related conversations	Organisational strategy related conversations	Expressed	Not-expressed
Category within the dimensions	Source Connectedness Format Timing	Intentionality Validity based on quality Factor of entertainment	Brand perspectives Market and industry perspective Previous NPD/PLC perspective	Product Price Promotion	Brand innovation factor Market situation Business partnerships	Positive Negative Ambivalent	Unknown

Figure 5: The PIL framework - analytical version

The third dimension of the framework is named the PIL Conversation. This dimension describes the conversations about the information as provided in the PIL, which is divided in two different levels of conversation. The first category includes more practical marketing mix related topics of conversation about PILs. It should be clear that the reference to the Marketing mix is merely used as a tool for categorisation and future implications as a suggestion for practitioners. These conversations include discussions regarding product, price and the promotion. This information also contains trends and new product related ideas through the views and opinions that are expressed. In general, the topics of interest include the naming of a product, the aesthetics, the launch-window, price range and the promotional material. The second category includes conversation about the issues that concern the strategic position of the respective organisations. These conversations include discussions regarding brand, innovation, market situation and business partnerships and are in relation to the product as displayed in the PIL going forward.

The fourth and final dimension of the analytical framework addresses the behavioural and emotional Declared response to PIL declared by consumers after comprehending the PIL. This dimension can be divided in expressed and non-expressed categories of declared responses. The expressed response consists of positive, negative and ambivalent reactions. The non-expressed responses have not been investigated due to the logical reason of it being impossible to explore from the chosen empirical data. Additionally, it is difficult to identify whether any positive declared statements were actually fulfilled (i.e. new product was purchased). However, the expressions and declarations (i.e. resolute approaches to actual purchases) of consumers' excitement and enjoyment of the anticipation of the new product have been used in order to estimate possible impacts and implications of these responses to PIL.

Having introduced the analytical framework for this study, the focus can be now turned towards the actual cases.

5.2 Introduction to the Sony Ericsson Xperia Play

The Sony Ericsson Xperia Play is a mobile smart phone that was officially revealed on an ad shown during the 2011 Super Bowl and officially announced on the Mobile World Congress (MWC) a few days later on the 13th of February 2011 (Miller, 2011).

Before the phone was released, it received substantial attention in the media due to the fact that it was mistaken to be the successor to Sony's successful PlayStation Portable (PSP) device. Therefore, the device was given the 'PlayStation Phone' nickname. This has caused gaming enthusiasts worldwide to focus their attention on the development of the phone months before the actual release fuelling profound conversations of product information leaks concerning the device leading up to the official announcement. These conversations would soon form the basis for speculation, rumours and further discussion regarding the device.

5.2.1 The Sony PlayStation brand

In order to fully comprehend the information as leaked, and the conversations that they spawned, it is imperative to briefly identify the relevant information about the history of the Sony PlayStation brand, the alleged predecessor (the PSP) and its competitive landscape.

Sony Computer Entertainment (SCE), Sony's video games business division, released its first home video gaming system, the PlayStation, in 1994 in Japan (Sony, 2011). The console made its debut in other regions (including the United States and Europe) the years after, being the first ever video gaming system to reach 100 million sales. The successor to the immensely popular console would eventually even reach over 150 million sales worldwide (Sony, 2011a) becoming on of the most successful video games systems ever sold. During the successful years of both consoles, the PlayStation brand was competing with other video games system manufacturers such as Sega, Nintendo and Microsoft. Nintendo dominated the mobile gaming market with its popular handheld gaming device, the GameBoy and it seemed only logical for Sony to extend their brand to a mobile platform. Therefore, In 2004 and 2005 Sony released a portable handheld version of its home console, the PlayStation Portable, known for its advanced graphics and the familiar PlayStation control scheme (1up, 2004; Thorsen & Surette, 2005). During its life cycle, the device enjoyed strong sales but also fierce competition by the Nintendo DS (NDS) and various smart phones (including the Apple iPhone) that increasingly employed forms of mobile gaming in order to get a slice of the expanding mobile gaming market (McLean, 2010). The original PSP has been released as different iterations of which two were lighter and smaller (known as the PSP Slim & Lite, Sony, 2009) and one without a slot for physical discs known as the PSP Go (Sony Computer Entertainment, 2009)

As the PSP entered its final stages of the PLC, information emerged with regards to its successor (Plunket, 2009). This information was mainly found in PILs and often confused with another product that was in development, the Sony Ericsson Xperia Play. As the official name was still unknown, the device was given the aforementioned 'PlayStation Phone' name up until the official announcement in early 2011. It is important to note that rumours about the device had been around since 2006, years before the first leak, because of the fact that SCE filed a patent for a PlayStation Phone (Plunket, 2006). Although SCE had initially strongly denied the existence of such a device, the company became known for hinting at the possible development of the phone through its Sony Ericsson division.

Finally, it must be understood that it was commonly thought that the alleged PlayStation Phone would compete with the Nintendo 3DS gaming system, Nintendo's successor to the NDS (Gantayat, 2010). In addition to the thought of the successor being a phone, it would also compete with other smart phones such as the Apple iPhone 4.

5.2.2 Product Information leaks about Sony Ericsson Xperia Play

The Xperia Play has had a vast array of PILs before it was officially announced in February 2011. As aforementioned, long before the PIL surfaced, rumours about the device had been around for several years as executives from both SCE and Sony Ericsson had hinted at the potential of a PlayStation Phone. This was reinforced early 2010 as the Wall Street Journal (2010) reported that Sony was getting ready to release a smart phone capable of downloading and playing video games.

The first real product information leak reported an incomplete list of technical specifications, a description of the device's aesthetics (comparing it to the design of the PSPgo) as well as information that the device would run Google's Android Operating System (OS). Later PILs detailed leaked photos and videos of late-stage development prototypes confirming previous reports. Some leaked photos were anonymously posted although others were claimed to have come from Chinese manufacturing plants. The videos leaked come from different anonymous sources and eventually the first official ad was leaked out almost a week before it was shown during the 2011 Super Bowl. The final few PILs before the official announcement on the MWC also included full technical specifications and even a hands-on review of a final prototype.

5.3 Introduction to the Apple iPad

The Apple iPad is the first in a series of tablet computers created by Apple Inc. The device was officially announced on the 27th of January 2010 and released on the 3rd of April during the same year (Apple, 2010).

Before the tablet computer even was announced, the device had been given substantial attention over the course of over a decade. This attention mainly stemmed from patents the company filed as well as previously released products that gained popularity by the Apple fan community, which had grown so much ever since the release of the very first Apple computer. These people have caused for every rumour, PIL and patents to be examined as comprehensively and thoroughly as possible. Especially because of the fact that for most of the time these PILs were discussed, 'the evidence of the existence of the device was slim at best' (June, 2010).

