International e-marketing: opportunities and issues

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Abstract

Purpose – E-marketing is growing at a dramatic pace and is significantly impacting customer and business market behaviors. As a result, most firms have started developing e-marketing strategies for the web. However, the evolution and strategic direction of e-marketing strategies in international environments has not been discussed and is the focus of this paper.

Design/methodology/approach – In this paper, the authors examine two issues based on extant literature and our previous research in this area. The authors discuss e-marketing in an international context and develop a framework that will allow researchers and managers to understand the impact of country level effects on e-marketing strategies. The paper proposes that the evolution of e-marketing strategies is based on the countries infrastructure and marketing institutional development.

Findings – It is found that international e-marketing strategies are fundamentally changing, and will continue to change, marketing thought and practice in international markets. The paper suggests that the e-markets of tomorrow may have little resemblance to the markets of today.

Research limitations/implications – The paper suggests that additional conceptual and methodological research is required in this area. Propositions are derived that will provide directions for future research.

Practical implications – Firms need to better monitor their international environments to determine the type of strategy that they need to follow. The proposed strategies are – brick and click strategies, digitization, disintermediation, buying groups and alternative infrastructure, firm driven e-marketing strategies, and corporate exchanges.

Originality/value – This paper is the first attempt to examine the relationship between a country’s infrastructure, marketing institutions and the appropriate e-marketing strategies.

Keywords International marketing, Electronic commerce, Globalization

Paper type Research paper

Introduction

E-marketing strategies entail utilizing existing and emerging communication and data networks to impart personalized and uninterrupted communication between the firm and its customers and to provide value above traditional networks (Watson et al., 2002). The opportunities of e-marketing are large as papers in this special issue will attest. However, in order to understand the opportunities and issues faced by e-marketing we examine the evolution of marketing practice. In the agricultural era and, recently, even in developing countries, consumers and businesses bought products close to their physical location and had them adapted toward their needs. In this structure, most marketing transactions were initiated by the customer and adapted to her/his specific needs (e.g. tailors and clothing). Production was typically initiated after receiving the customer order, and specialization was at a local level.
This mode shifted with the advent of mass manufacturing and mass transportation (especially after World War II). The costs of mass-manufactured goods were dramatically lower than small-lot adaptable local products, leading to market dominance by mass-produced goods. Marketing also became more organization initiated as products were first manufactured and then marketed (Sheth et al., 2000).

E-marketing creates a fundamental shift in business and consumer behaviors similar to that associated with the introduction of automobiles and telephones that reduced the need for channel immediacy. E-marketing uses the internet as a platform that allows firms to adapt to the needs of customers, reduces transaction costs, and allows customers to move from time- and location-based behaviors toward non-temporal and non-locational behaviors (Watson et al., 2002). E-marketing is similar to agricultural-age marketing, with direct recurring relationships between consumer and producer but with lower costs (Sheth et al., 2000; Sheth and Sharma, 2004).

The implementation of e-marketing strategies in international markets adds an increased level of complexity. There are justifications in examining common e-marketing strategies due to the communalities across international markets (Levitt, 1983; Ghosal, 1987; Walters, 1986; Wind, 1986; Yip, 1989; Samiee and Roth, 1992). However, country’s infrastructure for e-marketing strategies and different stages marketing institutional development leads us to suggest targeted strategic development of e-marketing strategies in different countries (Quelch and Hoff, 1986; Douglas and Wind, 1987).

Our emphasis in this paper is to identify e-marketing opportunities and issues in international markets based on country development. Building on the work done by us and with our colleagues (Sheth et al., 2000; Sheth and Sharma, 2004), we begin the paper by discussing e-marketing advantages of costs and reach in international markets. We then develop a framework for classifying countries based on the “countries infrastructure development” and “countries marketing institutional development.” Based on this classification, we develop a framework that examines the type of e-marketing strategies that will be successful in different international contexts. The implications of the international e-marketing strategies on the theory and practice of marketing – first from the marketers’ perspective and then from the customers’ perspectives are then discussed. The final section highlights the implications of these findings on marketing thought and practice. Research propositions are presented throughout the manuscript.

