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## **Rethinking Marketing Performance Measurement: Justification and Operationalisation of an Alternative Approach to Affiliate Marketing Performance Measurement in Tourism**

A number of measurement frameworks have been developed to help organisations assess the effectiveness of their marketing activities. Yet, the approaches provided by these frameworks seem to be largely linear and outdated. Whilst effectively explaining cause-and-effect relationships between marketing efforts and performance in the offline domain, the existent marketing performance measurements frequently fail to capture a full spectrum of marketing influences online and, therefore, fail to portray the construct of marketing performance holistically. In opposition to the linear explanations of marketing performance, this study argues in favour of a more dynamic complex systems approach to the measurement of online marketing performance. In particular, it proposes a methodology for the development of a complexity-based performance measurement system for affiliate marketing in tourism.

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Keywords: marketing performance measurement, affiliate marketing, grounded theory, complexity theory

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## **Introduction**

Due to its ability to help organisations make better and more informed decisions, improve overall business performance, and increase marketing accountability (Clarke, Abela, & Ambler, 2006; O’Sullivan & Abela, 2007), marketing performance measurement has received considerable attention from the academics in the recent decades (Ambler & Xiucun, 2003; Clark, 2000; Pettersen, McAlister, Beibstein, Winer, Kumar, & Atkinson, 2009; Seggie, Cavusgil, & Phelan, 2007; Valos, 2008). Marketing performance measurement is defined as a business process or a marketing decision support making system that assesses the outcomes of the marketing activities and their impact on business performance (Clarke et al., 2006; O’Sullivan & Abela, 2007).

Among the considerable amount of papers published on the topic, the majority of studies focuses on the “what” questions, such as *what* measures organisations should include into their performance measurements (e.g. Ambler & Xiucun, 2003; Llonch, Eusebio, & Ambler, 2002). While the contribution of these studies is undoubtedly valuable, it can be argued that more research on the methodologies that may be employed to build performance measurement systems should be investigated. In particular, more research, concentrating on *how* marketing performance measurement systems can be developed, is required. To date, the most common methods for obtaining data on measures have been questionnaires (Nwokah & Ahiazuru, 2007; Phillips & Moutinho, 1998; Yoon & Kim, 1999) and interviews (Valos, 2008; Webster, 1995). While complimentary in their advantages, these methods are, at best, good at testing the existing measures and only to a limited extent at gaining new insights from the industry. In the meanwhile, the gap between the theoretical understanding of marketing performance measurement and the practical measurement of marketing performance is increasing. With the advent of the Internet, more tools and data have become available to marketing managers (Wyner, 2002). Many of these tools originate from the IT

departments and are not primarily informed by the marketing theory, suggesting that the link between theory and practice (especially in the context of online marketing) is currently only implicit. Empirical evidence suggests that the existent marketing measurement frameworks, initially developed for offline marketing, appear to be outdated and incapable of capturing the complexity of Internet marketing performance (Seggie et al., 2007). These frameworks are largely reliant on revealing the cause-and-effect relationships between marketing efforts and results, and are, thus, linear in their approach. Online, viewing marketing performance as a set of linear relationships is equivalent to seeing one fourth of an iceberg. Besides directly contributing to the targeted objectives, one marketing activity on the Internet may also be implicitly influencing other aspects of performance. For example, by engaging in partnership marketing online, organisations typically expect their partners to divert increased quality traffic to their website, thus measure the performance of partnership marketing based on the amount and quality of the received traffic. What these organisations may not be taking into account is that even if the partner sends customers who do not generate direct sales, the partner may still be contributing to the overall business performance by generating large numbers of clicks that further improve the organisation's ranking in the search engines. As the example shows, a cause and effect approach to the measurement of marketing performance online in many situations provides only a partial picture of the overall Internet marketing performance.

In opposition to the linear approach to the measurement of marketing performance, this conceptual study argues that in the context of Internet marketing performance measurement a more dynamic complex systems approach is necessary. In particular, the study proposes a combination of grounded theory in combination with complexity theory as an alternative methodology for the development of a complexity-based performance

measurement system(s), and discusses how this methodology can be operationalised by employing the example of affiliate marketing performance measurement in tourism.

