



The state of internet marketing research

A review of the literature and future research directions

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Abstract

Purpose – The purpose of this study is to examine the internet marketing literature to determine how internet marketing research has evolved in terms of quantity, content, and publication outlets. In addition, the paper identifies important trends in the internet marketing literature and provides a view of the research gaps and expected topical areas of interest.

Design/methodology/approach – A content analysis was performed on approximately 1,400 internet-related marketing articles identified by searching the ABI/INFORM database. A total of 902 peer-reviewed internet marketing articles appearing in nearly 80 different journals were identified. The study revealed that 60 percent of the internet research had been published in the last three years. The three most researched internet marketing areas were consumer behavior, internet strategy, and internet communications. The topics with the highest growth over the past two years were research issues and consumer search. Over the past 15 years, 14 articles appeared in the top three marketing journals.

Findings – The article identified important trends in the internet marketing research to provide future direction, particularly in terms of research gaps and expected topical areas of interest. The three major research areas that are likely to grow in the next few years are: consumer trust pertaining to the internet, the use of the internet by consumers for marketing related activities, and where is the internet headed in terms of integrating strategies?

Originality/value – The study provides both academics and practitioners with an updated review of the internet marketing literature along with a sense of how internet marketing research is evolving.

Keywords Internet, Internet marketing, Worldwide web, Research, Literature

Paper type Literature review

Introduction

Over the past ten years, the internet as a global communication and exchange medium has witnessed unprecedented growth. Globally, the number of websites increased from 23,000 in 1995 to more than 55 million in 2005 (Zakon, 2005). In the US alone, total internet driven sales revenues have grown from a negligible amount in 1995 to over \$50 billion in 2004 (61 percent of which is business-to-business), and are expected to rise at an annual rate of over 20 percent (Direct Marketing Association, 2004).



European based internet marketers have experienced even more dramatic growth, achieving a 44 percent increase of online sales in 2004. With sales of more than €13 million (= \$16.9), Europe's 2004 online holiday Christmas sales outpaced the US for the first time (Forrester Research Inc., 2005). Today, the importance of the internet to buyers, sellers, and intermediaries across all aspects of the relational continuum from prospecting to customer retention is unquestioned.

The meteoritic growth of the internet has not gone unnoticed by the academic community. Of significance, the number of published internet marketing articles in peer reviewed journals increased from a mere three articles in 1995 to 169 articles in 2004. In one of the first review articles of its kind, the *European Journal of Marketing* published a 14-year review of the internet marketing literature for the 1987-2000 time period (Ngai, 2003). Over that timeframe, a total of 270 internet marketing articles were identified, or an average of 19 articles per year. In comparison, over the last four years alone (2001-2004) we identified an additional 639 published internet marketing articles, an average of 160 per year and an increase of almost over 830 percent from the 1987-2000 yearly average. Clearly, the importance of the internet as a topical area of interest within the academic community is strong and growing and signals the need to once again review the internet marketing literature, particularly in terms of potential research opportunities.

The purpose of the current research is threefold. First, we update and extend Ngai's 1987 to 2000 review of internet articles reported in the *European Journal of Marketing* to include articles published from 2001-2004. Second, our review provides *EJM* readers with a sense of how internet marketing research has evolved in terms of content, quantity, and publication outlets. Finally, in the hope of sparking academic debate and inquisitiveness, we identify what we feel to be the most important trends in the internet marketing literature and provide future direction, particularly in terms of research gaps and expected topical areas of interest.

Methodology

Array of journals

Since the amount of internet marketing research had grown dramatically since the review conducted by Ngai (2003), it was first necessary to explicitly delineate the nature and scope of our review procedures. Although internet marketing articles can be found in a wide variety of academic journals, for this review only articles appearing in refereed marketing journals and a limited set of refereed business journals were included in our analysis. In addition to the marketing journals, business journals included in our review efforts were restricted to the *Harvard Business Review*, *Sloan Management Review*, *California Management Review*, *Business Horizons*, *Journal of Business*, and *Journal of Business Research*. Moreover, and consistent with Ngai's review, we focus on research publications written in English. While English certainly became the dominant language of the internet, this is not to say that there is not a considerable number internet marketing research published in a language other than English.

Databases

An important initial decision was to select which electronic database to use for the review. Two decision criteria were used:

- (1) It had to be very comprehensive in terms to journal coverage.
- (2) This coverage needed to extend across the entire timeframe under review.

