

International marketing and the internet: a research overview and the path forward

International
marketing and
the internet

425

Saeed Samiee

Collins College of Business, University of Tulsa, Tulsa, Oklahoma, USA

Received 30 March 2018
Accepted 24 June 2019

Abstract

Purpose – The purpose of this paper is to present an overview of the intersection of research into international marketing (IM) and the internet, seeking areas where knowledge is developing, and where further research is required.

Design/methodology/approach – The study utilizes an integrative review of the extant literature.

Findings – The study identifies the role of the internet as a tool for competitive advantage and internationalization. In considering these aspects of the internet within IM, the necessity for establishing a foreign market presence is also examined. Further, it is asserted that the internet's influence on internationalization is largely through exporting of products and digital services.

Originality/value – The paper offers a new perspective on the issues emerging in the literature in terms of IM and the internet, and identifies new avenues for future research.

Keywords Internet, International marketing, Internationalization, Competitive advantage

Paper type Research paper

The internet is continuing to cause unprecedented and lasting shifts in consumer and business markets. However, despite its ubiquity and tremendous influence in business and especially in marketing over the last 25 years, global information technology (IT)-related topics did not constitute a key knowledge node in a holistic examination of the international marketing (IM) literature (Samiee and Chabowski, 2012). Another recent comprehensive review of 1,722 IM works notes that under 4 percent of the published articles include some aspect of IT and the internet, without any apparent developmental pattern (Leonidou *et al.*, 2018). Furthermore, an internet-focused literature review study of 29 peer-reviewed journals examining the medium's influence on relational approaches to foreign market entry, identified only 94 published works since 1994 that leveraged digital platforms in some fashion (Watson *et al.*, 2018). Although this volume of scholarly works conveys a reasonable momentum in research activity involving the internet and IM, it represents only 3 percent of all published articles in the authors' targeted domain, which is about the same as the overall proportion reported by Leonidou *et al.* (2018). Over a decade ago, Samiee and Walters (2006) also found the scarcity of research in IM involving the internet surprising given its critical importance in global communications and channel management. The low level of scholarly activity in this domain is further surprising given the significant cost-saving, opportunity-seeking and relationship-maintenance advantages of internet-based platforms for engaging in IM and in light of the massive IT-related investments borne by firms.

Scholarly publications at the intersection of the IT/internet and IM first appeared shortly after the introduction of internet browsers. In the advent of rapid internet adoption and growth in the mid-1990s, and given the expected importance of the new medium, a growing number of researchers began investigating how the internet might impact IM. Indeed, a similar pattern is also observed in other functional areas. For example, in the field of management, an entire special issue of *Organization Science* was devoted to digital communication with a focus on core product management, communication cultures, interorganizational coupling, strategic alliances and managing globally among others (Fulk and DeSanctis, 1995).



Following a brief overview of the developments in the literature regarding internet-mediated IM, this paper focuses on two characteristics that were associated with the internet during its early period and extend this discussion into exploring ways in which firms might leverage the internet to internationalize via exporting. Both business-to-consumer (B2C) and business-to-business (B2B) IM opportunities are explored, with recognition that, as with the conventional means of trade, the volumes of international B2B transactions are larger than is the case for B2C. It is evident from the relative scarcity of research in this area that more research at the intersection of IM and the internet is essential in advancing knowledge in this area of inquiry. Accordingly, future research themes are recommended.

Early developments

Initially, internet-driven IM contributions were largely conceptual in nature and offered a much-needed knowledge for developing a better understanding of the technology and ways in which the internet might impact IM (Hamill, 1997; Paul, 1996; Poon and Jevons, 1997; Quelch and Klein, 1996; Samiee, 1998a). These early articles were helpful in informing and priming readers with respect to technical aspects, as well as patterns of internet diffusion and penetration in various markets (e.g. Quelch and Klein, 1996). Later works offered more conceptual and functional connection between the internet and IM (e.g. Samiee, 1998a).

Contributions during the developmental stage of this literature domain also tended to be more functional than strategic in part because the internet was not yet fully integrated in marketing strategies and especially in IM strategies of firms. As with the introduction of any disruptive technology, there is a learning period for the altered ecosystem as a whole and for individual firms to identify ways in which they can leverage and benefit from the new platform. At the time, little academic effort was expended for aligning existing IM knowledge (e.g. environmental influences, market entry modes, functional decisions, marketing strategy) with the peculiarities of the internet as a facilitating medium. Given publication lead times, early works on the topic appeared in a relatively short span of time (e.g. Hamill, 1997; Poon and Jevons, 1997; Quelch and Klein, 1996; Samiee, 1998a). More focused efforts addressing the internet's influence on exporting began to develop at about the same time (e.g. Bennett, 1997; Hamill and Gregory, 1997; Samiee, 1998b). Beyond basic communication, few firms would have entertained the idea of integrating the internet in exporting during this early period, in part because the internet had not yet been widely adopted. For example, 70 percent of UK exporters surveyed in the mid- to late-1990s had not even acquired internet connectivity (Hamill and Gregory, 1997). One might expect the adoption rate for non-exporters (for which internet-based exporting might be an attractive option and governments typically like to encourage them to go international) to be even lower.