The paper starts with the review of the existent approaches to marketing performance measurement and the issues associated with them. Following the comprehensive discussion around the rationale for new measurement approaches, an alternative approach to the measurement of Internet marketing performance is then proposed and justified. To illustrate how the proposed approach may be operationalised, the study draws upon the example of the PhD research in progress, that aims to develop a complexity model for the measurement of affiliate marketing in tourism. In the conclusions, the overall contribution of the study is highlighted, and limitations are discussed. Some suggestions for further research are also outlined.

### **Marketing performance measurement: the current state of the art**

Marketing performance measurement is a recurring topic in the academic and practitioner communities (Ambler & Xiuxun, 2003; Kotler, 1977). Given the attention it receives in the marketing literature, the field exhibits a variety of performance measurement frameworks to equip marketing managers in their assessments of the effectiveness of various marketing activities. The examples of such performance measurement frameworks include Kotler's (1977) determinants of marketing effectiveness, Demma's (2004) integrated marketing performance framework, different variations of dashboards (eg. Ambler, 2003; Miller & Cioffi, 2004; Srivastava & Rebstein, 2005), the integrative marketing channel performance measurement framework by Valos and Vocino (2006) and an information processing model of marketing performance measurement by Clark et al. (2006). While the existence of complimenting and different frameworks is generally viewed as helpful by the

academics, the scholars continue to refer to marketing performance measurement as problematic. This argument is typically supported by the following reasoning.

To begin with, Connor and Tynan (1999) postulate that on the conceptual level there seems to be a considerable confusion in the understanding of the marketing performance construct. In literature, marketing performance is depicted as comprised of adaptability, efficiency and effectiveness (Morgan, Clark, & Gooner, 2002; Vorhies & Morgan, 2003). Adaptability implies an organisation's ability to adapt to the fluctuations in the environment (Morgan et al., 2002). Efficiency involves the relationships between inputs and outputs (Anderson, Fornell, & Rust, 1997); and effectiveness indicates an organisation's ability to implement its goals within given environmental conditions, which may include competition, market demands and organisational capabilities (Kerin & Peterson, 1998). In spite of the difference between the three dimensions of marketing performance, explicitly stated in the marketing literature; the evidence indicates that some of the empirical works seem to have confused the constructs of performance and effectiveness, and effectiveness and efficiency (Clark et al, 2006; Clark, 2000; Connor & Tynan, 1999; Valos & Vocino, 2006). Similarly, the differentiation between the concepts of measure and metric in earlier research on marketing performance measurement has not always been made. A measure is a concrete quantification of an attribute or value for the purpose of its comparison against the set standards and taken *at a certain point in time* (Ambler, 2000). A metric, in the meanwhile, is defined as a quantitative, precise, necessary and sufficient standard for performance measurement, which may be expressed in both financial and non-financial terms and is measured *over time* (Ambler, 2000; Barwise & Farley, 2004). Metrics are developed for the review by the top management. They set single measures into a context, because if taken separately, measures are of little value to the company. To borrow Ambler's (2000: 61) expression, "while all metrics are measures, not all measures are metrics".

As a result of the conceptual confusions outlined above, multiple approaches to measuring marketing performance have emerged, “as there is no consensus as to which the best measures are, and no one has yet devised a model, which pulls the various strands together into a convincing whole” (Connor & Tynan, 1999:735).

With multiple measures of marketing performance, the measurement of marketing efforts remains difficult, as no clear recommendations are yet provided, as to how a given organisation should select those few measures and/or a framework that is most appropriate (Good & Schultz, 2004; Petersen et al., 2009). On one hand, the non-existence of such recommendations may be explained by differences in marketing strategies and organisational orientations that various businesses adopt, as these require different measurement approaches. As Ambler and Puntoni (2001) state, the generalisation of one single measurement model to all business types is impossible. Moreover, it is now an accepted knowledge that measurement approaches and marketing measures do not only differ across businesses, but also across countries (Hooley, Greenley, & Wong, 2003; Llonch et al., 2002). On the other hand, the non-generalisability of the marketing performance framework(s), should not prevent the marketing researchers from the formulation of general recommendations, such as the ones discussed in the generic business performance literature. In this respect, marketing and business performance measurement research may potentially benefit from building on each strengths and previous work.

