

PAPER: ASSIGNMENT

STYLE : HARVARD

PAGES : 11

SOURCES: 20

LEVEL: MASTER

The Role of the Internet in International Marketing

Critical Review of Literature

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Introduction

The Internet has greatly revolutionised the core dynamics of international business and marketing world and, like the advanced telephone and fax machine, may be a significant factors in the democratisation of capitalism. Smaller scale organisations will be capable of entering more easily the international marketplace, and especially the consumers in emerging markets will take advantage of the expanded variety of products, services, and information to which the Internet will provide them access.

As far as the multinational organisations are concerned, they would adopt strategies to attain fast increases in growth by means of advanced technologies, especially the Internet. This rapid growth was followed by issues related to effective and professional techniques of getting these new markets. In addition to the fast development in the Internet technology, principles of communications also have changed and greatly affected the modern-day business and marketing world. Internet provides among other advanced technologies provides a fundamentally very different environment for international marketing. More and more organisations will have more liberty to find a product or service where it can best be produced, instead of near its market. Moreover, the conventional concepts of distance and location, which have usually developed mixing and separation, will be absolutely transformed due to the rapid innovations in the technological world which are speedily diffusing. Advanced technologies and ever-changing marketing communication developed new and innovative market place for end-users. Now, they can shop through internet more conveniently which saves their precious time.

It is a fact that Internet among other advanced technologies has revolutionised the dynamics of marketing communications. Much like the commencement of radio, television and telephone affected the international marketing several years ago; now the Internet is turning the past methods of marketing on their heads and re-forming the business' environmental site. It has been shown by experience that there will be victors and losers in the centre of these transformations, but we can stay on top by ensuring our endeavours in the field of Online Marketing and Advertising.

Objective

This is a critical review of the role of the Internet in International Marketing. In this regard, this paper is going to prepare a critical review of the literature about the role of the Internet and to demonstrate how the literature is confirmed or disconfirmed by practice.

Internet Marketing

In this era, there are many researchers and scholarly figures that have been facilitated with wide-ranging information associated with internet marketing, its advantages and contributing role in the development of country and its business organisations. Internet marketing refers to promotion of products and services over internet or digital marketing by which organisations can target their market beyond the boundary of a country (Hammond, 2001).

Moreover, Hammond (2001) defined internet marketing as “web marketing”. Web marketing integrates computer system as a way of communication with the intention of attaining the core marketing objectives along with to advertise the product or service by means of advanced wireless platforms of media. Moreover, a more diverse environment is provided by the internet for the development of business along with international marketing. In fact, internet refers to the network which includes various interweaved computer systems. This network operates all around the globe on the typical protocol and such protocol helps in flowing and transferring the information/data between the linked computer systems.

Internet Marketing and Theoretical Model

In past, when the internet was first introduced in the world and when it was not so popular, organisations were confused to employ this technology would be successful or not (Villanueva, Yoo and Hanssens, 2008). Now, if organisations do not employ internet, they find their business left behind with fast changing digital marketing (Villanueva, Yoo and Hanssens, 2008). In past, online marketing was not feasible for underdeveloped parts of the world because of unavailability of this technology. However, at present with the fast development of technology, it has become feasible for organisations to best exploit the internet for marketing purpose.

Gommans, Scheffold and Krishnan (2001) presented a theoretical model and according to this, e-loyalty and brand recognition develop different approaches including attention on traditional product system, vendor controlled, and much more, into a consumer driven, distribution prone and technology knowledge concept. Moreover, the argument of Wang (2008) is that programmes related to customer loyalty or e-loyalty are dependent heavily on

the customer services, which is a method to distinguish products or services from the market rivals so that rigorous competition can be handled, new customers can be gained and existing customers can be retained.

The involvement of customers is major aspect in examining the fruitful growth of marketing through internet (Villanueva, Yoo and Hanssens, 2008). Customer involvement quantifies the interest and mind of people towards the certain brands or services. There are many different aspects which can affect the level of their involvement including personal traits, living patterns and some other forces that may influence the buyer's buying patterns and decisions. All these determinants can be changed by means of effective and influential customer services or by developing e-loyalty programme. In fact, the current era is a highly competitive business era, the contributing role of services is enhancing and the consumer needs are increasing, though such needs may vary relying heavily on the industry and specific strategic plan in which they operate (Phan, 2003).