5.3.1 Apple and their tablet PC history

In order to attain a complete understanding of the topics that were discussed in the Apple iPad PILs, and the conversations that arisen from them, it is crucial to briefly identify the history of the company's tablet PC's and related products. Additionally, the details known about the development of future iterations of these products need to be addressed.

The development of a tablet PC by Apple can arguably be traced back as far as 1983 (Ganapati, 2010) resulting in the organisation having involved tablet-based computers in its development for over 26 years. In 1993, Apple (at the time still 'Apple Computer Inc.') finally released their first tablet computer called the MessagePad, which officially was a PDA (Personal Digital Assistant) based on their own Newton OS. In the years after, Apple managed to release seven iterations of its MessagePad device with the latest one having been released in November 1997 (Hormby, 2006). All of the MessagePad tablet devices used a version of the aforementioned Newton OS. It is interesting to note that Apple also developed a tablet PC, based on their laptop line the Macbook Duo, named the PenLite (Apple Gazette, 2006). The latter was never released in order not to hurt MessagePad sales.

During its product life cycle, the MessagePad and the Newton OS have attracted users worldwide, which helped to establish and grow a sound user base for the spreading of these PILs. From 2002 onwards, up until the actual announcement of the iPad in January 2010, the development of the device coincided with the development of the iPod (personal MP3 player) and iPhone (smartphone) product lines as the devices share similar features. Apple enthusiasts were often involved in discussions about all these different products lines.

5.3.2 Product Information Leaks about the Apple iPad

The Apple iPad has seen numerous different PILs during the years leading up to its official unveiling. As aforementioned, rumours and PILs about the device had been around for several years, which stimulated Apple-enthusiasts to continue talking about the potential development of the device.

As stated before, the development of the iPad often coincided with the development of other Apple devices such as the iPod and the iPhone due to the similarities between them. This caused a lot of PILs to include features of all these devices, often resulting in changes in screen sizes, the change of processors, different operating systems, different release dates etc. (June, 2010). The first real PIL reported the filing of a European design-patent by Apple (Rojas, 2010). Later on, PILs of the nature of other patents, technical specifications, audio-visual material from manufacturers and alleged insiders as well as product mock-up's of the iPad surfaced. Names such as iSlate and Magic Slate become broadly known as suggested final names for the device and form a major topic of discussion for Apple enthusiasts worldwide. Eventually, a renowned analytical firm spots 50 actual units of the device being tested on Apple's Cupertino Campus (Kim, 2010), just a few weeks before the official announcement. The hype around the iPad culminated during the last day when the PIL containing the real name of the product was leaked as well as carriers for the 3G version of the device (Rojas 2010).

5.4 Analysis of the PIL Characteristics

When analysing the information leaks about the iPad and Xperia Play the attention was paid to the configuration of the messages itself. By configuration is meant the set of various variables and factors that were shaping and influencing the resulting version of the message as well format following conversations. The exploratory and therefore not quantitative nature of this research (e.g. Yin, 1994) has determined that the focus is rather on conceptualisation than on quantification of these factors. Following characteristics of PILs have emerged to have importance on the effect of the leak's Source, Connectedness, Format and Timing.

5.4.1 Source

Source of the product information leak plays a significant role in the search of validity of the message. When evaluating the validity, consumers reacting to the messages tend to trust the mainstream traditional media outlets, such as New York Times or CNN in case of the iPad case. Therefore the mainstream newspapers are quite often used and claimed as the sources of given product information leak. Generally, the presence of the PIL in mainstream, major media tends to increase the believability of the leaked information.

> *"…Given the large number of tablet predictions leading up to the iPad launch, we aren't going to bother rehashing every single report. Unsurprisingly, the New York Times and Wall Street Journal had the most specific and reliable information about Apple's plans, while analyst reports remain widely varied and unhelpful."* (Kim 2010)

Another source of product information leaks is assigned to industry analysts. Industry analysts can be defined as people performing primary and secondary market research within a particular segment to determine accurate market descriptions, trends and forecasts (Analyst Industry, 2011). Blogs and other fan-websites are quite popular source of rumours and leaks too. Blogs (or alternatively e.g. tweets or Facebook posts) naturally add higher uncertainty to the message communicated. On the other hand, other fan-websites focusing on similar product category (e.g. 9to5Mac, CoreMac in case of Apple or Gamespot, GamSpy, 1Up in case of Sony Ericsson) are employed to rather strengthen or support primary source of product information leak. Analysis on the website Macrumors.com has brought another source of messages – originally investigated. Thus product information leaks messages can be strengthen by exclusive original material, as in the evidence bellow, revealing where the information about the iSlate trademark was acquired

> *"...Regina Porter happens to also be Apple's Senior Trademark Specialist as shown in her Linkedin profile. While we can't definitely pinpoint this to be the exact same Regina Porter, it seems beyond the realm of coincidence…"* (Kim, 2009)

Last but not least, several sources of PIL are either claimed as unknown or they are not expressed (e.g. reliable source, source with knowledge). As a consequence, the consumers have to deal with higher ambiguity, which leads to the thorough investigation of the PIL validity.

5.4.2 Connectedness

As mentioned above, some of the analysed articles and messages are built around one single PIL. However, quite often the connection to other PILs does exist. The main motivation behind the interconnecting leaks might be the aim to increase validity and believability of overall message and consequently its impact. The tendency to present PIL in 'bundles' is also present in conversations bellows articles or videos. In this case, these additional sources of PIL are "igniting" and driving the discussion (although not always in the same direction). Hence, some consumers are aware of more than one PIL, as they tend to contribute and share PILs from other sources. General knowledge or awareness of other PIL might be present.

5.4.3 Format

The conversations and responses to the PILs are affected by the way the PIL is presented, by its format or execution. Two main PIL format categories can be identified: Audio-visual (e.g. YouTube video, picture) format and Textual format (e.g. article, blog post). PIL can consist of either one or both of elements from both categories. However, audio-visual format, especially videos, with PIL could be perceived as more convincing and appealing to consumers when compared to textual information. This is apparent mainly for YouTube users. Nonetheless, the significance of this finding has to be relativised by the generally known fact that audio visual content tends to be more appealing (Kinder & McClusky, 1954:9). Also, the context of audience, e.g. the generally lower awareness and knowledge of the audience on YouTube, is suggested to have a certain impact. An example of a photography declaring to visualize the future iPad (not valid) can be found below:

Figure 6: Example of the Product information leak visualizing possible future iPad (Kim, 2009)

5.4.4 Timing

Finally, the last significant variable affecting the final form of PIL is identified to be the timing. The time when the message containing PIL is sent out plays an important role in the overall perception of the PIL, especially in the connection to validity, believability (i.e. fake or real) and intentionality (i.e. accidental or on purpose).

