Making Business-to-Business International Internet Marketing Effective: A Study of Critical Factors Using a Case-Study Approach

The recent phenomenal growth in business activities dependent on the Internet has demonstrated that various potential advantages could be derived from using information and communication technology platforms. The Internet has enabled firms to reach out to global markets and has provided them with the opportunity to customize their strategies and offerings in an unprecedented way. These recent developments provide an exciting opportunity for research to study the dynamics involved in international Internet marketing (IIM) and, in particular, to examine closely the factors that could influence success in using this new technology for IIM activities. Using a business-to-business context and a multiple-case-study approach, this article focuses on two main areas of study: (1) the critical examination of the literature and identification of the most important factors that have a significant influence on business-to-business IIM and (2) the first-hand verification of how the identified factors are implemented in various organizational contexts.

Internet marketing is heralded by some as the new paradigm of marketing (see, e.g., Eid and Trueman 2002, 2004; Hoffman, Novak, and Peralta 1999). Eid and Trueman (2002) indicate that much of the current literature considers Internet marketing a completely new phenomenon. Thus, there has been little attempt to integrate the study of its impacts into existing knowledge, and calls for more research into international Internet marketing (IIM) remain unheeded. There are a small number of studies related to IIM, but the dominant focus of these studies is on the way the Internet is used, drivers and barriers to its use, and how these might be overcome (Eid and Elbeltagi 2005; Hamill and Gregory 1997; Morgan-Thomas and Bridgewater 2004).

Avlonitis and Karayanni (2000), Eid and Trueman (2004), Hamill and Gregory (1997), Hoffman, Novak, and Peralta (1999), Mattila, Karjalouto, and Pento (2003), Porter (2001), and Quelch and Klien (1996) have all conducted in-depth studies to gain an understanding of the factors that enhance business-to-business (B2B) IIM implementation. They conclude that organizations need to understand how to identify the critical factors that affect the implementation process

ABSTRACT

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and address them effectively to reduce risk and realize the potential of Internet marketing.

However, although most transactions that occur on the Internet are in the B2B domain (Eid and Elbeltagi 2005), research into B2B Internet marketing is still in its infancy. Most research on Internet marketing has been descriptive, theoretical, or speculative. There are few solid models to guide research or application in this area. There have been several attempts to identify the full range of critical success factors for B2B IIM (Avlonitis and Karayanni 2000; Chan and Swatman 2000; Furnell and Karweni 1999; Honeycutt, Flaherty, and Benassi 1998; Lynn et al. 2002), but few of these studies can provide strong theoretical evidence for the existence of these factors. Some authors and practitioners present a plethora of critical factors based on individual experiences (e.g., Avlonitis and Karayanni 2000; Chan and Swatman 2000; Cronin 1996a, b; Damanpour 2001; Duggan and Deveney 2000), and others have addressed only one main aspect of B2B IIM. For example, Porter (2001) examines marketing strategy and makes a new combination of virtual and physical activities; Furnell and Karweni (1999) and Scullin, Fjermestad, and Romano (2004) address security and successful relationship; and Gogan (1997) focuses only on the culture and the technological infrastructure of B2B IIM. Thus, a practical, full-scale, scientific study is required to understand and identify the full range of critical success factors for B2B IIM.

The main objectives of this article are twofold: (1) to identify critical success factors for B2B IIM implementation and (2) to examine how these factors have been operationalized in real organizational settings. To this end, we studied various articles, empirical research, and secondary case studies on B2B issues, the Internet, international marketing, e-commerce, and information technology. The findings of these studies identified various factors that have a direct impact on the successful implementation of B2B IIM.

THEORY DEVELOPMENT AND FRAMEWORK DESCRIPTION

Critical success factors can be defined as areas in which things must go right for the business to flourish. Oakland (1995) views these factors as the critical areas that the organization must examine, categorize, and succeed in to achieve the organization's mission. In terms of IIM, critical success factors can be viewed as the activities and practices that must be addressed to ensure successful implementation. These practices would need to be either nurtured if they already exist or developed if they are not yet in place.