With these criteria in mind, Business Source Premier was selected as the primary database in that it appeared to be the most comprehensive and complete for the time frame evaluated. As a check, for the two-year period 2003-2004 we performed the same analysis using Business Source Premier and ABI/INFORM. The results were virtually identical and increased confidence in the reliability of our findings. It should be pointed out that the review covers most but not all marketing journals. As such, some internet marketing articles are not included in this study, due to the limitations of the database.

Search process

As with any electronic database search, it is critical to identify appropriate search terms. Consistent with commonly practiced database search efforts, a "key word" approach was used to identify previously published internet marketing articles. The database was queried for keywords in the title, abstract and the key word list. Source words employed included: internet, web marketing, e-mail, and electronic commerce. In total, over 1,400 citations were identified. Citations from regular columns, book reviews, editorial comments, etc. were removed from consideration.

Next, each abstract was evaluated to determine if it was an internet marketing article or just internet related. An internet related article was defined as one that mentioned the internet in the abstract but was not primarily an internet marketing article. For example, many of the abstracts noted that the results had implications for internet marketing (e.g. consideration set studies in consumer choice with a mention of implications for internet marketers in the implications section), and were thus not included in our review set. Our reasoning was that it is common for many marketing studies to mention implications for internet marketers without actually focusing on the internet as the primary research topic. This analysis resulted in the identification of 902 refereed internet marketing articles published from 1992-2004.

As a final check, we employed this review methodology to uncover journal publications for the years 1992-2000 and compared these results to those found by Ngai (2003) over this same time period. Of interest, although our method for identifying and classifying internet articles differs somewhat from the previous study, as shown in Table I, our results were similar to those found by Ngai. Specifically, we identified 263 articles as compared to 270 for Ngai. This increased our confidence in the comparability of outcomes across the two review timeframes, even though there were differences in methodology.

Classification of articles

Two reviewers performed a content analysis on the abstract citations to classify the primary topical area for each of the identified internet marketing articles. As would be expected, in a number of instances two or more topics were addressed in the article. We then looked more deeply in the text of the article to more clearly ascertain the "primary" topic under investigation. As an illustration, one citation conveyed that the article was about the impact of trust on internet usage. In this instance, we classified the article as being one in which the primary focus was on trust and not the more descriptive topical area of internet usage. In a few cases, a third judge was utilized when the reviewers could not agree on the primary topic of a specific article.

We initially started with the 21 classifications employed by Ngai (2003). However, given the expanded literature base that had emerged, we soon found out that a more

Journal	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	Total	Others	%
<i>Journal of Marketing Research</i>	2	3	1		2				1					4		0.44
<i>Journal of Consumer Research</i>	2				1									7		0.78
<i>Journal of Retailing</i>	3	1	3	4										11		0.33
<i>Marketing Science</i>	5	3	1	1	5	1								16		1.22
<i>Journal of the Academy of Marketing Science</i>	2	1	15	1				2						21		1.77
<i>Journal of Advertising</i>	4	2	9	1		1								17		2.33
<i>Journal of Advertising Research</i>	1	8	7	5	7	2	5	7	1					43		1.88
<i>European Journal of Marketing</i>	4	5	1		1		7			1				19		4.77
Grand total premier journals	25	23	37	12	17	4	12	9	2	1	0	0	0	142		
Percentage of total internet articles	15	12	21	11.3	16	9.5	24	27.3	6.9	33	0.0	0.0	0.0			
All marketing journal articles about internet marketing including <i>HBR</i> , <i>Sloan</i> , <i>CMR</i> , <i>Business Horizons</i> , and <i>JBR</i>	169	185	179	106	106	42	50	33	29	3	0	0	0		0	902
Percentage of total	18.7	20.5	19.8	11.8	11.8	4.7	5.5	3.7	3.2	0.3	0.0	0.0	0.0			
Cumulative percentage		39.2	59.1	70.8	82.6	87.3	92.8	96.5	99.7	100						
Ngai (2003) → all business journals (some we did not include)					81	47	69	35	24	5	3	2	0		4	270

Table I.
Where internet marketing research has been published

comprehensive classification scheme was needed. Procedurally, we added new classification areas as the literature review dictated. This procedure resulted in 44 classification schemes compared to 21 for Ngai. The final classifications are shown in Table II.

The results

We summarize our findings in three ways:

- (1) The amount of internet marketing research published.
- (2) Where internet marketing research is published.
- (3) Which topic areas are being published.

Each topic will be discussed separately.