**Advantages of e-marketing in international operations**
The primary advantages of e-marketing is reducing costs and enhancing reach. The cost of an e-marketing platform is typically lower than other marketing platforms such as face-to-face salespeople or middlemen/distributors (Watson et al., 2002). In addition, e-marketing allows firms to reach customers that may not be accessible due to temporal and locational limitations of existing distribution channels. E-marketing platforms increase reach and reduce costs by providing three areas of advantage for customers. First, the marketing firm can provide unlimited information to customers without human intervention. This is an advantage over other forms of contact because the amount of information that can be provided is much greater than in any other form of communication. Additionally, and more importantly, the information can be provided in a form that customers can easily process and understand. For example,
airline scheduling and reservation systems are very difficult to create and maintain to serve individual needs. Additionally, in this context, the choices are large and difficult to provide in any format that is better that the e-marketing or web-based format. Second, the e-marketing firm can create interactions by customizing information for individual customers that allow customers to design products and services that meet their specific requirements (Watson et al., 2002). For example, online checking and seat assignment can be done on the internet. Finally, e-marketing platforms can allow transactions between customers and firms that would typically require human contact as in the case of successful firms such as Dell and amazon.com.

**Country effects on e-marketing**

*The framework*

To examine the effect of country on e-marketing, we classify countries based on two dimensions – country’s infrastructure development, and country’s marketing institutional development. Previous research has highlighted the effect of these dimensions on marketing practices (Sharma and Dominguez, 1992; Malhotra and Ulgado, 1994; Johnson and Arunthanes, 1995; Iyer, 1997). In subsequent paragraphs, we discuss these dimensions and the reasons for inclusion.

Country’s infrastructure development refers to roads, telecommunication, legislative bodies, and open and free justice systems etc. Infrastructure development is usually associated with economic development (Sharma and Dominguez, 1992; Iyer, 1997). There are two reasons for inclusion of this dimension in our analysis. First, telecommunication density, broadband access, data processing devices including PCs, PDAs and mobile phones address the issues of availability and access to the tools of e-marketing (Watson et al., 2002). Second, the legislative and legal infrastructure in countries addresses the issues of transactional costs. Weak legal and legislative infrastructure increase transaction governance costs and adaptation requirements (Sharma and Dominguez, 1992; Johnson and Arunthanes, 1995; Iyer, 1997). These are costs associated with transaction monitoring and quality debasement externalities. Specifically, the costs incurred in limiting partner opportunism in transactions and in overcoming the limitations of bounded rationality increases with less developed legal structures (Sharma and Dominguez, 1992). These costs are associated with processes that ensure that exchange partners do not seek to take advantage of other partners.

Marketing institutional development is associated with availability of competitive efficient and effective marketing institutions that includes of efficient and effective distribution and communication (media) channels (Iyer, 1997). Largely, marketing institutional development is associated with a large number of efficient and effective channel members as well as logistical support for marketing oriented distribution (Sharma and Dominguez, 1992). Effectiveness of distribution channels is not correlated with economic development as domestic rules and regulations can decrease channel effectiveness. For example, advanced countries such as Japan have low levels of channel effectiveness as distribution channels in Japan are long and high cost (Goldman, 2002; Sharma and Dominguez, 1992). In addition, availability of media is an indicator for marketing institutional development. Marketing institutional development is associated with competitive marketing offerings, i.e. competitive, efficient and effective marketing institutions are available to marketers in country with highly developed marketing institutions (Iyer, 1997).
Classification of countries
Based on the two dimensions discussed in the previous section, we divide countries based on this two by two matrix (Figure 1).

Developed infrastructure and developed marketing institutions are available in advanced countries such as US and Hong Kong (Sharma and Dominguez, 1992). These countries have invested resources in developing infrastructure and have rules and regulations that allow the development of competitive marketing institutions. For example, in the US, laws such as anti-trust and resale price maintenance laws have created an environment of enhanced competition. This allows firms to have access to efficient and effective distribution and communication channels to market their products to customers.

Some countries demonstrate developed infrastructure but restricted marketing development. Exemplars of this pattern are countries such as Japan and Germany. These countries protect legacy institutions such as small retailers to the detriment of increased marketing institutional development. An example of marketing development restrictions are countries that have time restrictions on when the store can be open (e.g. Germany). Another example of restriction is restricting the size of stores (e.g. Japan; Goldman, 2002). Similarly, regulations such as advertising restrictions, minimum margins and resale price maintenance also reduce the efficiency and effectiveness of distribution channels. The problem with less developed marketing institutional is that marketers and therefore consumers pay a higher price to distribute their goods (Sharma and Dominguez, 1992).