The next major developments provided foundational knowledge about the nature and potential influences of the internet (e.g. Porter, 2001; Peterson *et al.*, 1997). Such broad-based contributions offered fundamental rules and conceptual settings within both marketing and the broader strategy fields, which, in turn, helped further strengthen scholarly works in the area. Consequently, published works since 2000 have been conceptually richer and helpful in exploring and explaining proper roles and the influences of the internet in IM. Nevertheless, as compared to other topics of interest to IM researchers, such as country of origin or IM strategy, scholarly contributions at the intersection of IM and the internet, as demonstrated by multiple IM reviews and other studies noted earlier, have remained surprisingly low.

Initial views about the internet and IM

Two early beliefs about the benefits of the internet were frequently noted following its initial debut. First, the firm can gain a competitive advantage by securing some form of internet presence. The second view centered on the belief that by mere access to the internet, any

firm can catapult from a domestic market competitor into an IM juggernaut, thus enabling firms to go “international” virtually overnight! Simply put, internationalization for a firm was as easy and cheap as gaining connectivity. Since these concepts continue to play a role in integrating the internet in IM, it is useful to revisit the basis for these views and the role they now play as means of charting an ecologically valid internet-based IM approach.

The internet and competitive advantage

Although it is generally believed that IT has the potential of creating a competitive advantage, few experts would ever agree that the mere possession of IT hardware and operational know-how provides the firm with a sustainable competitive advantage in today’s marketplace (Porter, 2001; Taylor and Berg, 1995). In fact, it can be argued that the internet has leveled the competitive arena for smaller firms which are often constrained by limited resources and market access (Brandtweiner, 1998; Ghosh, 1998; Porter, 2005). Thus, at least conceptually, the internet helps intensify the competitive arena which should make the attainment of a competitive advantage more challenging.

The key to gaining a lasting advantage in the marketplace lies in the way the firm configures and deploys its IT assets and internet platform. The assertion regarding the internet’s competitive advantage was likely propagated during the onset of the internet era in IT-oriented disciplines (see, e.g. Bloch *et al.*, 1996; Cronin, 1993; Cronin *et al.*, 1994). With few firms and individuals having access to the internet, early beliefs about competitive advantage for those with an internet presence seems plausible and the idea may have transitioned to marketing on this premise. However, these beliefs faded rapidly as internet access and presence quickly grew and academic writing produced mixed results about the internet’s competitive advantage. This trend shifted the source of competitive advantage from internet access and presence to the way (i.e. process) in which the internet is deployed to advance a firm’s objectives. Thus, a firm can develop unique internet competencies and, hence, advantages that are not transparent to its competitors. For example, an exporter can underwrite the development of a proprietary software capable of combing through government-posted information bases in all or potential target country(ies) around the world in search of requests for proposals (RFPs) or bidding announcements by government, or rapidly gather market, demographic, or competitor information. Such proprietary “artificial-intelligence-like” software enables the exporter to efficiently examine pertinent data and retain managerially useful data, thereby offering the exporter critical and timely information which serves as a competitive advantage, and potentially an inimitable advantage. Although conceiving, planning and the cost of developing such software make it inaccessible to smaller exporters, it offers established and better-financed exporters systematic and rapid access to information regarding export markets and potential contacts and contracts than is otherwise possible.

The belief regarding the internet as means of gaining a competitive advantage was also misguided as it overlooked basic prerequisites for attaining such an advantage. For one thing, a technology that is available to or can be acquired by all firms within a relatively short time span places all firms in that class in a level playing field and rapidly erodes any competitive advantage that might have been gained by the early adopters. For another, competitive advantage should be rooted in and supported by firm-based competency in a given area (Hagsten and Kotnik, 2017). Successful leveraging the internet, for example, is dependent on staff that can demonstrate a high level of expertise in deploying the internet for IM purposes and which is supported by corresponding software and pertinent data bases. A third weakness associated with the internet as a source of competitive advantage relates to the penetration speed and the use of the technology by both customers or the suppliers of interest in markets abroad. Research has consistently demonstrated wide differences in internet connectivity and use by firms and individuals in various markets[1].

Additionally, even in situations when internet connectivity and use are widespread, this assumption ignores relationship-building and cultural imperatives that can supersede in importance to that of internet use (Internet World Stats, 2019; Samiee, 1998a, b).

An area of global concern for firms is the protection of their competitive advantage through their intellectual property. Protecting a firm's trademarks, designs, patents or copyrights internationally is essential, but also complex, time-consuming and expensive. The internet can facilitate the protection of the firm's intellectual property which is the basis for a firm's competitive standing in the marketplace. For example, a firm might use a specialized software that scans targeted or general web pages for product description, features, qualities or other embedded evidence that might warrant closer scrutiny to protect its own intellectual assets[2]. In other words, in addition to its other means, the firm can use the internet as an added method of intellectual property protection, to gather pertinent market intelligence using proprietary or specialized software, to defend its competitive position in the international marketplace. Another way in which the firm can protect its competitive positioning in the marketplace is by scanning pertinent sites for negative buzz, rumors and falsehood about its conduct, brands or image. Negative rumors, claims, and accusations can be local and isolated, but can go viral fast if firms do not intervene in a timely manner, potentially resulting in lasting damage to their (brands') reputation.