Amount of internet research published

The analysis identified a total of 902 internet marketing articles published from 1992 through 2004. As Table I shows, and consist with the introduction stage of the product lifecycle, after a relatively slow beginning, the internet marketing literature started to grow dramatically, in 1996 with large jumps occurring in 2000 and 2002. Of interest, the number of internet marketing articles dropped from a high of 185 in 2003 to 169 in 2004. Although we cannot fully explain this drop in the number of articles, at least three reasons seem plausible. First, there is a general lack of internet marketing pieces finding their way into premier journals. This certainly serves as a deterrent for researchers seeking tenure at tier one research institutions (discussed in greater detail in the next section). A second explanation is that internet marketing as a research topic is starting to reach the maturity stage of its life cycle. A final explanation and perhaps the most compelling is that there is likely considerable amount of research in the pipeline and it will emerge in 2005 and beyond.

While it was not included in this study, a review of the first half of 2005 revealed that approximately 50 refereed internet marketing articles were published during that time frame. Four appeared in the nine premier marketing journals discussed in the next section.

Even with the marginal decline in internet marketing articles published in 2004, we contend that the field is still relatively young and will continue to evolve. Significantly, over 80 percent of all internet marketing literature has been published in the new millennium. Even more revealing is that nearly 40 percent of all internet marketing research has been published in the last two years. For researchers, this provides a number of opportunities, but requires a constant updating of their knowledge of the internet literature. In the same way, there is a danger that an internet marketing article could be out of date upon publication. This is particularly true if the review process takes a long time and/or the journal has a significant lag time between acceptance and publication. This time-relevancy issue has important ramifications for both researchers and editors interested in publishing the newest internet marketing findings.

Where is internet marketing research being published?

We were able to identify over 75 peer-reviewed journals that have published internet marketing articles. This is certainly encouraging for researchers interested in finding

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	Total
<i>Consumer behavior</i>														
Cognitive issues (e.g.)	9	9	11	5	2	1	1	1	1	1				40
User demographics	2	3	5	2	3	2	1							18
Cross culture/nationality	7	8	4	3	1	2	1							26
Consumer internet search	13	8	1	2	3	2	1	0	2					32
Motivation	3	7	5											15
Online communities	3	1	2	1	1				1					9
Satisfaction	6	4		1			1							12
Internet segmentation	2	1	2											5
Trust	2	1	4		2									9
Use	13	16	12	9	7	2		2						61
Total	60	58	46	23	19	9	4	3	4	1				227
Percent published in 2003-2004 = 47.5 percent														
<i>Business to business</i>														
Supply chain	3	6	2	1	1									13
Business communications	1	2	3	0	1									7
Business effectiveness	1	2	4	3	2	3	2	2	2					21
Sales management	2	2	3											7
Business relationships	2	3	4	3										12
Total	9	15	16	7	4	3	2	2	2					60
Percent published in 2003-2004 = 40 percent														
<i>Strategy</i>														
Strategy	4	1	2		4		5	4	3					23
Relationship marketing	4	4	6	2	2									18
Reputation	2	3												5
Target markets	2				1			2						5
International marketing	3	1	5	2	1		3	3	2					20
Profits	4	3	1	4										12
Competition/competitive advantage	1	4	3	2	2		1		1					14
Best practices	6	14	23	9	16	3	4	4	5	1				85

(continued)

Table II.
Classification of the
internet marketing
research by topic areas

Table II.

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	Total
<i>Services</i>														
Total	9	7	4	2	1	3	1	1	1	1				26
Percent published in 2003-2004 = 34.6 percent	35	37	44	21	27	3	14	14	12	1				208
<i>Communication</i>														
Communication effectiveness	7	14	13	8	11	5	8	2	1					69
Integrated marketing communications	7	7	5	6	7	5	2	3	2					37
Information presentation/creative	5	7	9	3	6	6	4		1					35
E-mail	2	2	1											5
Web site visibility	1	3	4				1							9
Banner ads		3	1	4										8
Total	22	29	33	21	24	10	15	5	4					163
Percent published in 2003-2004 = 31.3 percent														
<i>Product/brand</i>														
Branding and brand loyalty	2	4	1		4			1						12
New product development	1	1		1	1									4
Total	3	5	1	1	5			1						16
Percent published in 2003-2004 = 50 percent														
<i>Distribution</i>														
Distribution integration	6	6	11	4	4	5		1	1					38
Store loyalty	1													1
Retailing	1	2	2	1	1	2			1					10
Total	8	8	13	5	5	7		1	2					49
Percent published in 2003-2004 = 32.7 percent														
<i>Pricing</i>														
Auction	3	2	4	0	4									13
Pricing issues	4	5	3	1	2	1								16
Total	7	7	7	1	6	1								29
Percent published in 2003-2004 = 48.3 percent														