This is clearly visible in the case of Apple iPad. The product was announced on January 27, 2010. The intensity of the PIL and rumours appearing had rapidly increased in last month before the announcement. As a result, some consumers started to be tired and overwhelmed by the rumours.

> Peter: *"Ok, I'm done with all these rumors. It's so overwhelming. I'm looking forward for the tablet to be finally announced. Not because I wanted, but because we can finally move forward get these tablet rumours over with!"*

The following quote illustrates the same evidence in the Xperia Play case:

> Mary: *"This is getting ridiculous, just announce the damn thing sony everyone knows its coming."*

As stated above, the four characteristics of PIL considered are perceived in a rather normative manner. These characteristics have provided initial ideas how the message containing the PIL can be shaped and sent to the consumers. As a next step, the focus will turn to the influence that the consumers possess over just sent PIL.

5.4.5 Knowledge based on audience

Analysis shows that different consumers perceive the PIL differently. As expected, the character and format of the medium automatically determines the consumers and their awareness or sophistication. Due to its exploratory character, this study has not aimed to analyse all the different existing communities (cf. Muñiz & O'Guinn, 2001) where the PIL could be exploited, nor to address the particular differences between the targeted audiences. The research however still builds upon the theoretical notions of various member role within the brand communities (cf. Kozinets, 1999) and the PLC, i.e. it is closely connected to the concept of different groups of targeted consumers related to different product stages (i.e. innovators – introduction phase, early adopters – growth phase) (See chapter 3). Hence, during the exploration, it has become striking that those consumers with a significant knowledge and awareness of previous products, brands, and industry are often driving the conversations about PILs. These participants of the discussion can be perceived as acting like early adopters. The "sophistication of the consumers" has also determined the depth and relevance of the discussions about PILs as such.

For example, the estimates and guesses of the future price of both iPad and Xperia Play cases interestingly points towards the level of sophistication and awareness. Less involved consumers tend to point towards wider price range than the consumers who appeared to posses more knowledge.

However, overall the distinctive collaborative efforts are observed when the validity and relevance of the leaks is exercised and evaluated. Consumers connected into sort of "ad-hoc" brand community through the common interest in the message containing PIL share their knowledge to prove whether the particular product leak information is valid or relevant.

Two different streams of this awareness of the consumers' filtering the messages have emerged. At first the PILs are evaluated based on the current knowledge about existing rumours, leaks and speculations. The other dimension of knowledge of the consumers' community filtered PILs based on the awareness of the brand, market and/or industry. The first category will be now elaborated.

5.5 PIL Evaluations: Awareness of the leaks phenomenon

5.5.1 Intentionality

Empirical data indicates that there is an awareness of the intentionality of PILs present among certain consumers. Consumers point out that the leaks are all organized and seeded by the given organisation. This is apparent especially in case of Apple iPad, which was assumed to have some experiences with intentional PILs. It might be interesting to see to what extend this intentionality affects the possible control manageability of the PIL. Two examples illustrate this notion:

> Karen: *"They know the iPhone success is partially due to the ridiculous hype they created around it. They also know how anticipated the Tablet is by certain demographics, so they have started their underground campaign to build hype. It will run for a month (so predictable) until we see it in glory on Jan 26th."*
>
> Tom: *"Does any one else think that there have been an exorbitant amount of "leaks" regarding this product [Xperia Play] ? I seriously doubt a company has this much of a lack of control over their advertising. I'm pretty damn sure this is another (incredibly clever) form of viral marketing. Make everyone think something got leaked so that way people will pay more attention to every morsel of "leaked" info they get.*

More specifically, consumers are able to evaluate the validity of the PIL and share its results based on their awareness of the previous "leaking patterns" This means that some consumers even expect PILs to come in certain time and phase of the new product development based on the experience from the introduction and launch of a previous product from given organisation.

This notion of previous product information leaks patterns is accompanied by the general knowledge of what kind of information has been leaked and discussed on different websites, online platforms (e.g. Facebook, Twitter) or in other media outlets. In these cases other PILs complement the original one in the discussions and consequently, as mentioned above, connectedness of PILs emerges. Furthermore, the manifestations of a brand-community-based knowledge (Muñiz & O'Guinn, 2001) starts to appear when it comes to evaluation the historical importance and reliability of given source. For example, consumers remember and able to disclose the details of the launch of last iPhone mobile phone and compare this situation to the launch of Apple iPad:

> Richard: *"People were saying there would be a front facing camera on the iPhone and maybe a tablet. Well Gruber* [The correct name is John Gruber. He is a prominent Apple blogger at Daring Fireball (Daring Fireball, 2011)] *the night before posted to his blog more or else the following: "no front facing camera, new iPhone will be called 3Gs (s for speed) and no tablet announcement yet." By morning, no one was talking front facing camera anymore, and sure as hell weren't even whispering about the tablet. Tonight maybe we'll get such a post from Gruber or Wall St. Journal clearing things up, but more importantly...bringing our expectations back down to earth."*

There is another important aspect connected to the awareness of the possible intentionality of the leaks. Some of the most likely more experienced consumers point out that the artificially created "hype" caused by big amount of PILs leads to unfulfilled expectations and disappointed when the product is announced. Although this isn't a major opinion, some consumers express their "disappointment from underwhelming".

> Marcus: *I'm always extremely UNDERWHELMED by the actual products in Apple's events - it can never live up to all the over-hype that these things get.*
>
> Tony: *"Wow, if this is what Sony is working on as the PSP2, then I just hope it will be good and won't be a crappy phone and a crappy gaming device after all that epic hype."*

As a consequence, pointing out to the intentionality and over-intense hype caused by too many PILs results into ambivalent perception of the overall message that might have suggested an interesting feature of the future product.

5.5.2 Validity based on quality

Besides their knowledge and awareness of the product leaking as such, the consumers evaluate the validity of the PIL messages based on the quality of the leak execution. This is naturally the case in audio-visual PILs, i.e. pictures, videos. Surprisingly, quite often the discussion turns into a detail investigation of the validity of presented video, leaked commercial or photography. Consumers try to examine every single detail to prove the message or claim it as 'fake'. Furthermore they try to guess the techniques, which were used to create the leaked unproven video or estimate graphic software that was used to adjust the photography. In the example below, Johnny doubts about the validity of the PIL based on the geographical position of the website that came up with the video.