Further, measurement of marketing performance continues to pose a challenge, as no common measurement language is yet employed in the organisations. In spite of the cross-disciplinary scholarly attempts to highlight the importance of adopting a balanced approach to performance measurement, and to include financial and non-financial, tangible and intangible, and objective and subjective measures; the empirical evidence indicates that while marketing managers formulate non-accounting metrics to measure assets, such as loyalty,

customer satisfaction and brand awareness (Seggie et al., 2007); accountants operate financial metrics and measure performance in strictly quantifiable terms (Webster, 2004).

Finally, the challenges in marketing performance measurement are also claimed to be the result of the relative complexity of performance measurement due to softness of the marketing objectives, simultaneous employment of multiple marketing strategies (Miller & Cioffi, 2004), information overload (Clark et al., 2006) and excessive importance given to financial measures by the management (Ambler & Xiuxin, 2003; Llonch et al., 2002).

With the advent of the Internet, there arose an expectation that several issues related to performance measurement, including marketing performance measurement, would be solved or improved. In particular, marketing was expected to become more measurable given the availability of more tools and data (Wyner, 2002). Yet, the measurement of Internet marketing performance appears to be ever so challenging.

First, the approaches, specifically developed for online, are scattered and fragmented. They concentrate on measuring separate elements of Internet marketing, such as website effectiveness or online advertising effectiveness (Belangerm, Schaupp, Krishen, Everhart, Poteet, & Nakamoto, 2006; Chaffey, 2000); rather than focus on the development of an overarching, unified and cohesive methodology for Internet marketing performance measurement (Belangerm et al., 2006; Chaffey, 2000). The few available Internet marketing performance measurement frameworks, therefore, remain to be informed by the generic marketing literature (Ambler & Xiucun, 2003; Kotler, 1977). In practice, however, performance criteria and metrics, deployed in emergent marketing channels, such as affiliate marketing and social media, are primarily practitioner-led and dictated by the Information Technology industry (IT) (Goldschmidt, Junghangen, & Harris, 2003). And as IT evolves, a gap between the existing conceptual theories of marketing performance and their application in practice increases.

Second, while building on the traditional (offline) marketing theory is necessary and useful, the marketing measurement approaches and metrics, this theory offers, seem to be incapable of capturing the complexity of Internet marketing performance (Seggie et al., 2007). These approaches seem to be largely linear and outdated. They effectively explain cause-and-effect relationships between marketing efforts and performance in the offline domain, but, being initially developed for the offline use, frequently fail to portray the construct of Internet marketing performance holistically. As an alternative to the linear performance measurement, which strives towards the consistency between the marketing goals, strategies and directly linked to them measures, this study argues in favour of a more dynamic complex systems approach to the measurement of online marketing performance. Following is the discussion of the proposed approach.

### **An alternative approach**

Summarising the findings from the literature review, the existent marketing measurement frameworks can be argued to be outdated and linear in their nature, thus incapable of holistically reflecting the complexity of online marketing effectiveness. Since the link between the established marketing performance measurement frameworks in the offline and online domains is only implicitly stated in the literature, or by some researchers even claimed to be hardly existent (Seggie et al., 2007), it seems reasonable to suggest that for the studies aiming to contribute to the fragmented and under-researched area of Internet marketing performance measurement, grounded theory represents an appropriate research strategy.