(continued)

	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	Total
<i>Research issues</i>															
Secondary data	2	1	4	3	3	1	6	1	2	1					4
Online data collection	6	2	4	3	3	1	6	1	2	1					29
Online survey issues	5	4	4	3	3	3	6	1	2	1					15
Total	13	7	4	7	3	4	6	1	2	1					48
Percent published in 2003-2004 = 41.7 percent															
<i>Political legal</i>															
Ethics		1		1	2	2	1								7
Fraud			2	1	1	1	4								4
Legal	4	7	3	3	3	1	1	2							24
Privacy	1	6	7	5	5	1	1								25
Tax issues	1		1				1								3
Total	6	14	13	10	10	5	3	2							63
Percent published in 2003-2004 = 31.7 percent															
<i>Education</i>															
	6	5	2	10	3		6	4	3						39
Percent published in 2003-2004 = 28.2 percent															
	169	185	179	106	106	42	50	33	29	3					902

Table II.

an outlet for their internet marketing manuscripts. However, the picture is not quite as positive when one looks at the number of internet marketing articles making it into the top journals. Table I displays the number of internet marketing articles that were published at nine of the premier marketing journals. A total of 141 internet marketing articles have appeared in these nine journals. This constitutes 15.7 percent of all the internet articles published. The best year for internet marketing among these journals was 2002 when a total of 37 internet articles were published in these top journals. This was due in large part to a proliferation of special issues among these journals devoted to internet topics. Among these top journals, the leading outlet for internet marketing research has been the *Journal of Advertising Research*, which has published 43 articles. The journals with the fewest articles are the *Journal of Consumer Research* (three articles), the *Journal of Marketing* (four articles) and the *Journal of Marketing Research* (seven articles). That is a total of 14 articles in 13 years at arguably our field's three leading journals. Some optimism exists in that six of these articles were published in the last year. None-the-less, it is difficult to imagine that a marketing topic as important and influential as the internet has generated so little interest in these recognized tier-one marketing journals.

Which topic areas are being published?

The analysis of published internet marketing research topics yielded a number of interesting findings (see Table II). The three most researched internet marketing areas were consumer behavior with 253 articles (27 percent of all articles), internet strategy with 210 articles (22 percent of all articles), and internet communications with 155 articles (17 percent of all articles). These three topic areas account for approximately two-thirds of all internet marketing research published between 1992 and 2004. Of these general areas, consumer behavior experienced the most significant recent growth with nearly 50 percent of the articles published in the last two years. The quantity of consumer behavior articles is not surprising given the large number of dissertations that are consumer behavior-based and overall research interest in this area. Two other smaller areas with recent growth include pricing and product/brand loyalty topics.

In terms of individual topics, best practices lead the way with 86 articles, followed by communication effectiveness with 69 articles, internet usage with 65 articles, consumer cognitions with 48 articles, education with 39 articles, distribution integration with 38 articles, integrated marketing communications (IMC) with 37 articles, website design, information, and creative with 35 articles, and consumer search with 34 articles. The topics with the highest growth over the past two years are research issues and consumer search.

The future of internet marketing and internet marketing research

While the data are interesting, it is important to step back and view these results in terms of the future of internet marketing research. First and foremost it is easy to conclude that internet marketing research is thriving. While the total amount of research has declined slightly over the past year, the amount of research reaching the top journals is slowly increasing. In addition, the review of the internet marketing topics reveals that the internet impacts virtually every area of marketing. Interestingly, internet marketing research seems to be shifting away from descriptive types of studies (e.g. who is using the web for search and purchasing) towards research related

to improving the effectiveness and efficiency of marketing by employing the web and understanding how and why consumers' use the internet. It appears that editors and reviewers are pushing internet researchers to take this research stream to the next level of understanding.

A review of the topics currently being researched indicates that some areas of research are receiving more attention than others. Table III lists the "hottest" topics and those topics that have lost momentum. Currently, the hottest area of research is consumer behavior. Within consumer behavior, hot topics include consumer cognitions, motivations, search behavior, and satisfaction. As a note, much of the current research is traditional consumer behavior topics with an internet "twist." In business marketing, the hottest topics are supply chain issues, sales management, and relationship building. In the area of strategy and the four Ps, hot topics include profitability, services, brand loyalty, communication effectiveness/IMC, website design, distribution integration topics and pricing. Other areas currently attracting attention include legal and education issues along with research issues, especially data collection and survey design issues.