Critical Review of the Literature

A study was conducted on strategy and the internet marketing by Porter (2001) and the Operational Effectiveness is the most important point that can be thoroughly explored in his research work. In accordance with the study of Porter (2001), simplification with acceleration of real-time information exchange can be best of organisations. He presented the reasons that this approach can ameliorate, across every industry, regardless of size and type. In his research study, Strategic Positioning is one more aspect that can be examined. One of the major motives for exploring this point is that it becomes difficult to develop and withstand operational benefits because of the positioning. The importance of positioning is that it can generate higher levels of economic value. Moreover, it has been found by the study of Heide & Miner (Porter, 2001) that strategic position without showing consistency can be beneficial for organisations as it can help in defining competition via the use of Internet technology as the operational effectiveness. It has also been found that devoid of an effective and influential e-marketing direction that must be distinctive, only speed and flexibility cause obscurity. Furthermore, establishing a distinctive and powerful digital marketing strategy is more important (Porter, 2001) and it is essential to facilitate with more consistent direction for actions and measures associated with e-marketing strategies of an organisation that combines with other activities of marketing and helps in achieving the core business goals.

In accordance with Svanberg (2004), there are about 540mn people who use internet for different purposes (Plank, 2004). Moreover, in accordance with the study of Wilson (2002) in the international digital marketing, there are some components including strategic planning, situation analysis (external and internal environment analysis), market focus along with product focus, strategies of market positioning, customer analysis, the 4Ps as the market mix, and Internet promotion, all these are integral elements of e-Marketing strategy if a company has a yearning to become top leading e-Business (Plank, 2004). According to Svanberg (Plank, 2004), the customers need to get knowledge regarding strategies of e-Marketing and just a small proportion of larger scale firms have sufficient budgets to reach this. In accordance with the study of Allen (2015), there are some new domains of the business categorised as marketing via advertisement on print and electronic media, marketing via search engine, and marketing through e-mail. Moreover, that point that has to be analysed is whether “*Do we want a strategy of high search engine ranking for find ability?*” (Plank, 2004). Svanberg defined the reason of the need for this strategic option. According to his study, information can be shared by it regarding the domains of interest to others. This point has been supported by Allen (2015). However, it was asserted by Allen that the biggest marketplace ever has been developed by the Internet technology. Moreover, he also argued that Internet also put the consumers’ buying behaviour in terms of decision anywhere where the Internet is available as it permits firms to skip over parts of value chain. Moreover, another analytical point is there rose by Allen what key phrases will the buyer or internet user employ to explore the desired companies and drive the most traffic? As the organisations want the key phrases that will be employed by the consumers to explore the company as it evades from hierarchy.

It is a fact that the arrival of Internet around the world has deeply transformed and modernised the way organisations communicate, do business, and involve in the international marketing world. Internet in this era is a new and innovative marketing communication platform; this is strongly based on powerful computer systems which make strong networks. The term “Net”, during the past forty years, has emerged from a network for researchers as a strong tool of information and entertainment. Now, millions of people are using this tool around the world and in the current business environment the new scenario of international market is expanding with an extreme degree. Moreover, this is a new global environment and internet marketing has the potential to give firms opportunity, and make sure, they send the core marketing ideas and messages to target markets through many different advertising tactics,

including e-mail messaging, banner advertisement, blogs, newsletters, social media pages, and much more. No doubt, the Internet puts people promptly in touch. Merlino (2001) has drawn a conclusion following thoroughly examining the new market environment. According to Merlino (2001), three points are there when a company go to online to do business. A company strong focuses and convinces to “*Make Customers Click, Size Doesn’t Matter and Win-Win Situation.*” Nevertheless, the first and last points have been highlighted by Merlino. Moreover, Anderson et al. (2004) conducted a research project in which the authors also reviewed and focused the points which were emphasised by Merlino (2011). However, the reason of the emphasis of Merlino on “*Make Customers Click*” is that the customer is the good starting point for company’s Internet marketing (Merlino, 2001). Moreover, this statement was seconded by Mr. Lam of Gartner Group. According to that group, whether the e-mail messaging attracts an individual, clicking through to make a purchase relies strongly on the mailing list quality made by the company and to what extent the offer is splendid and compelling. An article was written by Anderson et al. in which they agreed that Merlino had established for two points out of three associated with marketing of a new product in a new competitive business scenario. Likewise, the Win-Win Situation was considered by Merlino and the reason was that many marketing campaigns via online concentrate on developing long-term relationships with online customers, so the internet can also be used by the company to develop one-time promotions.