Given today's ubiquity of the internet, it is abundantly clear that mere access, presence, or use of the internet offers no (international) competitive advantage. However, it is also evident that failing to leverage the benefits of the internet serves as a competitive disadvantage. For example, for some services such as financial services and banking, customers increasingly consider internet-based account features as indispensable.

The internet and internationalization

Internationalization frees the firm from its strict reliance on the domestic market and at least temporary relief from its local competitors (an advantage of sorts *vis-à-vis* its home-market competitors). A common belief during the early days of the internet centered on instant internationalization of domestic firms by virtue of being internet connected. This view likely stemmed from local firms' continuous and inexpensive access via the internet to entities and individuals everywhere. A comment in the *Journal of Marketing* in this regard is noteworthy: "Today, advances in communications technology and the growth of the internet are radically changing existing business models and established ways of doing business in international markets. Firms can instantly '*go global*,' targeting a specific market segment worldwide, or reach customers by building a network of internet sites in different languages throughout the world. So it seems there is now a need to revisit traditional approaches and formulate a new framework for doing business not only in international markets but also in cyberspace and at cyberspeed" (Douglas, 2001, p. 106, italics added)." Similar statements in key marketing journals further contributed to blurring the difference between *internationalization of firms* and international access to websites. Grewal *et al.* (2001), for example, noted that "[...] all electronic markets are international, and understanding the role of country-specific institutional environments and the implications of omnipresent global competition among user firms is critical in developing a full appreciation of the impact of electronic markets (p. 30)." Other like positions in business press propagated this view (e.g. Paul, 1996; Bole, 1997). As the internet became fully integrated in domestic and international firms and as pure internet firms experienced the brunt of executing foreign transactions, familiarity with the medium grew and firms recognized the necessity for developing an IM structure and foreign market presence, and subsequently the instant internationalization view was transformed into the previously familiar organic process. Today, the internet is integrated in most businesses around the world and research indicates that it has broadly contributed to internationalization

(Clarke, 2008). Nevertheless, the extent to which firms integrate the internet in their business models depends on how well their customers have embraced and use this medium. In more advanced nations where the vast majority of the population has been using the internet, it is generally integrated in both the supply and demand sides of transactions. As the degree of economic development declines, firm and customer reliance on the medium declines. External non-economic factors also impact the role of the internet in commercial transactions. Legal (e.g. access to certain sites, disclosure requirements) and cultural forces (e.g. purchasing habits and processes of buyers) further influence enterprise internationalization via the internet.

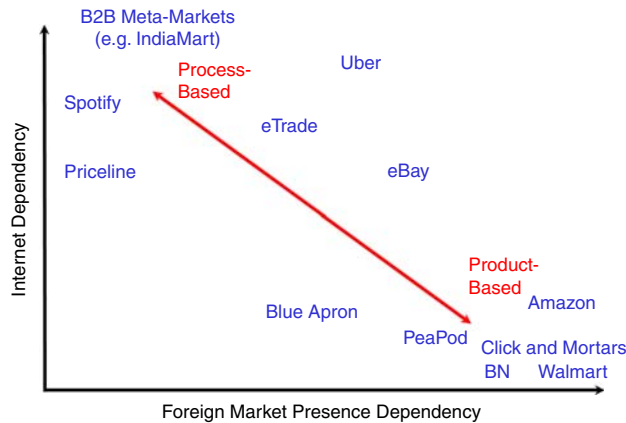
The initial internet-led internationalization belief was fueled by a surface consideration, but an in-depth analysis demonstrates the medium's potentials for accommodating both a competitive advantage in international business and perhaps, internationalization. These can be achieved by deploying the internet for organizational support, communications, relationship-building and networking strategies (cf. Fulk and DeSanctis, 1995). Thus, appropriate internal and external networks managed through digital communications enable the firm to more efficiently leverage strategic advantages of, for example, local responsiveness (i.e. pursue an adaptation/customization posture) or global integration approach (i.e. standardization) of marketing strategy (cf. Monge and Fulk, 1995).

Thus, although access to the internet by itself offers no competitive advantage, the firm's accumulated knowledge regarding its use and its subsequent evolving competency regarding efficient use of the internet for international communications and negotiations, including text, voice, video and virtual private networking, coupled with proprietary or firm-specific communications configuration may offer a powerful platform for managing, implementing and controlling IM strategy processes. Such advantages are more enduring because they are firm-specific and more likely to be inimitable. So, while internationalization is by no means a key advantage of the internet for IM, it serves as a powerful tool for managing international operations, especially for small- and medium-sized firms that frequently lack private global communications channels (cf. Morgan-Thomas and Bridgewater, 2004). For smaller firms exporting is often the main IM activity and host-market marketing strategies, even if formulated by the exporter, and managed and implemented by others. Even for these firms, the internet offers a key means of effective communications and an efficient way of managing relationships. In fact, small- and medium-sized Danish and Norwegian firms are shown to use the internet mainly for information search and relationship management (Celuch and Murphy, 2010; Moen *et al.*, 2008), and the internet's use has been shown to enhance export performance (Clarke, 2008).