> Johnny: *"If this video is legit, why is it posted on a French domain with an English sitename? And why is the video all in English but with a french month at the end? FAKE..."*
>
> Janine: *"So fake, it's unbelievable. The gradient in the second photo on the reflection in the macbook is anything but gradual, and at the bottom of the screen the reflection even cuts off some of the MacBook's desktop wallpaper (the diagonal lines)."*

As seen, Janine challenged the graphic irregularities in the photography picturing the future iPad. A more or less detailed investigation is evident in the case of Xperia Play too.

> Michael: *"I call fake as well. Look at the screen, you can see that it says A for select and B to go back when it should be X to select and O to go back."*

In case of Apple iPad a significant knowledge and awareness of the brand emerges when assessing the validity of the leaks. Consumers are able to present a widespread knowledge of the Apple's style of advertising, such as awareness of copywriting, graphic and design fundamentals or of elements of corporate brand identity. This awareness is employed in case of audiovisual format of the PILs by evaluating its possible validity:

Erika: *"Middle two [pictures] are interesting but lack the apple style. I have hard time believing that a device promoting multitouch will have two physical home buttons. But maybe that's just me?*

Frank: *"…but the video also says "After 10 Years of Development." That I can remember, Apple normally doesn't advertise how long a product has been in development…"*

5.5.3 Factor of entertainment

As a result of the deep evaluation of the validity, consumers tend to take a clear statement, whether presented information is valid (reliable, real) or not (unproven, fake). These standpoints are rather viewed as two polars of one spectrum, as the consumers declare their positions in a more normative way. The "real or fake" statements naturally are not the only positions taken by consumers. In some situations, justification of the validity is done through the "prototype" claim as well. Consumers declare that a PIL is related to the prototype, and therefore is to some extend real, but could appear a lot differently in the final version. The following example from the Xperia Play case illustrates this.

Ronald: *"As the device is still in prototype stages, the final specification of the device have not yet been finalized by Sony"*

Besides the evaluation of validity, consumers appreciate the effort that was invested into the PIL creation, especially in case of leaked video. Findings suggest even the possibility of an entertaining factor in some PILs. Consumers claim that it is entertaining to watch or read the PIL message despite the fact that they doubt about their actual validity.

Karen: *"Of course it is fake but is quite amazing the idea!"*

Lothar: *"Looks real but if its fake it still looks pretty cool."*

Joshua: *"Not to mention, it would have been pulled by now. It's still fun though. I came to look!"*

The reactions of all three above mentioned consumers illustrate overall positive assessment of the PIL despite it is not valid. Additionally, in one of the last conversations on fan website Macrumors before the actual announcement of Apple iPad, there are signs of "emotional attachments" to the PIL. The consumers explicitly express that they have followed the PILs about given product for years and after the announcement this process and activity would come to the end. Despite not being a major topic of the discussions, there has been a clear and explicit evidence of such affective reactions, as seen for example in the statement of Billy:

> Billy: *"this is somewhat sad reading it (sad as in sorrow). years and years of thoughts, ideas, talk, all coming down to tomorrow. thats sad, like a life-long friend going away forever."*

Billy is even comparing the PILs to a 'life-long friend' since over the years he has spent lot of time estimating their validity. Hence, there is an opposite relationship to the product information leaks than presented above during the discussions about awareness of intentionality. It also suggested that the PIL publishers themselves might encourage these feelings. A beginning of the article from the gaming related fan website Ign.com appeals to readers in following way:

> *"There are few constants in this life. Death. Taxes. Every Depeche Mode album will sound the same as the last one. And rumors that Sony is working on a PlayStation-branded phone."* (Miller, et al., 2011a)

In this example, the publisher (Ign.com) appeals to their readers by comparing the PIL to other emotional matters of life, therefore emphasising on the emotional charge of the article.

5.6 PIL Evaluations: Awareness of the brand, market and industry

The second stream of awareness applied by some participants of the discussions relates to the awareness and knowledge that consumers have about the product's brand, the competitive position in the market and the industry as a whole. This knowledge is perceived as something that consumers gained through their previous interaction, e.g. with the brand, other brands or other products from the category. This knowledge is employed during initial evaluation of the validity and relevance of the PIL. This "filtering" can be further divided as follows; Brand perspectives, Industry perspectives, Market perspectives, Product Development/Life Cycle (NPD/PLC). Findings related to each of these dimensions of PIL Evaluations will be now detailed

5.6.1 Brand perspectives

The first category addresses consumers' awareness and knowledge about the organisation's brand(s) and the history thereof. It is argued that, when evaluating the PIL, consumers are able to employ knowledge and perception of the brands or organisation's conducts from the past to presence. The experience and the knowledge that consumers have, is used to draw conclusions about the validity of the PIL discussed.

> Carlos: *"I remember the uproar when they changed from the lovely iBook and PowerBook brands to the clunky sounding MacBook."*

> Mike: *"So what is the name going to be playstation pocket or Xperia play. I think the playstation pocket would be smarter because it has more brand recognition."*

> Robin: *"The name of the new tablet device is "iPad" as it leverages existing brand identity of the iPod, it rolls off the tongue, and it simply and elegantly describes the device physically and functionally."*

The examples above show that consumers are aware of existing brands as well as old brands that have been used by the organisation in the past.

The findings point out that consumers can be aware of the fact that brands can possess certain value, there is a notion of brand image present too. As a consequence, the consumers understand that organisation should choose carefully how the brand should be leveraged through new products. The following examples show that the consumer has some understanding of the association of a brand with a bad product can have on a brand:

> Ronald: *"So what is the name going to be playstation pocket or Xperia play. I think the playstation pocket would be smarter because it has more brand recognition...."*

> Peter: *"I guess Sony wouldn't want to harm their Playstation brand with bad products especially after PSPgo, so I guess they took this one under their Japanese hood ;)"*

Hence the notion of brands is used as base of the evaluation of PIL's validity and relevance.

5.6.2 Awareness of market and industry perspective

The second category, affecting the evaluation of the leaks, addresses the level of awareness that consumers have of the history of an industry that an organisation operates in. This connects the PIL to the knowledge consumers have about past occurrences in the industry, relating successful/unsuccessful products, used technology. In general, consumers are able to evaluate the validity of PILs based on the past and existing situation of the industry, known competition and known other products from the past and presence. However, they struggle with the imagination to go beyond the existing, known environment, in the case of unknown features of technology presented in PIL.

> Mark: *"Scrap this and put all your efforts into the PSP2 Sony. Nokias N-Gage died and so will this, the iPhone has too vast a hold on the mobile phone industry at the moment for this to make any waves."*

The example above shows that consumers are aware of the case of the Nokia N-Gage that failed to succeed in 2003 and use this knowledge to assess the relevance of the information as provided in the PIL.