Topics that have received considerable attention in the past but are currently attracting little attention include demographics of users and non-users, international related topics, best practices of internet marketers, banner advertising, ethics, and privacy. It should be noted that while these are the current "hot" and "not hot" topics, the list tends to change rapidly in this quickly evolving research field.

It is important to review where the internet marketing literature has been and where it is currently; however, it is equally important to explore where this important topic is headed. Arthur Hughes (2003), a long time proponent and consultant in the areas of internet and database marketing recently noted that the internet has not fulfilled its promises. He argues in his 2003 book titled, *The Customer Loyalty Solution*, that the internet marketing has turned out to be a relative good ordering tool but a poor sales tool. The evolution of the internet will be interesting to observe as it unfolds. Clearly, marketers and consumers are still experimenting with their usage of the internet. The importance of the internet, along with the many questions facing its future continues to

Hot topical areas	Consumer behavior: especially consumer cognitions, motivations, search behavior, and satisfaction Much of the current research is traditional CB topics with an internet twist Business-to-business: sales management and relationship issues Strategy topics including: profitability, services Communication topics: creativity, web site design, online communities, experiences, e-mail issues Brand loyalty and equity building on the web Distribution integration topics Pricing
Low interest areas	Demographics of users and non-users International Best practices Ethics Privacy

Table III.
What's hot in internet
marketing research

grow. After reviewing the academic and popular business press literature there appears to be three major research areas that are likely to grow in the next few years.

First, there is an overriding issue of consumer trust pertaining to the internet. Trust in the safety and reliability of internet transactions is an unwavering prerequisite for the whole e-business industry. With recent increases in phishing, identity theft, spam, and consumer tracking activities, consumers are becoming less trusting of all activities related to the Web. Indeed, there is an exponential growth of fraudulent activities on the internet with ever more sophisticated and better organized virtual thieves (Richmond, 2005). In this light, it is surprising that legal and ethical issues were only covered by four publications in 2004. More research is thus needed that addresses the ever-widening nature of trust and its impact on internet usage. Related to the trust issue is government regulation and how this will impact internet marketing, particularly in terms of how consumer protection, or the lack thereof, is seen as a barrier to growth. Unfortunately, few marketing scholars are equipped to work in this area and even fewer have research experience with these topics.

The second area of future research is the issue of how consumers will use the internet for marketing related activities in the years to come. When we use the term consumer here we mean both individual and organizational consumers. For consumers interested in becoming more knowledgeable shoppers, the internet can be an extremely powerful buyer-controlled tool. We believe the next big area of research in this area will involve consumer search issues such as “flow.”

Finally, the most intriguing internet marketing questions are strategy related. The literature on internet marketing begs the question, “now what?” Where is the internet headed? Will it simply evolve into a communication and distribution vehicle or will it really alter the way all marketing is done. This issue was discussed in two recent commentaries in the *European Journal of Marketing*. Holbrook and Hulburt (2002) suggested that the new technologies like the internet will change marketing as we know it today. In his reply to Holbrook and Hulburt (2002), McCole (2004) made a compelling argument that the internet is simply a new and evolving marketing channel that will find its place into the marketing mix of some, but certainly not all organizations. At the 2005 Direct Marketing Association’s annual conference, much of the buzz from internet practitioners pertained to multi-channel consumer strategies seemingly supporting this point of view. Like all interested observers, we do not know what impact of the internet will eventually have on the evolution of marketing. However, we wonder if the field is being somewhat myopic in its view of the marketing potential of the internet.

The analogy might be the invention and evolution of the automobile. When it was first conceived, it was referred to as a “horseless” carriage. Most of the early development and designs were based on this view. While its invention was significant, it was not until Henry Ford combined the advancements of the combustible engine, assembly line technology, and advancements in the manufacturing process that the true potential of the automobile was realized. Perhaps the use of the internet as a marketing tool is poised for bigger and better things. Only time will tell.

Summary

In summary, the future of internet marketing is bright. We have begun to understand how the internet will affect the future of marketing. However, we believe the best

research is yet to come. Many more issues remain unresolved than have been answered. We encourage the brightest and best researchers to explore its current usage and evolving future.

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