Early entrant internet firms also played a part with their plans to go international from their home base. Amazon and eBay, for example, were among many e-commerce pioneers that initially planned to go international from their US locations. Although this notion quickly dissipated and these firms established foreign market footholds (as would normally be expected in an organic internationalization process), they were also advantaged by having established reputations and web traffic, which are shown to be directly associated with and supported their internationalization (Kotha *et al.*, 2001). Today, all familiar internet firms, such as Amazon, eBay and Yahoo!, maintain significant international operations which were developed through organic and non-virtual internationalization process, as well as through mergers and acquisitions in markets abroad. That is, these firms have been internationalizing and functioning like traditional multinational corporations (MNCs).

Concurrently, the internet offers distinct advantages for some firms and industries that, if properly deployed, can generate international sales from a home-market base. The necessity to maintain local market presence is governed by the product offerings' internet-dependency/tangibility. Figure 1 depicts a hypothetical representation of firm's internet- and local market presence dependency. For tangible and particularly time-sensitive goods such as food items,

Figure 1.
Foreign market
presence dependency
of internet firms



local market presence is essential. As the volume of internet-based transaction for tangible products grows, so does the need for host-market or regional infrastructures. Amazon, for example, maintains more than 18 language-specific websites served by an array of local and regional operations that mimic traditional MNC networks. On the other hand, the purveyor of subscription-based music, Spotify, has virtually no need for host-market presence as it can, in theory, fulfill customer needs from its home-market base and presumably negotiate and transact supplier (e.g. independent artists, labels and studios) contracts online. Although Spotify now maintains a significant US market involvement, the decision to maintain a host-market presence in the USA was driven by unrelated infrastructure conditions in Sweden that were thought to hamper the firm's rapid growth.

The more process based (in contrast to product-dependent) a firm's business model, the lesser the need for having a host-market presence. Thus, firms like Ctrip, Expedia, Spotify and Priceline, are able to offer services internationally from one or, at least, fewer locations than is the case for product-based internet firms. Likewise, the creation of industry-specific export meta markets in the form of market-space platforms offers the potential of accommodating both exporting firms and business customers internationally. Exporters can exhibit their products while business buyers can specify and post short- and long-term fulfillment needs as well as those that might require special handling or customization. Although broad-based B2B meta markets (e.g. Alibaba, Amazon Business, IndiaMart, DHGate and Zoodel) are widely available and affordable[3], exporters need dedicated sites that integrates both technical (i.e. exporting and importing requirements and forms; logistical considerations) and soft (e.g. translation, international negotiations) aspects of conducting business with buyers or sellers abroad. Such sites can be sponsored by or developed in cooperation with the government to complement existing resources developed for export support and promotion. Ultimately, however, export meta-market sites need to address local market peculiarities and market-specific processes by innovating ways to accommodate online export transactions similar to "Ali-wang-wang," and "Zhi-fu-bao" which were developed by Taobao for consumer markets (Ye *et al.*, 2008).

The internet and exporting

In general, the internet can assist with the internationalization of two groups of firms: the purveyors of B2C goods and services and B2B suppliers. Marketers of consumer goods, including manufacturers and distribution channel members can, in theory, seek to secure export orders from their home-market base. These firms can use their home base websites or develop

new ones aimed at export markets. As with conventional means of internationalization, internet-based exporting entrants to the international marketplace experience significant knowledge gap, which they gradually overcome as they accumulate the necessary knowledge and experience for processing international orders. A more serious issue facing local firms' internationalization drive via the internet is creating sufficient buzz and recognition internationally (or in specific targeted markets) to be noticed in a cluttered global internet marketplace. Consumers abroad are unlikely to be familiar with new brands or firm identities (non-local market entrants), except when offers involve known international/global brands (e.g. foreign retailers seeking to establish a foothold in markets abroad via the internet). Differing product standards, foreign exchange related issues and local regulations, as well as language and cultural differences clearly create hurdles that need to be overcome to succeed. These and other impediments point to the necessity for identifying a competitive advantage(s) that can motivate consumers in targeted host countries identify with the exporting firm and make an effort to become familiar with its unique features and offerings. Regardless of the firm's competitive advantage, its lack of host markets presence will always serve as a (perceived or real) disadvantage for consumers in markets abroad as the time required for shipping and associated costs, paperwork and potential customs duties, in addition to currency conversion costs and risks serve as deterrents for consumer marketing across borders. Providers of services (e.g. digital products) are generally better off in this regard as they bypass at least some of the hurdles faced by the purveyors of tangible products. As shown in Figure 2, local firms wanting to internationalize via the internet may engage in direct (to consumers) or indirect (listings on host-market and international consumer meta markets such as Amazon, eBay). Consumer payment arrangements are more complicated where standard payment systems (e.g. credit cards) are not widely used or available. Although a range of digital payment methods maybe available in local markets, they require the firm to adopt and accept such locally common payment methods (e.g. Tenpay, Weixin, and QQ Wallet in China). Some internet purchases in markets such as China involve cash-on-delivery which is indicative of payment system challenges new internet-based market entrants may face in many developing and emerging markets.