Some developing countries have low levels of infrastructure development but have developed marketing institutions such as retailers and media. We provide examples of Mexico and Brazil that have distribution institutions such as Wal-Mart and Carrefour. Both Mexico and Brazil have highly developed print and television media. Even in areas of poor infrastructure development within a country, alternative distribution methods may be available. For example, Avon uses 400,000 direct salespeople some of which sell in the interiors of the Amazon. The issue with these countries is the lack of customers’ ability to access e-marketing platforms.

The last category has countries with both low infrastructure development and low marketing institutional development. These are typically, developing countries that

![Figure 1. Country’s infrastructure and marketing institution development](image-url)

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<tr>
<th>Low Infrastructure Development</th>
<th>High Infrastructure Development</th>
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<tr>
<td>Low Marketing Institution</td>
<td>High Marketing Institution</td>
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<tr>
<td>Developed Infrastructure – Restrictive Marketing (Japan, Germany)</td>
<td>Developed Infrastructure – Competitive Marketing (US, Hong Kong)</td>
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<tr>
<td>Developing Infrastructure – Restrictive Marketing (Vietnam, Indonesia)</td>
<td>Developing Infrastructure – Competitive Marketing (Mexico, Brazil)</td>
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</table>
have not developed efficient and effective distribution systems due to geography (e.g. Indonesia) or legal restrictions (e.g. Vietnam). This phenomenon is also seen in ex-communist countries (Ennew et al., 1993). These countries have limited access to e-marketing systems and the cost of marketing institutions is high for both companies and customers.

We can also predict market penetration of e-marketing in these countries based on this framework. Countries with high infrastructure development and high marketing institutional development are expected to have high levels of e-marketing penetration. The reason is that with easy access to e-marketing institutional, both firms and customers will gravitate toward e-marketing for its efficiency and effectiveness. This is true of the US market that has one of the highest penetration of e-marketing strategies.

Countries with high infrastructure development and low marketing institutional development are expected to have medium levels of e-marketing penetration. The reason is that although the infrastructure support for e-marketing is present, the distribution and media channels do not efficiently provide the products needed by firms and consumers to adopt e-marketing innovations. This seems to be the case for countries such as Japan and Germany. Countries with low infrastructure development and high marketing institutional development are expected to have low levels of e-marketing penetration due to the lack of infrastructure support. As mentioned earlier, this seems to be exemplified in countries such as Mexico and Brazil. Finally, countries with low infrastructure development and low marketing institutional development are expected to have negligible levels of e-marketing penetration due to non-support from key institutions. We observe this phenomenon in countries such as Vietnam, Indonesia and CIS nations.

**Country classification, opportunities and threats**

Based on country classification, we now examine how the emergence of e-marketing will effect country-level marketing practices. The key reasons for e-marketing will be to reduce costs and increase reach.

**Evolution of successful e-marketing strategies**

In countries with developed infrastructure and competitive marketing institutions the focus will be on reducing marketing costs. These countries have readily accessible information technology infrastructure and customers have already invested resources to enable them to access these infrastructures. Disintermediation is not expected as firms have access to efficient and effective distribution and communication channels and these channels will also attempt to reduce costs by enhancing e-marketing strategies.

In countries that demonstrate developed infrastructure but restricted marketing development, the focus will be on costs but the implementation will be different from the previously discussed context. The only method of reducing costs would be the disintermediation of existing channels. It is no surprise that under-developed marketing institutions countries such as Japan and South Korea are one of the largest adopters of e-marketing tools such as mobile phones that enable marketing transactions. It has been suggested that the mobile phone technology in such countries is bypassing existing marketing institutions.

Countries that have low levels infrastructure development but have developed marketing institutions will need to provide e-marketing institutional to their customers.
We see this pattern in Lojas Americanas, a Brazilian department store chain that provides access to its website and virtual store at www.americanas.com.br inside the store through kiosks. The website contains products that the store may not stock or may need to be customized. The product can be delivered to the store or at the person’s home. In addition, if the customer has problems in interacting with the website, there is a customer service person available to help.

In the last category of countries, where there is both low infrastructure development and low marketing institutional development, e-marketing processes will be concerned more with reach. In this context, we expect new marketing institutions to emerge that will bypass existing distribution structures. Firms in these countries may utilize emerging technologies such as mobile phones to develop e-marketing strategies. For example, in India, the mobile phone is seen as the e-marketing platform for information-oriented services. The marketing firms’ communication, customer choice process and payments are all conducted over mobile phones.

Based on the previous discussion, it is proposed:

**P1.** In countries that have developed infrastructure and marketing institutions, the focus of marketing organizations’ successful e-marketing strategies will be on reducing costs.