> Tom: *"This info might real. The PSP phone would do much better in terms of appeal and uniqueness. IT would be a strong competitor for both Nintendo and Apple as it does a little of what both do…"*

In this example, Tom thinks that because of the success of the PSP, a phone version will become very successful and even become a strong competitor for both Nintendo and Apple.

Consumers also employ awareness about the market of the future product. This knowledge contains a consumers' understanding of a specific market and how the product as displayed in the PIL could be perform on the market. The following example contains a consumer suggesting that the product as shown in the PIL will not be successful as the market is not big enough for this type of phone to survive.

> Javier: *'The market has already past shown it's dislike of mobile/console hybrids and yet Sony still went ahead with this? The future of gaming on mobiles is very much grounded within app stores for the foreseeable future Apple's iPhone has shown that, I doubt this offering from Sony is going to change any of that. That said, Sony have always made crap mobile phones that look outdated and are hard to use, so I don't trust this.'*

5.6.3 Awareness of the previous Product life cycle and New product development

The PLC/NPD category addresses the level of awareness that the consumers have about how products were previously developed and introduced. When evaluating PILs, consumers are aware of how products are introduced and how technological products might contain bugs and need product revisions after the product was launched in the respective market. In the following example, a consumer displays understanding of when he expects the product to be introduced onto the market.

> Henry: *"Tablet, yes. 2010, no. Expect it to come later this year. I'd say anywhere from August-October."*

Consumers show to have a basic understanding of development processes within organisations and how new products are introduced based on past experiences and knowledge about the organisation. This knowledge is used in order to filter and assess PIL messages.

> Graham: *'A phone would be made as part of a concentrated effort with another division of the company. No, "SCEA" would be crazy to do the full production of a new phone themselves. It will be playstation branded, but the development group would actually be their mobile phone group (I.E. Sony Ericsson).'*

This example shows that the consumer has some understanding of the development process of a product and how different divisions of one organisation work together during this process. The example below demonstrates that the consumer has some understanding of how new Apple products are announced (he assumes that Steve Jobs will announce the product at a certain event).

> Max: *'It will be interesting to see how Jobs is going to announce the new device at the event'*

5.7 PIL Conversations: Marketing mix related conversations

One dimension of the conversations about PILs concern the basic elements of the marketing mix. Although this does not mean that these elements are purposely discussed, the term 'marketing mix' gives an indication as to what types of topics are discussed which merely fall into these categories.

5.7.1 Product

The first and most extensively discussed category within this dimension of the discussion includes talk about the product and its elements such as product features, usage, aesthetics and the naming thereof.

Product features are widely discussed and it is often found that consumers discuss both known and unknown features that are both desired and expected. These discussions further evolve around agreement and disagreement of the choice of features in the product that is shown in the PIL. The example below illustrates a consumer that both agrees and disagrees with certain features on the product as shown in the PIL.

> Eric: *"I don't think the idea of a PlayStation with Android OS is good. Android Market or PlayStation Store? Both? I don't know. But I like the idea of a touch screen, second analog stick, 3G/4G, camera, phone capabilities and the PSP Go design (they spent a good money in it)."*

Discussions with regards to the PIL often refer to the final product and what the final product features will be. Consumers list and explain the desired features they would like to see implemented in the final product. In the case of the Apple iPad, a discussion was ignited about the final product's features by asking consumers to list what they thought were going to be the final product's technical specifications.

The second element of the product is the usage of it and the discussion thereof. It is sometimes difficult for consumers to understand how they are going to make use of a new product and it is typical for the discussion to form around this practical issue.

> Chris: *"I don't know what extra's this tablet is gonna bring to the table as I already own a macbook..."*

As illustrated above, the consumer does not understand how the product as shown in the PIL is going to be useful for him.

However, in case the product is similar to other products that are on the market already, consumers are more likely to form discussions around the desired usage. As shown in the quotation below, the desire is expressed to use the PSP as a phone in combination with the Playstation Network (PSN).

> Michael: *"I would love my psp to be a phone also to be able to message friends thu texts and psn [PlayStation Network] would be amazing."*

Additionally, this also applies to specific usage of the device due to the unique and new nature of it. For example, the issue of playing a game whilst receiving a phone call is brought up. It shows that consumers might find it difficult to imagine how new technology might work.

> Jordy: *"a portable gaming system and phone should never mix no one wants to be playing a game in the middle of a boss fight then all the sudden half the screen is filled with a text or incoming phone call if this rumor is true only two words can officially sum it up EPIC FAIL!"*

This consumer brings up the issue as foreseen and even disputes the unique nature of the device ultimately leading to believe that it is likely for him to experience some difficulties as an end-user.

The third element of the product concerns a discussion around the aesthetics of the product. Consumers describe the design of the product and address what they like and what they do not like about the product. The barrier for giving criticism is fairly low which enables a wider and less sophisticated consumers (as previously defined) to join in on the discussion.

> Rick: *'Not Bad.....But the PSP thing looks to chunky.'*

> Arnold: *'Cool but the design sucks :(It's way too fat!'*

The quotes above, mention the criticism towards the thick design of the product as shown in the PIL.

The fourth element of the product that is a popular topic of discussion is the naming of the product as shown in the PIL. The naming discussion often originates from previous rumours or project names as mentioned in leaked documents, filed trademarks or the names as given to prototypes. Additionally, consumers can use names of previous products by the respective organisation as a point of reference when discussing a new name. It is relatively easy for consumers to join in on the conversation about a product name. Generally, people are able to read the name, pronounce it out loud and form an opinion about it relatively easy. The following two examples are from consumers that voice their opinion about a certain product name:

> Tomoko: *'I like Apple Slate or Mac Slate better. iSlate doesn't roll off the tongue very well.'*

> Vikas: *"Zeus is a badass name for a phone. It says it all right there, it's the god king of all smart phones and mobile gaming devices."*

The conversations held about the elements of the Product dimension could potentially be used within the Product Development and Testing stage from the chosen model (cf. Booz, Allen & Hamilton, 1982) of the NPD as the product is effectively tested through the PIL.

5.7.2 Price

The second category within this dimension of the discussion involves the topic of pricing. The pricing of a specific product is relevant to most consumers in the conversation as this is an important determinant whether the new product will be purchased once it has been launched. Consumers discuss the pricing of the product as shown in the PIL on several levels. The first level is about what pricing strategy the product should have. Is the product seen as a high-end device and should it carry a premium price tag? Or should the device be priced affordably making it accessible for everyone?

Another way of discussing the pricing of the upcoming product could be by either just mentioning a certain price or an entire price-range by which consumers agree on buying the product. Giving an estimation of a price range is often easier as it is less specific and therefore more likely for people to guess correctly.

> Irene: *"I hope that its for T-Mobile and less than $300."*

> Berry: *"If the Z1 can be priced at $200-$300 unlocked, it will sell like crazy"*

The first of the quotations above shows a consumer mentioning a certain price and the second person mentioning a price-range.