Opportunities for using the internet as means of international promotion to build host-market website traffic and for maintaining a customer relationship management (CRM) program demands not only connectivity on the part of the firm, but also close attention to forces that govern consumers' use of the internet, including computer access and internet connectivity, adequate IT competency, language, socio-cultural imperatives, regulations and consumers' ability to complete transactions online, all of which can interact with the firm's

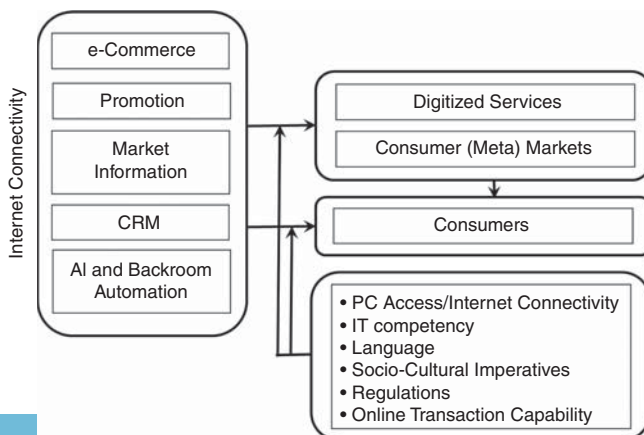


Figure 2. A conceptual view of the internet-based exporting for the consumer markets

ability to engage in international consumer e-commerce (Samiee, 1998a). As firms gain experience in selling internationally via the internet and as their international customer bases grow, they amass greater knowledge about host markets (market information), improve their CRMs, and eventually develop better management of marketing operations via data bases and artificial intelligence (e.g. automated order processing, production scheduling, shipping) (cf. Loane, 2005; Gaskell, 2017).

Based on above the arguments, international consumer sales by new market entrants via the internet face numerous structural hurdles. However, international B2B markets represent fewer customer and structural obstacles and are thus better positioned than consumer markets to be cultivated via the internet. B2B markets are much larger than B2C markets, customers tend to specialize and are more experienced, more knowledgeable, more likely to reach out for alternative sources of supplies online, more likely to buy from foreign-based suppliers that can meet their technical specifications, and typically place larger orders. Furthermore, B2B purchasing processes and patterns are more complex and time-consuming, which may demand extensive personal sales effort online as well as personal visits (Moen *et al.*, 2003). Importantly, relative to consumers there are far fewer of them in buyers' pertinent industries and, thus, are more easily identifiable. Also, given their larger order sizes, investments in time and effort per customer are more easily justifiable.

As shown in Figure 3, internet-based internationalization will go smoother in situations where the firm has already amassed significant IT capability and internet-based interaction in its domestic market. However, unlike the developed markets, this is not the case in emerging markets where IT knowledge base and capability are generally less widespread. In other words, business use of the internet for internationalization is more challenging in the developing parts of the world. Clearly, if the firm has been successful in building an IT capability in the domestic market, it can more easily extend its gained knowledge and experience to markets abroad by gathering export market intelligence as the starting point. This information can then be used to develop online promotional avenues targeted to specific buyers or industries. One such function centers on foreign market information acquisition to help the exporter better understand the environment in which the customer functions as well as how it might impact the exporters reach in that market. As exporting volume grows, it may justify more IT investments aimed automating both market information acquisition as well as more effective means of identifying buyers in targeted markets around the world (cf. Morgan-Thomas and Bridgewater, 2004). Specialized (or customized or proprietary) software, for example, can continuously canvass designated

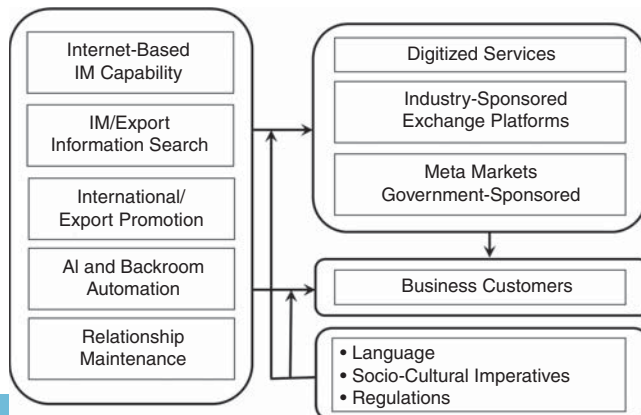


Figure 3.
A conceptual view of the internet-based exporting for business markets

domains and web pages to identify posted B2B needs and requests (see, e.g. *The Economist*, 2018). Governments, for example, systematically post request for bids or proposals, which might be open to bidding by foreign entities. Such automated software can make it easier for exporters to identify public and private needs posted on the internet.