Grounded theory may be explained as “a total methodological package” and “a set of techniques for generating new theory grounded in the field” or emerging from the data (Glaser, 2010: 1; McGhee, Marland, & Atkinson, 2007). Ng and Hase (2008: 115) describe



grounded theory as “a systematic and inductive approach to developing theory”, which allows the mix of qualitative and quantitative methods (McGhee et al., 2007). Although it was originally created to generate theory, recent versions of grounded theory also acknowledge its usefulness in producing insightful descriptions (Cooney, 2010). Grounded theory offers researchers a distinct set of established principles and procedures for conducting the research and for data analysis (Ng & Hase, 2008), although it is also recognised that grounded theory may be employed in part, as well as in whole (Glaser, 2010).

There are three major reasons for the proposition of grounded theory as an appropriate strategy in the context of Internet marketing performance measurement. First, the area of internet marketing, not to mention internet marketing performance measurement, is under-researched. Very limited information on the topic may be found in literature, thus few points of reference for the formulation of the Internet marketing performance measurement framework(s) may be identified in previous research. Second, for the Internet marketing performance measurement frameworks to be relevant for the practitioners, they need to be developed by the practitioners and be company-specific. This implies an iterative, concurrent and integrative research, where the final outcome is co-created by the representatives from the industry. Finally, if the researchers aim to propose a new and improved measurement approach, alternative to the old linear measurement frameworks, the anticipated approach needs to reflect the reality as closely as possible, and should be directly linked to data. Therefore, grounded theory with its iterative, non-linear approach, allowing “going back and forth”, seems to be a relevant strategy for Internet marketing performance measurement research.

As briefly mentioned earlier, several grounded theory approaches are existent. The two polar versions of grounded theory are represented by its two originators, Glaser and Strauss, who after developing the classical grounded theory method, split to develop the

theory each in his own way. The main differences between these approaches lie in their views on a priori literature review, different approaches to data analysis, necessity or non-essentiality of outcome verification and different coding procedures (Cooney, 2010; Corbin & Strauss, 2008; Glaser, 2010). To exemplify, Glaser (1992) is against the review of literature to prevent the researcher from being biased and constrained. To borrow his words, “the literature should only be used after the data collection for constant comparison” (Glaser, 1992: 31). Constant comparison is defined as a method of comparing the similarities and differences of emerging themes and categories (Ng & Hase, 2008). Glaser (1992) does not require the emergent theory to be verified. Rather, he remains true to induction and stays open in his approach to data analysis. His coding scheme is relatively straightforward, as it is consistent of only two types of coding procedures: substantive coding (initial coding of the data) and theoretical coding (subsequent refinement of categories). His colleague, Strauss, on the contrary, is more prescriptive in his analytical techniques. His coding schemes are more detailed and complex. Primarily, they consist of three coding types: open coding (initial coding of data), axial coding (reduction and clustering of categories) and selective coding (selection of the core category and integration of categories) (Heath & Cowley, 2004). The literature review, in Strauss’ view (Strauss & Corbin, 1998), stimulates theoretical sensitivity and verification is the necessary outcome of grounded theory (Strauss & Corbin, 1998).

Apart from these polar approaches, more flexible modifications of grounded theory are formulated. This paper argues that Internet marketing measurement studies may benefit from building on one of such modifications, namely on Corbin and Strauss’ grounded theory (2008). According to Corbin and Strauss (2008: 1), grounded theory is not only “a specific methodology developed by Glaser and Strauss (1967) for the purpose of building theory from data”, but also “theoretical constructs derived from qualitative analysis of data”. The main difference between the Corbin and Strauss’s version and the other grounded theory variations

is its more flexible attitude to how and for which purposes it may be used. Although Corbin and Strauss' book provides very detailed descriptions of the analytical processes, for which the authors are criticised (Cooney, 2010), the authors state that these techniques and methods may be used in whole as well as in part. "The researchers may pick and choose among the procedures using those that most suit their purposes" (Corbin & Strauss, 2008: 332), because, as the authors argue, grounded theory may be used for both theory development, construct generation and provision of "thick" descriptions.