The discussion also produces statements about the probability of products having a certain price threshold alongside with the willingness to pay a premium for a specific product. The example below shows a consumer that assumes that the product as shown in the PIL will be over-priced. He then continues by mentioning his personal premium price limit that he is willing to pay for the product once it comes out.

> Leonard: *"if this thing cost more than $800 im not buying. It will be just another over price apple product."*

Finally, as previously addressed, the price level as mentioned could also indicate the level of sophistication of the consumers in terms of accuracy (as detailed earlier).

5.7.3 Promotion

The third category within this dimension of the conversation addresses topics about the promotion of the product as displayed in the PIL. Consumers voice their opinion and talk about the promotional efforts made by the organisation for the product as shown in the PIL. The example below illustrates that the respective consumer thinks the commercial, which includes the PIL, is creepy and slightly disturbing.

> Andrew: *"Sony's going back the creepy and slightly disturbing commercials eh? Good luck there."*

5.8 PIL Conversations: Organisational strategy related conversation

Besides the more specifically oriented discussions as reactions to the PILs, consumers also engage in more strategically and broadly oriented discourse. This second dimension of the conversations about PILs concern elements of organisational strategy in terms of brand, innovation factors, market situation and business partnerships. These topics entail the strategic position of the organisation going forward with the product as displayed in the PIL.

The conversations about the brand can be divided in corporate brand and product brand discussions. The trust in corporate brands as expressed in the conversations are based on the experience with previous products. The comment below exemplifies how consumers trust Apple, and its CEO Steve Jobs, in creating a market and building up the demand for a new product category. This is based on previous products and product categories that the organisation successfully launched in the past.

> Malcolm: *'To everyone saying that there isn't a market for a tablet PC like this, would it be just appletastic and very Steve Jobs-esc to just invent the market for it?'*

With regards to the product brand discussion, in the example below, the consumer actively suggests different brands that the organisation can use in the final product. In addition, it is also stressed that organisation should take measures to protect the PlayStation brand based on past less successful products.

> Peter: *"I hope the Sony part of Sony Ericsson is making Playstation Phone, because Ericsson really doesn't know how to do good phones anymore (xperia x10 great hardware, bad android implementation)."*

The innovation factor describes the level of innovation that consumers identify in the PIL and the discussion thereof. Consumers talk about how they perceive the product and how innovative they think the product is. In the following statement, dissatisfaction with the product's level of innovation as shown in the PIL is illustrated.

> Susan: *"Sounds like it's* [Xperia Play] *literally just a PSP merged with a phone. There isn't even a graphics upgrade involved. I'd rather have separate items that do their functions well, instead of a single item that doesn't excel as a phone or a games platform."*

Another part of the conversation involves the issue of the current market and the discussion of what market the product could potentially be released for. This generally comes down to consumer judgment through identifying. In the quotation below, the consumer suggests how the product as shown in the PIL can be introduced in a specific market based on their own perspective and experience.

> Dave: *"You folks are missing the really point here -- the education market. That's Apple's bread and butter (remember, on campuses Macs are number 1, Pee-cees are "number 2"). The idea here is to be able to take notes, access info, and acts as an e-reader. As an academic, this is what I want. Many of my colleagues say, I won't buy a mac because they don't make a tablet version."*

Additionally, this example illustrates how the information in this category of the dimension can be used during the Concept development and Testing stage of the chosen model (cf. Booz, Allen & Hamilton, 1982) as it suggest a potential market on which initial tests can be conducted.

Finally, another category of this dimension discusses that of the partnerships an organisation might have with other organisations in order to develop de product as shown in the PIL. This shows that consumers are aware of several partnerships that could be involved in order to develop a certain product. In the case of the Xperia Play, the partnerships that have been discussed range from phone network carriers, game developers, internal divisions (e.g. Sony Ericsson) and external partners. Based on the features as described in the PIL, consumers will draw their declared response about these partnerships and either concludes the partnership to be satisfactory or unsatisfactory.

> Hank: *"Wow...this Google/Sony team is looking real good right now. Releasing Android [Operating System by Google] for the PSP Phone will really help to tap into the casual mobile games market"*

The consumer in the example above indicates that the Google and Sony partnership is satisfactory and he acknowledges the strategic benefits it might bring to both organisations.

Especially in the telecommunications area, a common issue concerns the choice of phone network carrier which the device hold as this immediately implicates what consumer base has got access to the phone and is therefore able to use the device. In case someone intends to buy the phone once it actually comes out and it is not available for their carrier, these people will not be able to choose the phone unless they switch to the respective carrier, something that can be a very costly thing.

> Jack: *"What I want to know is which carrier will it be on? (Hopefully Verizon, 'cause I'm not switching to wack-ass AT&T for this..)"*

The consumer above expresses his interest for the product (the Xperia Play) to become available to his carrier Verizon.

5.9 Declared response to PIL

The final part of the analysis empirical data will now turn the attention towards the actual responses to the PILs.

5.9.1 Expressed responses

The first category of the declared responses is the Expressed responses. As the sub headline stated, these responses have been considered as "declared". Any effort to verify whether declared statements were actually fulfilled (e.g. whether the consumer actually bought the product when it was released) would mean to go beyond the suggested framework of this study. The response is understood as in the relation to actual "behavioural" action, i.e. intention to purchase the product. The thesis has aimed to explore and describe the PIL phenomenon. Hence, following findings should be perceived and interpreted from a rather normative perspective.

The declared response of a consumer to the PIL is strongly connected to the previous reactions that have been analysed in detail in previous section of this chapter. The reactions vary from positive (e.g. expression of excitement) to ambivalent or neutral (e.g. questioning of the validity with but appreciation of the effort of PIL creator) up to negative (e.g. 'cooling' of the excitement, tiredness of the PIL messages, dissatisfaction with the intentionality of the PIL). Hence declared purchase actions are affected by previous perception of the PIL message.

Finding related to declared actions and purchase intension include a variety of statements. Overall excitement leads to strongly expressed intention to buy the product. In some cases the determination is declared no matter what the price would be.

> Hasan: *I mean can I order it now?? It would be awesome especially if you are among the first who have the opportunity to buy it. I can wait to get my hand on it! I don't care how much it is going to cost! :D"*

In the example above, the consumer clearly expresses his intention to purchase the product without having any reservations on the final product's price.

It is common that an overall positive evaluation of the product could be based solely on the PIL messages, but the actual response is declared under fulfilment of certain condition. These conditions vary. In case of the Xperia Play, future games play a strong role as enablers for the purchase, as well as carriers offering the product in the future. The latter two are exemplified below.