As with consumer markets, internet-based B2B exporting can be direct and/or indirect through web-based intermediary markets. Digitized products can be configured and sold online or purchased through value-added intermediaries that may offer additional complementary services as well. Export products can be made available through private or industry-sponsored procurement platforms, such as Ariba, Alibaba and Covisint/Openext.

Governments are keen to motivate non-exporters to initiate exporting and have been making significant investments toward achieving this goal. A range of online, hands-on training and foreign market data bases are made available to prospective firms in an effort to make it easier for non-exporters to engage in exporting (e.g. export.gov, bafa.de, english.kotra.or.kr, exportcenter.ru). Government-sponsored B2B markets offer the potential to take these efforts a step further. Although there is no evidence of government-sponsored online meta markets dedicated to promote exports, such industrial markets will be conducive to the needs of smaller firms that lack exporting knowledge and experience, tend to perceive greater risks with exporting, and their human and capital resources are always stretched.

Conclusions

The internet's contribution as a triggering mechanism to internationalize strictly domestic firms remains uncertain. The scant literature addressing the internet and IM offers no evidence that the medium has served a major role in the internationalization of firms more so than would have been organically expected. It is also evident that internationalization via the internet may prove to be no less complex than through conventional means. On the one hand, the many challenges facing local firms wanting to export are unlikely to disappear and, on the other, while the internet offers low cost and quick access to information for undertaking a range of export-related activities and functions, it introduces new technology adoption and use challenges. A key internal challenge in many domestically-oriented firms is management's own domestic orientation. An international (or global) mindset (in contrast to a domestic managerial perspective), plays a pivotal role in the internationalization drives of non-exporters. In the absence of a change agent or triggering mechanism to internationalize, these firms will likely remain domestically focused (Douglas and Craig, 1989; Samiee and Walters, 1991). For these reasons, current exporters (in contrast to new entrants) that have exhibited ongoing interest in exporting are more likely to benefit from the internet for accelerating and expanding their exporting activities and, in some cases, transition to other market entry forms. Consequently, public resources dedicated to assisting existing small- and medium-sized exporters to expand their international engagement are likely to yield more immediate and larger payoffs.

Today, the internet is globally ubiquitous and applications as well as ways in which international buyers and sellers can deploy this medium will proliferate over time. Although the perspective often found in the scant literature addressing internet-based IM is frequently from the viewpoint of firms situated in developed markets, it is only a matter of time before exporters (and buyers) in developing nations increase their usage of the internet in conducting business with entities abroad. Government-sponsored meta markets, where buyers and sellers can meet and access country and exporting information can go a long way to expedite this process.

Further IM research effort involving the internet is essential for amassing greater knowledge and a better understanding of managerial and strategic approaches in exporting and internationalization. New internet-based research themes can shed light on existing and new aspects of IM from the perspective of new export market entrant firms as well as consumers placing online orders with firms situated abroad. In particular, despite the rapid growth of consumer e-commerce, little is known about how firms try to attract international

customers from foreign-based sites or consumer knowledge regarding the non-local nature of some suppliers and their motivation for placing internet orders with suppliers situated abroad. Additionally, in light of the large volume of published works dedicated to examining various facets of country-of-origin (CO) effects, research exploring the impact of the internet and e-commerce on online purchases is nearly non-existent. In this vein, future research should focus on export market entry with complete or near-full reliance on the internet as the vehicle of choice for internationalization and examine whether and how CO impacts such purchases. Second, research focused on understanding the virtual channels and means through which local firms have engaged in regular exporting will help develop a richer understanding of the necessary structural foundations for promoting exporting via the internet. Third, culture plays a pivotal role in IM and, while the internet does not shield its broad impact on the elements of marketing strategy, the extent to which each is affected when marketing on the internet has not been specifically explored. Thus, a close examination of when, how, and which marketing components are affected by culture under internet-mediated conditions is also in order. Further, manners in which cultural distance affect internet-based exporting and internationalization drive can shed light on how exporting novices can best exploit this medium for internationalization initiatives. Finally, IM involves cultivating and nurturing mutually beneficial cross-cultural relationships. Research exploring the nuances of internet-mediated international consumer and B2B relationship development, management, and maintenance within the contexts discussed earlier is truly sparse, thus offering great opportunities for contributing and enriching internet-mediated IM research.

Notes

1. Even in more advanced regions of the world, such the EU countries, Internet use within the population is as low as 67 percent for Bulgaria, but also as high as 99 percent for Iceland (Internet World Stats, 2019). In some nations (e.g. Bulgaria, Greece, Portugal and Romania), as much as one-third of the population has never used the Internet (Eurostat, 2016). Clearly, the situation is worse in the developing parts of the world. For example, less than 40 percent of the population has access to the Internet in Africa (Internet World Stats, 2019).
2. A case that amply demonstrates the importance of this issue is the lawsuit brought by a small Canadian software concern, i4i, regarding its patented method for editing documents, a feature that was embedded in S4 (a software i4i had been marketing in the USA). Their examination of Microsoft's Office suite (Word 2007 version) revealed that Microsoft had embedded i4i's intellectual property in its software and, following i4i's legal action, sought to invalidate it. The US Supreme court ruled against Microsoft and i4i was awarded treble plus punitive damages totaling \$290m, and the option of shutting down Microsoft's product altogether (Arthur, 2011).
3. See www.practicalecommerce.com/20-leading-global-b2b-exchanges-source-products for a list of B2B internet-based sites each with millions of users/members, offering services range from sales-oriented meta-markets to online trade shows.