The process of Corbin and Strauss' grounded theory does not require initial literature review, however, neither does it ignore the role of a priori knowledge. In particular, the scholars recognise that the review of literature prior to data collection may be a useful source of comparison, which improves the researcher's sensitivity and provides ideas for the initial questions. Besides, literature review may help in formulating the relevant questions during the analysis and may pinpoint areas for theoretical sampling. Theoretical sampling is "a method of data collection based on the concepts/themes derived from data" (Corbin & Strauss, 2008: 143).

To summarise, the position of this paper is that due to the lack of comprehensive research on Internet marketing and a considerable gap between traditional marketing performance literature and current Internet marketing practice, future research should not only rely on existing in literature measures and test their applicability in a new online context, but should also actively seek insights from the industry, as to which measures should be adopted and how the measurement process(es) should be organised. In this respect, grounded theory can potentially help establish the link between theory and practice and can generate new insights, relevant to both academia and industry.

To make sense of the findings, generated by means of grounded theory, researchers can further employ complexity theory as a lens for their analysis. Complexity Thinking (CT)

offers a more holistic approach to understand complex “messy” problems, which explores the relationships between the interconnected components of the system (eg. measures), regardless of their ability to be quantified (Leon, 2008; Mitleton-Kelly, 2006). In complexity terms, internet marketing is a complex dynamic system, the performance of which depends on performance criteria and tangible/intangible metrics, which reciprocally influence each other in a non-linear manner, interact and co-evolve with the environment, self-organise and consequently lead to the creation of new order, such as new measurement criteria (Mitleton-Kelly, 2006). The performance in the Internet marketing system is comprised of the collective inter-workings between various elements, where due to constant connectivity each element potentially contributes towards outcomes of the system’s performance.

One can argue that grounded theory presupposes freedom from preconceptions, where reliance on any theories is regarded as poor and biased grounded theory (Glaser, 1992). This research, however, builds on the idea that grounded theory and complexity are directly interlinked. In particular, Toscano (2006) provides a line of evidence, suggesting that grounded theory is rooted in systems thinking, as both embody individual and local empowerment and study patterns of behaviour through systematic relationships. Similarly, the processes of generating theory or model building from the grounded and complexity perspectives are similar. They rely on emergence from the data and suggest collecting the data till the data saturation is reached (Castellani & Hafferty, 2009). Data saturation is described in literature in terms of “no new data are emerging” (Corbin & Strauss, 2008: 143).

### **Operationalisation of the new approach**

To illustrate why grounded theory in combination with complexity may be a useful approach and how this approach can be operationalised, this work draws upon a PhD research in progress, which aims to develop a complexity model for the measurement of affiliate

marketing performance in tourism, and intends to explore a potential paradigm shift in affiliate marketing measurement practices.

Affiliate marketing is defined as a commission-based online network, whereby its stakeholders promote and sell featured products and/or services through additional distribution outlets (Duffy, 2005; Goldschmidt et al., 2003). Affiliate marketing involves three major stakeholders: merchants, seeking to reach their target audiences online; affiliates, providing traffic to merchants; and intermediary agencies, responsible for facilitating exchanges between merchants and affiliates (Duffy, 2005; Goldschmidt et al., 2003). In tourism, service providers, such as hotels, airlines or attractions, seek online affiliation with other websites, which are capable of providing them with quality web-traffic in return for a commission. The affiliation may also be arranged through a third party, known as an affiliate agency. For example, Best Western Hotels are affiliated with Laterooms.com, where the affiliation is facilitated by the affiliate agency, Commission Junction.

Facilitated by the advent of Internet technologies, affiliate marketing in tourism enables organisations to increase website traffic, track potential tourists' paths online, and to monitor the amount of webpage views, clicks, visitors and registrations (Duffy, 2005; Goldschmidt et al., 2003; Helmstetter & Metivier, 2000). Although practitioners (eg. Hummerston, 2007) argue, that affiliate marketing is capable of bringing a considerable return on investment, the measurement of affiliate marketing accountability remains complex (Kahn & Myers, 2005). This is primarily because no framework for the holistic measurement of affiliate marketing performance is yet formulated by the academics. In the meanwhile, practitioners operate a distinctive set of measures, although these are largely technology-driven and are not informed by the marketing theory.