> Martin: *"*[The success] *depends on the games and if they are decent".*
>
> Amber: *"Please come to verizon......Please Come To Verizon.....PLEASE COME TO VERIZON!!!!!!"*

Price is another expected and widely used determinant of possible future purchase as seen in the following examples.

> Todd: *"if this thing cost more than $800 im not buying. It will be just another over price apple product."*
>
> Gabriel: *"Yeah man, anything over 800 bucks is going too far, eh? See you on the bus to Vegas."*

The PIL can also serve as a signal to rather postpone the purchase of the product as displayed in the PIL. Typically, a consumer claims that he/she plans to wait for the next version of the product to be released, as it assumes should get various new features. Some of them were also aware of the teething troubles as found in new technological products and that is possible to wait a little while before purchasing the new device and actually getting a better product out of it, as it might contain bugs and need product revisions.

> Homer: *"I'll wait until after the first firmware update and after the shark frenzy is over. I'm tired of being an early adopter with bugs and features that don't quite work."*

The statement above illustrates that the consumer will postpone the purchase of the product as displayed in the PIL and wait for the next iteration.

The analysis of the empirics naturally brings up negative responses to the PIL. Two types stand out. There apparently is a need to explicitly express a lack of interest. Therefore, statements such as 'I don't care' have its place in the conversations about PIL. An overall confusion and quandary about the new product might be classified as another type of undesired response to the PIL.

5.9.2 Non-expressed responses

The second category of the declared responses can be addressed as the Non-expressed responses. The responses within this category could not have been analysed using the method of this study. Therefore, it is logical that these responses could not have been explored through the framework as created through this study but the categorisation of it should aim to acknowledge the existence thereof.

6 Conclusions

Coming to the final stage of this study, the summary of findings leading to conclusions as well as implications and contributions of this thesis on both practical and theoretical level can be now discussed (e.g. Bryman & Bell, 2007: 519)

6.1 The Product information leak framework

The exploratory research has resulted into the formation of PIL framework (Figure 7), consisting of four different dimensions: PIL Characteristics describe the elementary aspects and parameters shaping every PIL. The second dimension called PIL Evaluations can be imagined as a ‘filter’ that allows the consumers to dissect the information in the PIL based on current knowledge and awareness. PIL conversation, as the third dimension describes both tactical and strategic conversations about the information as provided in the PIL. The fourth and final dimension addresses the declared behavioural and emotional Declared response to the PIL. At this stage the four; more analytical dimensions can be crowned by a supplementing element that conceptualises the impact of PIL on branding through the marketing communications.

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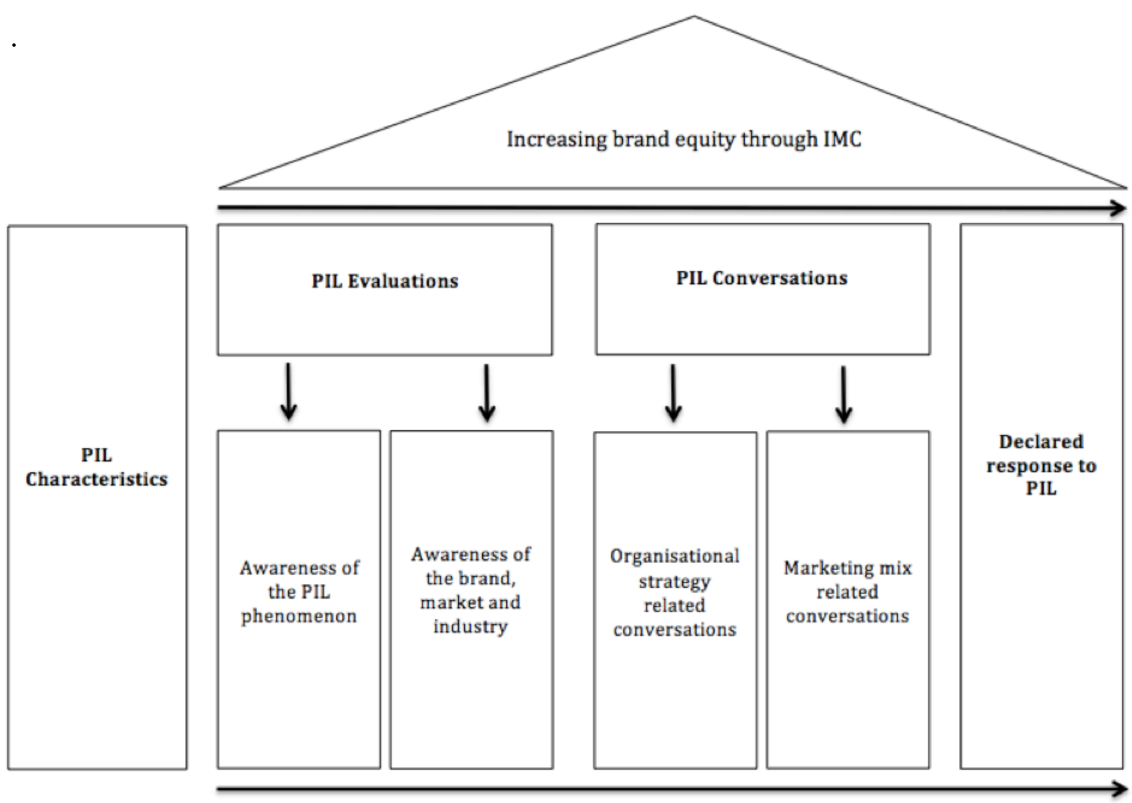

Figure 7: The Product information leak framework

The phenomenon of Product information leaks has not been conceptualised in the previous research. Hence, suggested PIL framework provides unique comprehensive and holistic overview of the PIL phenomenon and thus represents major and to some extend even unique theoretical contribution

6.2 Product Information Leaks in marketing communications

In order to answer the main research question, it can be concluded that the research has explored that PIL can be used as a fully functioning tool of integrated marketing communications (consequently as a tool of marketing communications).

Contributing to existing theoretical knowledge, PIL is can be categorized as BTL (cf. De Pelsmacker, 2007:7, Franz, 2000) sort of the media, it suggested to be considered among new media typology. Additionally, PIL can be seen as a part of viral marketing, as it provides similar advantages to the organisation as defined by Dobele, Toleman and Beverland (cf. 2005: 144). This conclusion relates to Springer's notion (cf. 2007: 312) of a final Advocacy stage of leveraging digital technologies. Some consumers act as Advocates for the brands in regards to PIL and consequently become Messengers and Message creators.