References

- Arthur, C. (2011), "Microsoft loses patent battle with Canada's i4i", *The Guardian*, June 10, available at: www.guardian.co.uk/technology/2011/jun/10/microsoft-canada-i4i-patent (accessed May 18, 2019).
- Bennett, R. (1997), "Export marketing and the internet: experiences of web site use and perceptions of export barriers among UK businesses", *International Marketing Review*, Vol. 14 No. 5, pp. 324-344.
- Bloch, M., Pigneur, Y. and Segev, A. (1996), *On the Road of Electronic Commerce: A Business Value Framework, Gaining Competitive Advantage and Some Research Issues*, Institut D'Informatique et Organization, Ecole des Hautes Etudes Commerciales, Université de Lausanne, Lausanne.
- Bole, K. (1997), "Global business: better SAFE than sorry", *San Francisco Business Times*, August 3, available at: www.bizjournals.com/sanfrancisco/stories/1997/08/04/newscolumn5.html (accessed January 20, 2020).

- Brandtweiner, R. (1998), "Risks and challenges for retailers: the value chain transformation a European perspective", available at: <http://aisel.aisnet.org/amcis1998/96/> (accessed March 29, 2018).
- Celuch, K. and Murphy, G. (2010), "SME Internet use and strategic flexibility: the moderating effect of IT market orientation", *Journal of Marketing Management*, Vol. 26 Nos 1/2, pp. 131-145.
- Clarke, G. (2008), "Has the Internet increased exports for firms from low and middle-income countries", *Information Economics and Policy*, Vol. 20 No. 1, pp. 16-37.
- Cronin, B., Overfelt, K., Fouchereaux, K., Manzvanzvike, T., Cha, M. and Sona, E. (1994), "The Internet and competitive intelligence: a survey of current practice", *International Journal of Information Management*, Vol. 14 No. 3, pp. 204-222.
- Cronin, M.J. (1993), "What's my motivation? Why businesses are turning to the Internet", *Internet World*, Vol. 4 No. 9, pp. 40-43.
- Douglas, S.P. (2001), "Exploring new worlds: the challenge of global marketing", *Journal of Marketing*, Vol. 65 No. 1, pp. 103-107.
- Douglas, S.P. and Craig, C.S. (1989), "Evolution of global marketing strategy-scale, scope and synergy", *Columbia Journal of World Business*, Vol. 24 No. 3, pp. 47-59.
- Eurostat (2016), "Internet use and frequency of use", available at: [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:internet_use_and_frequency_of_use_2016_\(%25_of_individuals\).png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:internet_use_and_frequency_of_use_2016_(%25_of_individuals).png) (accessed March 8, 2018).
- Fulk, J. and DeSanctis, G. (1995), "Electronic communication and changing organizational forms", *Organization Science*, Vol. 6 No. 4, pp. 337-349.
- Gaskell, A. (2017), "The growing role of automation in E-Commerce", *Forbes*, November 9, available at: www.forbes.com/sites/adigaskell/2017/11/09/the-growing-role-of-automation-in-e-commerce/#180b29402e0d (accessed June 25, 2018).
- Ghosh, S. (1998), "Making business sense of the Internet", *Harvard Business Review*, Vol. 76 No. 2, pp. 126-135.
- Grewal, R., Comer, J.M. and Mehta, R. (2001), "An investigation into the antecedents of organizational participation in business-to-business electronic markets", *Journal of Marketing*, Vol. 65 No. 3, pp. 17-33.
- Hagsten, E. and Kotnik, P. (2017), "ICT as facilitator of internationalisation in small- and medium-sized firms", *Small Business Economics*, Vol. 48 No. 2, pp. 431-446.
- Hamill, J. (1997), "The Internet and international marketing", *International Marketing Review*, Vol. 14 No. 5, pp. 300-323.
- Hamill, J. and Gregory, K. (1997), "Internet marketing in the internationalisation of UK SMEs", *Journal of Marketing Management*, Vol. 13 Nos 1-3, pp. 9-28.
- Internet World Stats (2019), "World internet usage and population statistics 2017", available at: www.internetworldstats.com/stats4.htm; www.internetworldstats.com/stats1.htm (accessed March 8, 2018).
- Kotha, S., Rindova, V.P. and Rothaermel, F.T. (2001), "Assets and actions: firm-specific factors in the internationalization of US Internet firms", *Journal of International Business Studies*, Vol. 32 No. 4, pp. 769-791.
- Leonidou, L.C., Katsikeas, C.S., Samiee, S. and Aykol, B. (2018), "International marketing: a state-of-the-art review and the way forward", in Leonidou, L.C., Katsikeas, C.S., Samiee, S. and Aykol, B. (Eds), *Advances in Global Marketing: A Research Anthology*, Springer International Publishing AG, Cham, pp. 3-33.
- Loane, S. (2005), "The role of the Internet in the internationalisation of small and medium sized companies", *Journal of International Entrepreneurship*, Vol. 3 No. 4, pp. 263-277.
- Moen, Ø., Endresen, I. and Gavlen, M. (2003), "Use of the Internet in international marketing: a case study of small computer software firms", *Journal of International Marketing*, Vol. 11 No. 4, pp. 129-149.
- Moen, Ø., Koed Madsen, T. and Aspelund, A. (2008), "The importance of the Internet in international business-to-business markets", *International Marketing Review*, Vol. 25 No. 5, pp. 487-503.