To bridge this gap and develop a theoretically and empirically grounded model for the holistic measurement of affiliates marketing performance, the PhD study relies on the

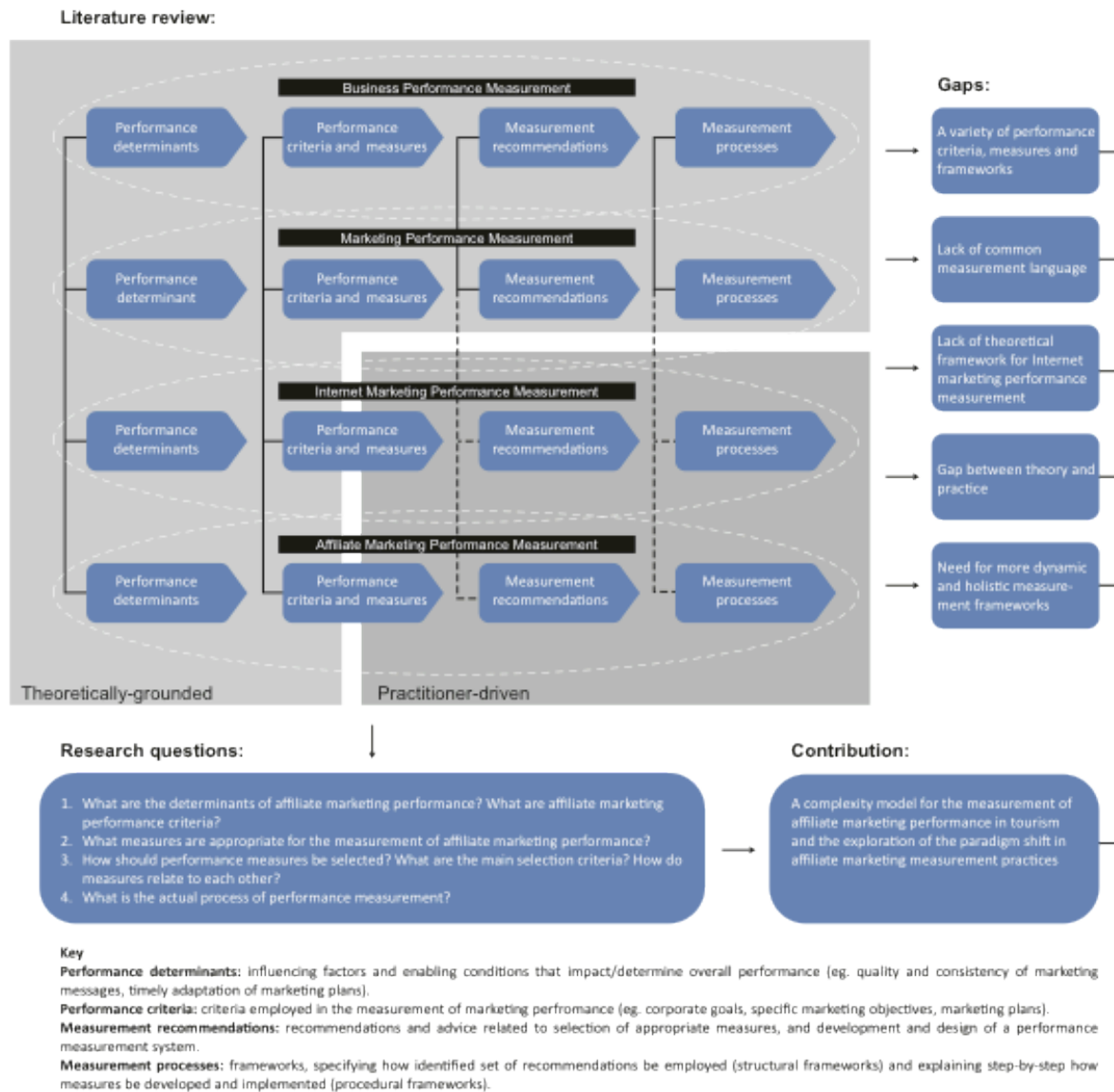
grounded theory research strategy and views the emergent findings through the lens of complexity.