If we talk about Tesco plc, which is the well-recognised international grocery and general merchandising retailer, the retailer is highly concerned about its international operational activities, therefore international marketing has become an integral part for Tesco to operate internationally (Zhao, 2014). However, Tesco operate its services through internet effectively and facilitates customers with quality goods, financial services along with telecommunication services. The Tesco’s internet operations were started in the mid-90s. So as to reinforce its international marketing activities via Internet, the retailer has invested substantial amount in GroceryWorks through adopting a joint venture strategy with America Safeway (Zhao, 2014). Moreover, because of internet marketing strategy, it is easy for the Tesco’s marketing department to manage and satisfy the consumers’ needs according to each cultural environment where they operate. (Zhao, 2014)

Moreover, marketers interact with their target markets by means of various media. In past, a passive one-to-many communication model is followed by these media, through which an organisation reaches many existing and potential customers, segmented or not, through

marketing endeavours that permits only limited forms of feedback from the customer (Delgado-Ballester and Hernández-Espallardo, 2008). According to Aziz and Omar (2013), it can be any other new environment wherein the whole market is playing like the customer relationship atmosphere, wireless environment and so on. It has been found that in the international marketing industry, there is a gigantic buzz in regards to the blossoming wireless medium and its guarantee as another marketing channel. As indicated by Tse (2013), the most vital point to be dissected is the Permission must be picked up from the customers. This point is basically dissected on the grounds that, of the individual nature of a wireless gadget, and the frequently occupied environment in which the gadget is utilized, customers may not be as responsive to the thought of reacting to pennant like promoting or to giving out their contact data to outsiders. As indicated by Carter (2007), consumers in the new market environment will have heaps of advantages, including unlike to print distributions or TV, the marketing can be intelligent, which the clients will discover all that much fascinating. Like the Web, structures can be rounded out and data solicitations submitted. Yet not at all like the Web, can the customers bring the gadget with them wherever they are. Wireless gadget clients view data, including marketing, in their extra time with of an opportunity time to view and cooperate with media, including promoting. As indicated by Ratchford, Talukdar and Lee (2007), the new environment that will demonstrate important is in customer consideration and customer faithfulness programs.

In the current fast growing competitive business world, fast access to the information is the basic demand of people and in this regard, they seek the websites search. This approach enhances the chances for online organisations, especially for retail firms, to market and sell their products and services through Internet (Xiang and Gretzel, 2010). In accordance with the study of Marston et al. (2011), organisations are facilitated by the internet marketing strategies to introduce their products on the international level individually. It is a fact that international companies face higher costs of marketing their products or services, so Internet greatly reduces the marketing and advertising cost. Products or services can be customised in nature that points out that the products or services meet the customer needs and expectations that assists develop and gain competitive advantage. It has been explained by Ng, David and Dagger (2011) that marketing over internet has greatly changed the international marketing dynamics as it provides exact and correct products' information any time and from anywhere.

Conclusion

The current markets are increasingly more competing to get more potential customers satisfaction along with their loyalty. To stay alive in this fiercely competitive business environment, organisations need to update frequently their information systems which can assist them to be more efficient and correspond with their target markets and external environment. However, the critical review of the literature has confirmed that the role of the Internet is radical that has greatly revolutionised the international marketing strategies. Online marketing communication strategies as digital marketing tools, such as Internet, are economically more effective approach for international marketing and to target the market irrespective of geographic or time limitations. As a result of this, Internet has substantially transformed the face of marketing communication, both at the national and international levels. The larger scale multinational organisations are concerned; they would adopt strategies to attain fast increases in growth by means of advanced technologies, especially the Internet. This rapid growth was followed by issues related to effective and professional techniques of getting these new markets. In addition to the fast development in the Internet technology, principles of communications also have changed and greatly affected the modern-day business and marketing world. Internet provides among other advanced technologies provides a fundamentally very different environment for international marketing. Marketers have experienced many different digital media platforms that allow them to consider and cover large global market and grow their business to an international environment rapidly and conveniently. Nevertheless, at times they face some challenging issues in an online business which it requires that they immediate, precisely and timely response to show, otherwise they will fail in their business.

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