**P2.** In countries that have developed infrastructure but underdeveloped marketing institutions, the focus of marketing organizations’ successful e-marketing strategies will be on disintermediation of legacy distribution channels.

**P3.** In countries that underdeveloped infrastructure but developed marketing institutions, the focus of marketing organizations’ successful e-marketing strategies will be on reducing costs.

**P4.** In countries that have underdeveloped infrastructure and marketing institutions, the focus of marketing organizations’ successful e-marketing strategies will be on marketing institutional development.

*Penetration and profitability*

The penetration of e-marketing strategies has been discussed earlier. In this section, we enhance the discussion by examining profitability. Within each type of country, the short-term profitability will be different based on the existing infrastructure development and cost structures of existing distribution channels.

As discussed earlier, in countries with developed infrastructure and competitive marketing institutions, the focus will be on reducing marketing costs. Since firms already have access to efficient and effective distribution and communication channels and these channels will also attempt to reduce costs by enhancing e-marketing strategies, the cost savings will not be large. Therefore, we expect medium levels of profitability in these situations.

In countries that demonstrate developed infrastructure but restricted marketing development, we expect disintermediation of existing channels. Therefore, we expect higher levels of profitability associated with lower levels of e-marketing competition and high cost of existing marketing institutions and competition. This is the reason why for Amazon.com, the profits in Europe are growing at a faster pace than in the US, as existing book sellers in Europe are inefficient and have high costs.
Countries that have low levels of infrastructure development but have developed marketing institutions will need to provide e-marketing institutional to their customers. The cost of providing e-marketing infrastructure will be high and therefore the expectations of profitability in the short-term are low.

Finally, in countries that have both low infrastructure development and low marketing institutional development, the cost of e-marketing infrastructure and institutional development will be high and demand will be low leading to negligible profits in the short-term.

Based on the previous discussions it is proposed:

P5. In countries that have developed infrastructure and marketing institutions, the penetration of e-marketing strategies will be high but the profitability will be moderate.

P6. In countries that have developed infrastructure but underdeveloped marketing institutions, the penetration of e-marketing strategies will be moderate but the profitability will be high.

P7. In countries that underdeveloped infrastructure but developed marketing institutions, both the penetration of e-marketing strategies and the profitability will be low.

P8. In countries that have underdeveloped infrastructure and marketing institutions, both the penetration of e-marketing strategies and the profitability will be very low.

What type of e-marketing will succeed in different countries
In this section, we suggest that successful e-marketing strategies in international markets will depend on existing infrastructure and marketing institutions. These expectations are shown in Figure 2.

As discussed earlier, in countries with developed infrastructure and competitive marketing institutions the focus will be on reducing marketing costs and increasing reach. In these countries, an e-marketing strategy that will be successful will be brick and click strategies. Through e-marketing strategies firms that have physical presence can easily increase reach and reduce costs by developing e-marketing strategies. We see

<table>
<thead>
<tr>
<th>Country's Infrastructure Development</th>
<th>Third Party e-marketing/ Direct e-marketing</th>
<th>Bricks and Clicks/ Digitized Product &amp; Service</th>
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<tbody>
<tr>
<td>Low</td>
<td>Firm Driven e-marketing/ Corporate Exchanges</td>
<td>Buying Groups/ Alternative Infrastructure</td>
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<th>Country's Marketing Institutional Development</th>
<th>Low</th>
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Figure 2. Successful e-marketing strategies
retailers such as Wal-Mart, manufacturers such as Dell and Cisco, and service firms such as Pizza Hut effectively use e-marketing strategies to reduce costs and increase reach. In addition, catalog firms will utilize successful e-marketing strategies that are similar to bricks and clicks (multiple channels) to reduce costs and increase reach. We also expect a dramatic rise in e-marketing strategies that can provide products and services in a digitized format to be successful. Digitized information reduces the need to deliver products and services for the marketing firm and reduces the need to physically obtain products and services for the customer. As an example, e-marketing strategies that allow airlines to provide e-tickets and boarding passes are successful. Similarly, other digitized product and service sites for music (e.g. iTunes), software (e.g. Norton) and information (e.g. Wall Street Journal) are increasingly successful. In addition, publishers such as Thompson, Reuters and Bloomberg have very successful e-marketing strategies in delivery digital content to their customers.

