

**America Online (AOL):  
Navigating the Ups, Downs and Changes of Online Service**

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**Abstract**

America Online (AOL) aggressively maintained a dominant position throughout the Internet service provider (ISP) industry's astounding growth rates of the 1990s. In the 2000s, however, AOL's merger with Time Warner failed to meet its lofty expectations as opportunistic competitors took advantage of market changes within a mature industry. By 2016, the AOL brand had redesigned itself by competing in new industries that offered new growth stage potential.

This descriptive case illustrates four key marketing and branding theories as a brand experiences changing environments. The case illustrates (1) the shifting market conditions a brand faces within changing stages of a Product Life Cycle (PLC) and how a brand can diversify and adapt for growth opportunities when its primary industry (historically) declines; (2) the challenges of managing a brand through stages of the Boston Consulting Group (BCG) matrix; and (3) the relevance of the Technology Acceptance Model (TAM) in technology acceptance and (4) the significance of the VRIO Framework (although the generally accepted name is the VRIO Framework, the acronym stands for Values, Rarity, Imitability, and Organizational).

**Learning Objectives**

The AOL case was designed to provide a platform from which students could employ four commonly used models in marketing strategy: the PLC; the BCG; the TAM, and the VRIO Framework. In completing this assignment, students should be able to:

1. Determine the relevancy of the PLC to the history of AOL.
2. Evaluate the relevance of the TAM model in assessing AOL's success factors.
3. Evaluate how an organization can gain a competitive advantage by assessing its use of its resources and/or capabilities through the VRIO Framework.
4. Identify the BCG quadrants where AOL resided over time and critically evaluate the strategies taken by AOL executives during AOL's history.

**Application**

The integration of these concepts make this case well suited for undergraduate courses in Marketing Principles, Strategic Marketing, and/or Marketing Management.

**Key Words**

Brand Management, Product Life Cycle, Boston Consulting Group Strategic Portfolio Model (BCG), Technology Acceptance Model (TAM)

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