Overall, the research is consistent of the three major stages. The first stage encompasses a comprehensive review of the marketing performance terminology (including marketing performance definitions, a review of marketing performance measurement approaches, and measures and metrics) as informed by the generic, Internet and affiliate marketing literature. Particular emphasis is given to the application of affiliate marketing in tourism and specific to the industry measures and metrics. Additionally, the extant literature on complexity and its use in marketing and tourism is critically analysed. Through the identification of existent marketing performance criteria and metrics and the employment of complexity principles, the researcher develops a preliminary conceptual framework for measurement of affiliate marketing performance, which informs the initial fieldwork at stage two (see figure 1).

Although from the grounded theory perspective, the development of conceptual maps is unwelcome, this research develops a conceptual framework, based on the review of prior research. The decision to review the literature and to conceptually map the ideas underpinning this research is explained by several reasons. To start with, this research builds on the assumption that it is impossible to enter the field without any prior knowledge of the subject. This is because the formulation of the problem as such requires some familiarity of the researcher with the subject of investigation (Backman & Kyngas, 1999; Charmaz, 2007). Similarly, given current ethics procedures (eg. ethical approval), the research cannot proceed unless the review of literature is conducted, and the initial research instruments, informed by the previous research, are constructed (Corbin & Strauss, 2008; Walls, Parahoo, & Fleming, 2010). The literature review provides the initial focus for the study and aids in the construction of the research questions, while the conceptual framework offers the rationale

for the study and the justification for the launch of grounded theory (McGhee et al., 2007; Walls et al., 2010).

**Figure 1. Conceptual framework**



During the second stage, four research instruments are developed and tested in one pilot study. As the literature review shows, one of the most preferred methods in studying marketing measurement is by means of questionnaires (Clark, 2000; Clark et al, 2006; Nwokah & Ahiazuru, 2007; Phillips & Moutinho, 1998; Yoon & Kim, 1999). While questionnaires are known for low cost, objective and effective in collecting the responses

from large samples (Altinay & Paraskevas, 2008; Gill & Johnson, 1997), they are not capable of providing insights and meaningful information, thus may require further inquiry (Saunders, Lewis, & Thornhill, 2007). To compensate for the possible disadvantages of surveys, some studies also employ such methods of obtaining data as interviews (Miller & Cioffi, 2004; O'Sullivan & Abela, 2007; Valos, 2008), because interviews increase the comprehensiveness of collected data and allow an in-depth investigation of a phenomenon by means of probing and follow-up questions (Saunders et al., 2007; Patton, 1990; Smith & Dainity, 1991).

The research instruments in the current PhD research include: questions guide for the online discussion on the appropriate affiliate forum; survey; interview guide; and document analysis guide. In order to check the feasibility of the questions, developed for the initial exploratory online discussion on the topic, an appropriate online forum, such as Affiliates4u, is selected. Meanwhile, the appropriateness of the survey, interview guide, and document analysis guide is piloted in a tourism company, which simultaneously performs functions of an affiliate and a merchant, such as for example Expedia, AVIS or Laterooms.com. Reliance on the non-probability purposive sampling technique enables the researcher to evaluate the applicability of the developed research instruments for data collection from various affiliate marketing stakeholders in tourism, namely affiliates, merchants and affiliate agencies. As a result, the research instruments and the conceptual framework, developed during stage one, are refined for further employment in the final stage.

During the last stage of the research, a full-scale online discussion is first facilitated and mixed-method case studies are, thereafter, conducted with three major affiliate marketing stakeholder groups in tourism to allow data and methodological triangulation.



Following Saunders, Lewis and Thornhill's research onion approach (2009), the research design involves the questions on the research philosophy, research approach, research strategy, methods for data collection and approach to data analysis.