In countries that demonstrate developed infrastructure but restricted marketing institutional development, the focus will be on disintermediation. We think that this process can take two paths. First, third party e-marketers will emerge. These e-marketing firms will be equivalent to physical retail institutions but with dramatically lower cost structures. These third party retailers will be more successful in these countries because of the high cost of existing marketing institutional. Examples of such third party retailers are amazon.com and buy.com. Second, firms will develop e-marketing strategies that will allow them to bypass existing channels of distribution. This type of successful marketing strategies has been followed by firms such as Dell, IBM, and Movado.

Countries that have low levels of infrastructure development but have developed marketing institutional will develop two types of e-marketing strategies – buying groups and alternative infrastructure. In the former case, buyers will get together to develop infrastructure that will allow members to take advantage of e-marketing strategies. An example of this type of strategy are the credit card processing systems that banks have established in countries such as Mexico and Brazil to enable both banks and customers to take advantage of e-marketing strategies. This type of infrastructure is in contrast to the competitive infrastructures that banks developed in developed countries such as the US. The second type of e-marketing strategy firms use is to extend e-marketing institutional to customers. We discussed the example of Lojas Americanas a Brazilian department store chain that provides access to its web site and virtual store at www.americanas.com.br inside the store through kiosks.

In countries where there is both low infrastructure development and low marketing institutional development, successful e-marketing strategies will include an extension of both infrastructure and marketing institutions. Typically, these strategies will be firm driven e-marketing strategies and/or corporate exchanges. Firm driven e-marketing strategies will typically involve firms providing e-marketing services that bypass the lack of traditional infrastructure. Examples of firms using mobile phones have been discussed earlier. In addition, some firms such as airlines (e.g. Jet Airlines in India) will provide e-marketing access, as their primary customer (business traveler) has access to e-marketing institutional. Another successful e-marketing approach is a corporate exchange where the firm provides access to its infrastructure and also provide customers an easy access to firm. These types of infrastructure have been developed by firms such as Tata Steel in India.
How international e-marketing will change marketing theory and practice
In the previous sections, we discussed e-marketing strategies and outcomes in different countries. In this and the subsequent section, we discuss the impact of international e-marketing strategies on the processes of firms and customer behaviors. This section is been based on research by Sheth et al. (2002) and Sharma (2004).

Marketing practices and processes
The impact of international e-marketing is examined through a comparison of traditional marketing and emerging marketing practices. We discuss traditional versus reverse marketing; mass marketing versus customer-centric marketing; standardizing versus adaptation versus personalization; and variable versus fixed costs.

Traditional marketing versus reverse marketing. Traditional marketing has focused on the products and services that firms provide. The goal of marketing is to create a demand for the product that matches organizational requirements and, therefore, marketing management has traditionally been viewed as demand management (Kotler, 1973). E-marketing changes the focus of marketing from a “supplier perspective” to a “customer perspective,” that is, reverse marketing. Instead of marketers manufacturing and then seeking orders, manufacturing will only start when the customer orders. E-marketing increasingly makes the marketing function responsible for “supply management.”

Mass market versus customer-centric marketing. As stated earlier, marketing has developed from a mass-market perspective. E-marketing allows firms and marketers to cater to the needs of individual customers. E-marketing is also expected to lead to better customer selection. E-marketers allow firms to collect better data on costs of each of their customer different activities and processes. With data from e-markets, marketers will divide their customers into segments based on whether they are financially viable (Is this customer profitable?) and strategically viable (Is this customer of strategic importance?) which will allow better targeting.

Standardizing versus adaptation versus personalization. Markets are experiencing greater commoditization of products and services due to standardization. In the e-marketing era, the trend is expected to change in terms of more personalization. With increased flexible design and manufacturing technology, and given the personalization potential of the web, increased personalization will emerge. The web makes personalization of products easier and more transparent to the user.

Variable versus fixed costs. Traditional economics and, therefore, traditional marketing practices, were based on the existence of variable costs in all marketing transactions. The e-marketing era will be the age of extensive investment in technology that will aid in the reduction of transactional costs. This will give rise to the economics of scale and scope, and firms will seek to spread their fixed costs over a larger volume. As examples, databases and voice response technologies have high fixed costs, but reduce transactional costs. The costs of these infrastructures are largely invariant with respect to volume.