- Monge, P.R. and Fulk, J. (1995), "Global Network Organizations", paper presented to International Communication Association, May, Albuquerque, NM.
- Morgan-Thomas, A. and Bridgewater, S. (2004), "Internet and exporting: determinants of success in virtual export channels", *International Marketing Review*, Vol. 21 Nos 4/5, pp. 393-408.
- Paul, P. (1996), "Marketing on the Internet", *Journal of Consumer Marketing*, Vol. 13 No. 4, pp. 27-39.
- Peterson, R.A., Balasubramanian, S. and Bronnenberg, B.J. (1997), "Exploring the implications of the Internet for consumer marketing", *Journal of the Academy of Marketing Science*, Vol. 25 No. 4, pp. 329-346.
- Poon, S. and Jevons, C. (1997), "Internet-enabled international marketing: a small business network perspective", *Journal of Marketing Management*, Vol. 13 Nos 1-3, pp. 29-41.
- Porter, M.E. (2001), "Strategy and the Internet", *Harvard Business Review*, Vol. 79 No. 3, pp. 63-78.
- Porter, Q.A. (2005), "Internet and Competitive advantage: an empirical study of UK retail banking sector", doctoral dissertation, University of Warwick, Coventry.
- Quelch, J.A. and Klein, L.R. (1996), "Opinion: the internet and international marketing", *Sloan Management Review*, Vol. 37 No. 3, pp. 60-75.
- Samiee, S. (1998a), "The Internet and international marketing: is there a fit?", *Journal of Interactive Marketing*, Vol. 12 No. 4, pp. 5-21.
- Samiee, S. (1998b), "Exporting and the Internet: a conceptual perspective", *International Marketing Review*, Vol. 15 No. 8, pp. 413-426.
- Samiee, S. and Chabowski, B.R. (2012), "Knowledge structure in international marketing: a multi-method bibliometric analysis", *Journal of the Academy of Marketing Science*, Vol. 40 No. 2, pp. 364-386.
- Samiee, S. and Walters, P.G. (1991), "Segmenting corporate exporting activities: sporadic versus regular exporters", *Journal of the Academy of Marketing Science*, Vol. 19 No. 2, pp. 93-104.
- Samiee, S. and Walters, P.G. (2006), "Supplier and customer exchange in international industrial markets: an integrative perspective", *Industrial Marketing Management*, Vol. 35 No. 5, pp. 589-599.
- Taylor, D. and Berg, T. (1995), "The business value of electronic commerce", Strategic Analysis Report, Gartner Group, Stanford, CT.
- The Economist* (2018), "AI in Business", Special Report, March 28, available at: www.economist.com/special-report/2018/03/28/how-ai-is-spreading-throughout-the-supply-chain (accessed May 18, 2018).
- Watson, G.F. IV, Weaven, S., Perkins, H., Sardana, D. and Palmatier, R.W. (2018), "International market entry strategies: relational, digital, and hybrid approaches", *Journal of International Marketing*, Vol. 26 No. 1, pp. 30-60.
- Ye, Q., Hu, Q. and Li, Y. (2008), "How organizational culture shapes competitive strategies: a comparative case study of two ecommerce firms in China", available at: www.pacis-net.org/file/2008/PACIS2008_Camera-Ready_Paper_102.pdf (accessed March 16, 2018).

Further reading

- Hameri, A.-P. and Nihtila, J. (1997), "Distributed new product development project based on Internet and World-Wide Web: a case study", *Journal of Product Innovation Management*, Vol. 14 No. 2, pp. 77-87.
- Petersen, B., Welch, L.S. and Liesch, P.W. (2002), "The internet and foreign market expansion by firms", *Management International Review*, Vol. 42 No. 2, pp. 207-221.
- Samiee, S. (2008), "Global marketing effectiveness via alliances and electronic commerce in business-to-business markets", *Industrial Marketing Management*, Vol. 37 No. 1, pp. 3-8.

Corresponding author

Saeed Samiee can be contacted at: samiee@utulsa.edu

For instructions on how to order reprints of this article, please visit our website:

www.emeraldgroupublishing.com/licensing/reprints.htm

Or contact us for further details: permissions@emeraldinsight.com

Reproduced with permission of copyright owner. Further reproduction prohibited without permission.