Van Raaij's (1998:342) list of characteristics of IMC is used to further discuss the statements and provide practical implications of the PIL regarding the marketing communications. It is argued that PIL can be used to build Relationships as consumers, as they not only can follow and discuss the brands through PILs but can also get enthusiastic and entertained by the process of PIL following itself. It is suggested to consider PIL as a Post-modern, Fragmented type of communications. PIL can be marked as a Soft sell technique, as consumers can get eager to buy the product based just on PILs. The PIL originates as a type of Selective communication. However, its characteristics however predetermine the eventual potential of this tool to become a Mass communications tool, through the Word-of-mouth (cf. Brown & Hayes, 2008) principle. It is argued that a Dialogue can be ignited by PIL messages, as consumers are able to virtually "talk to" and "address" the brand.

The nature of the PIL problematises its the fit into the IMC characteristics of Requested information. At first the PIL is pushed to the consumers. However, the nature of the PIL might cause that it becomes more requested, as consumer desire and seek for more information. This might suggest a connection to the IMC characteristics of Receiver taking initiative – since consumers tend to investigate and ask for more information. PILs can become a much anticipated kind of marketing communication message. Consumers freely choose to visit fan-websites, search and read articles or watch videos containing PILs – as a consequence the Effect through the relevance is achieved.

PIL is Relationship oriented type of communications, as it helps to build relationship not only with the brands but even with PILs as such. A connection from the PIL to the process of leveraging brand equity (Aaker, 1991) has resulted from this study. It can be concluded that PIL affects consumers' engagement with brands by creating brand awareness and by influencing brand loyalty. This argument will be further supported by the role of the PIL within the product life cycle.

Furthermore, the implications resulting from the PIL framework represent an original guidance that could aid marketing practitioners in the implementation of a PIL. The Leak characteristics dimension from PIL framework can provide assistance in constructing a PIL as they set the initial parameters for it. The next dimension, PIL Evaluations, determines how the PIL message will be perceived. Consumers tend to be aware of other PILs. Previous PILs could influence their perception of current and future ones. Consequently, consumers might be aware of the fact that organisations could use PILs intentionally and try to validate a certain PIL by assessing its quality and creation. They mostly rely upon their knowledge of existing, previous and present, situations on which they base their judgement with regards to the future situation of the product as displayed in the PIL. Additionally, PIL Evaluations can provide organisations with valuable insight of the level consumers' awareness and knowledge of given brand. The exploration shows that consumers can be aware of different brands and their values and understand that organisations should act carefully when leveraging existing brands for future products. Moreover, consumers might possess a certain level of knowledge about the industry an organisation operates in, which markets it operates in, who its competitors are, what the previous patterns of product development were and how this might impact the launch of a future product.

6.3 Product Information Leaks and New product development

The dimension PIL Conversations deliver organisations information about the perception of suggested future products or brands, as they consist of conversations about the content of PIL message per sé. This information can be further implied regarding the process of new product development. Organisations are able to identify or test trends and new product ideas using PILs. Utilising PILs, consumers can provide organisations with consumers' opinions about issues such as market perspective and business partnerships that concern the strategic positions of the respective organisations. The information gained from the conversations can serve as an important input material in following stages of the NPD process. Using chosen NPD model (cf. Booz, Allen & Hamilton, 1982) following stage are found to be potentially using information gained from the PIL: Idea screening, Concept development & testing, Product development & testing, Test marketing and Launch.

It is concluded that overlapping with the final stages of new product development, the introduction stage of product life cycle (PLC) can be affected by the PILs. More specifically, PILs could contribute to decreasing the initial high costs related to promotions (cf. Webster, 1991) incurred as consumers, are more aware of the new product before it has actually been released onto the market. Evaluating the conversations, the Declared response to PILs provide initial hints about potential engagement with the brand, purchase behaviour and consequently about the impact on the future demand. The positive Responses to PIL suggest that PIL could have the potential to help building up demand and consequently contribute to avoidance of low initial sales volume traditionally connected with the Introduction stage of PLC (cf. Webster, 1991). This explorations might contribute in both practical and theoretical matter.

On the other hand, a different type of a positive Declared response to the PIL, i.e. consumers suggesting to postpone the purchase of a current product by waiting for a newer leaked iteration, can affect the sales volumes of the current product in latter stages of PLC. Additionally consumers might perceive the final product as underwhelming because of series of leaks that created an enormous hype" around a certain product.

The potential employment of PIL into the Introduction stage of PLC might suggest the targeting of PIL to certain audiences among consumers, i.e. to the innovators and early Adopters (Rogers, 1996) It is argued that these consumers might also be perceived as the Lead users (Pitta et al., 1996:54) and help in the new product development.

6.4 Suggestions for future research

As the study conducted in this thesis was of exploratory nature, there are numerous related areas of study that future researchers could potentially engage in. Staying within the telecommunications industry, it could be interesting to find out more about the organisational perspective of product information leaks and its implications. This could add and connect with existing research about rumour avoidance. Furthermore, it could be contributory to reflect upon how useful PILs could be as an integrated marketing communications tool with regards to other more established tools. Moreover, a study that would address how the spread of PILs can be controlled in relation to brand communities or other distinctive types of consumers (e.g. early adopters) would be helpful and could potentially stimulate the use of the tool. The addition of a study that would focus on quantifying the results as yielded in this study could perhaps further strengthen the knowledge in the field. Moreover, it could be possible to take this study to a different industry in order to determine how these are affected by PILs. Other industries in which PILs were observed include automobile and sports. Finally, a possibility is to take the subject matter into industries in which no observations related to PILs were made including e.g. fashion or services.

6.5 Limitations

At first the generalisability of the results, i.e. the degree to which the findings can be generalized from the study sample (Polit & Hungler, 1991: 645), has to be addressed, as the research inquires of qualitative nature tend to be criticized for the lack of this parameter (ibid.). The results as generated in this study derive from an exploratory study of two case studies of global organisations that operate in the telecommunications industry. Hence it has to be clear that by following the realist methodology of this study, the aim is not direct empirical or statistical generalisation (Tsoukas, 1989 as cited by Nilsson, 2008: 300). The aim is rather to explore, describe and conceptualize the key dimension of the PIL phenomenon with regards to its utilisation within IMC or NPD. The results are focused on the telecommunications industry but the implications could be potentially used at least within the area of hi-tech. The generalisability of the findings has been also proven with the employment of Van Raaij's (1998:342) list of characteristics of IMC.

Another potential limitation of the study could be perceived to the usage of a distinctive case of Apple iPad, in which the novelty of the PIL related product could have been perceived as extremely high. However, the findings resulted from this case helped to explore some of the less apparent potentials of the PIL as a tool in IMC (e.g. high level of knowledge about brand). Also, the method of building theory from cases approach managed to balance eventual inconsistency with the employment of cross-case analysis.

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8 List of figures