Changes in customer behavior
Just as the e-marketing will change marketing practices, e-marketing will also change customer behavior. Some of the more interesting areas of change are highlighted.
Co-creation. With an increase in usage of e-marketing, the customer will take an increasingly active role in the fulfillment process, leading to “co-creation.” Co-creation involves both customers and marketers interacting in aspects of design, production, and consumption of the product or service. We see this process in services (e.g. hair styling) but will increasingly see it for physical products. Firms that do not allow co-creation will be at a disadvantage when compared to firms that do.

Geographic versus universal availability. Since customers live in a physical world, the geographical location of resources is critical for consumers. When markets evolved from local to regional or national markets, buyers and sellers were typically not in the same geographic location. This geographical separation led to customers seeking intermediaries in their geographic locations that advanced the interests of consumers in terms of information, communication, transactions, physical movement of goods, and customer service. The difficulty and cost of obtaining locational assets close to the customer has led to a small set of large retailers and intermediaries developing and maintaining competitive advantage. E-marketing will reduce customers’ locational dependence (e.g. Amazon). For business customers, instead of relying on a geographical or locational sales force, the e-marketing allows customers to more readily engage in direct, order taking, and technical support.

Fixed versus flexible times. Time has been central to customers, as marketers, retailers, or buyers have traditionally set the times of transaction or exchange. Typical areas where customers have changed marketing practices are banks through ATMs, catalog sales (through 24-hour telephone access) and airline ticketing (through 24-hour airline reservation lines). Customers will increasingly use e-marketing to conduct non-time-based interactions.

Based on the discussions in this section, it is proposed:

P9. Increasing adoption of e-marketing strategies will lead to firms practicing reverse marketing rather than traditional marketing; practicing customer-centric marketing rather than mass or segment marketing; providing personalization rather than standardization or adaptation; and, reducing transactional costs.

P10. Increasing adoption of e-marketing strategies will lead to customers increasing seeking firms that provide co-creation opportunities, universal availability, and flexible time schedules.

Managerial implications and directions for future research
This paper examined a critical and interesting area of research – e-marketing strategies in different country contexts. We developed a framework to first classify countries based on their infrastructure development and marketing institutional development. We examined the evolution of e-marketing strategies in these countries with exemplars of the more successful strategies that will emerge. This paper has implications for both managers and future research.

Managerial implications
The first and primary managerial implication is that countries are not at the same stage of infrastructure development and marketing institutional development and therefore a standardized global strategy will not be valid in multiple country settings. Therefore firms need to develop unique e-marketing strategies based on the countries
where they operate. In countries that have both high levels of infrastructure
development and marketing institution development, the market penetration with
e-marketing strategies will be high but the profitability will not be high. In this
situation, the successful e-marketing strategies will be oriented toward reducing costs
or increasing reach and will typically involve a bricks and click strategy and/or
delivery of digitized product or service. Most firms will have to follow e-marketing
strategies or face failure. For example, Black (2004) reports on two electronic retail
stores in New York. J&R’s Computers followed e-marketing strategies and flourished
whereas 47th Street Photo did not follow e-marketing strategies and had to close their
retail operations.

In countries with developed infrastructure and less developed marketing
institutions, firms will need to develop alliances with third party e-marketers or
develop their own e-marketing strategies. These e-marketing strategies will be
acknowledged slowly by customers, but will be highly profitable. Firms that do not
follow e-marketing strategies will face a cost disadvantage. Retailers will be in danger
of disintermediation if they do not develop e-marketing strategies.

In countries with less developed infrastructure and highly developed marketing
institutions, firms will need to develop infrastructure to implement e-marketing
strategies. These e-marketing strategies will be expensive and returns will be low in
the short-term but may improve in the long-term. Infrastructure access may also create
competitive barriers that may not be easily overcome.

In countries where both infrastructure and marketing institutions are not
developed, firms will require large investments for implementing e-marketing
strategies. The returns will be negligible in the short-term and returns are not
guaranteed in the long-term.

Finally, the paper presents reasons why existing firms need to be cognizant of the
emerging competition from firms practicing e-marketing strategies. Firms need to be
early adopters of e-marketing strategies or they will face competition from entrenched
e-marketers.

Directions for future research
The research has implications for future research. The framework and proposition that
have been presented here are based on the literature and case studies. There is a need
to empirically examine the framework and determine if the dimensions adequately
capture the complexity of international markets. The framework has also suggested
broad categories of countries. There is a need to develop metrics for better
classification.

The framework also develops assumptions for penetration and profitability of
markets. There is a need for empirical demonstration of these expectations. The paper
also suggests certain directions of movements in markets and success factors that need
to be better understood empirically.

References