With regard to the *research philosophy*, this research adopts a pragmatic approach or the so-called complexity-based or systematic epistemology (Houghton, 2009; Richardson, Cilliers, & Lissack, 2000). Following the principles of this epistemological position, the study does not favour any philosophy as a definitive approach, but adapts to all kinds of philosophies as situation demands, and engages different conflicting epistemological perspectives. It views the nature of reality as multiple, non-linear and conflicting and relies on both indeterministic and deterministic ontology and systemic epistemology. The knowledge in this research is regarded as contextual and perspectival. The *research approach* is mixed. It incorporates the insights from the qualitative and quantitative research into a workable and meaningful solution (Altinay & Paraskevas, 2008). Further, this research is participatory, it relies on the grounded theory *research strategy*. The study invites participants from both online forums and case study organisations to actively engage in designing the model for the measurement of affiliate marketing performance. The findings emerge from the data collected, and the data is collected until data saturation is reached (Goulding, 1999).

The *methodology* is experimental and mixed. To gain rich insights, the study utilises the following methods: (1) online discussion on the appropriate affiliate forum; and mixed-method case studies with a combination of (2) quantitative questionnaires, (3) in-depth interviews and (4) subsequent document analysis. Online discussion seeks to generate preliminary understanding of the measurement approaches in affiliate marketing. As in earlier marketing performance research (Barwise & Farley, 2004; Webster, 1995), questionnaires seek to collect the descriptive data on performance criteria and metrics to be employed in the

final model for the measurement of affiliate marketing performance in tourism. Besides providing the base for further interviews, they also aim to clarify the objectives and enabling factors of affiliate marketing, and cover a large amount of measures, which are otherwise difficult to cover during the interview. In turn, interviews with various representatives from the marketing, accounting and IT departments of the chosen case study organisations qualitatively describe the dynamic interdependencies between the enabling factors and measures of affiliate marketing, and their overall influence on performance. As mentioned earlier, all three major affiliate marketing stakeholder groups (affiliates, merchants and affiliate agencies) are recruited in order to gain multiple perspectives, explain “the dynamics within single settings” and, if possible, to draw generalisations (Eisenhardt, 1989:534). To surpass the possible limitations of questionnaires and interviews, analysis of reporting documents from various departments is also conducted to support and evaluate the framework’s variables. The findings are viewed and *analysed* “through the lens of complexity”.

Following the analysis of four data sets, a unified complexity-based model for the measurement of affiliate marketing performance in tourism will be developed and finalised. The contribution of the study is expected to be of value to both academic and practitioner communities. On one hand, the model is anticipated to form a theoretical contribution to enhance the body of knowledge on affiliate marketing and the measurement of affiliate marketing performance. On the other hand, the study will explore a potential paradigm shift in affiliate marketing measurement practices.

## **Conclusions**

One of the objectives of this study is to create a discussion regarding more dynamic approaches to Internet marketing performance measurement. To reach this objective, this

conceptual paper relies on prior literature and logical reasoning to argue in favour of a more dynamic complex systems approach to the measurement of online marketing performance. To be more precise, the paper proposes a grounded theory methodology in conjunction with complexity thinking as an alternative approach to study the complexity of Internet marketing measurement and to develop measurement frameworks for the assessment of online marketing performance. Additionally, the study illustrates how the proposed approach may be operationalised.

The originality and contribution of this conceptual discussion is twofold. Not only does the article attempt to draw the academic attention towards an under-researched area of Internet marketing, which from the performance measurement perspective, exhibits considerable potential for further investigations; but also it proposes an alternative more dynamic approach to marketing performance measurement, which would be capable to provide a more holistic picture and explanation of the overall marketing accountability. Potentially, this approach may contribute towards filling in the existent gap between marketing theory and practice, as well as can further the understanding of Internet marketing performance by academics and practitioners.

The main limitation of this study includes its conceptual nature and lack of empirical research. The grounds of the claims proposed in this research rely on prior research and logical reasoning exclusively, with no primary data collection conducted. It may, therefore, be recommended that future research facilitate empirical investigations to test the applicability of the proposed approach and to either propose recommendations for its improvements or offer a different strategy to better understand the measurement of online marketing performance.

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