Several studies have been carried out to identify the factors most critical to B2B IIM success. For example, Avlonitis and

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Karayanni (2000) and McCole (2004) note that if appropriate training is provided, the sales force can play a central role in the implementation of Internet marketing strategies. However, top management support is key for the effective integration of the Internet with the strategic marketing plan. Chan and Swatman (2000) point out other factors, such as supplier and customer involvement, culture, and the use of both traditional and online marketing. Cronin (1996a) adds the security factor to the marketing strategy and culture, and Damanpour (2001) shows that meeting client demand is important in fulfilling the obligations of Internet-based marketing. Being flexible when collaborating with the trading community, identifying potential valuable partners, thinking globally, and conducting business in Internet time (speed) are all critical success factors for the implementation of B2B IIM. Duggan and Deveney (2000) indicate that the integration between offline and online marketing efforts, customer acceptance, and the language used are also critical success factors. Furnell and Karweni (1999) agree that the development of successful interorganizational relationships is another critical factor, which is based primarily on the quality and quantity of information exchanged over the Internet. McCole (2004), Poon and Jevons (1997), and Hoffman, Novak, and Peralta (1999) all agree that trust between a vendor and a potential customer is another critical factor. E-commerce is not a technology competition. Rather, it is the combination of relationships, partnerships, organizations, and communications made possible by new technology.

The different critical success factors for the implementation of B2B IIM have been grouped into four categories: marketing strategy factors, internal factors, market factors, and Web site factors. We discuss each category in more detail in the following subsections.

Although it has been argued that the Internet should be considered a separate plan, it should be remembered that Internet marketing strategy is an integral part of the overall marketing strategy insofar as it supports the main thrusts of the marketing and business strategy (Chaffey et al. 2000). Conversely, many researchers and practitioners have increasingly viewed factors related to marketing strategy as a vital component of successful B2B IIM (Chan and Swatman 2000; Cronin 1996b; Duggan and Deveney 2000; Furnell and Karweni 1999; Gurau, Ranchhod, and Hackney 2001; Hofacker 2001; Lynn et al. 2002; McCole 2004; Porter 2001; Quelch and Klein 1996). Having top management support, setting strategic goals, integrating Internet marketing and marketing strategy, collaborating with strategic partners, and deciding on the potential audience are the most important marketing strategy factors for the successful implementation of B2B IIM.

Marketing Strategy Factors

Internal Factors

The internal company infrastructure must be set up with collaboration in mind. Many researchers and practitioners have increasingly viewed factors related to the internal environment as a critical component of successful B2B IIM efforts (Avlonitis and Karayanni 2000; Chan and Swatman 2000; Duggan and Deveney 2000; Gogan 1997; Krishnamurthy and Singh 2005; Quelch and Klein 1996; Samiee 1998). In today's business world, B2B IIM has entered a new era in which the barriers of language, culture, and national borders are fading. Although many authors have considered the importance of the global dimension a vital component of successful B2B IIM efforts, there are still many pitfalls associated with developing a global presence (Chaffey et al. 2000; Chan and Swatman 2000; Gogan 1997; Hamill and Gregory 1997; Herbig and Hale 1997; Hofacker 2001; Kotab and Helsen 2000). In our view, the launching platform for global success in B2B IIM is a strong internal environment. The opportunities possible with B2B IIM are contingent on many internal factors. Therefore, it is important to consider a well-balanced blend of technological infrastructure, appropriate internal culture, in-depth understanding of the foreign marketing environment, the resources required to work globally, qualified salespeople, efficient relationships between the marketing department and the information systems/management information systems (IS/MIS) department, and a well-trained sales force.

Market Factors

Many researchers and practitioners consider market factors another key component of successful IIM implementation (Chan and Swatman 2000; Duggan and Deveney 2000; Furnell and Karweni 1999; McCole 2004; Poon and Jevons 1997; Quelch and Klein 1996; Urban, Sultan, and Qualls 2000; Wilson and Abel 2002). In dealing with either external or internal customers, firms must realize that factors such as trust, security and privacy, successful relationships, easy and affordable access to the Internet, resources required for working globally, and customer acceptance all influence the perceived image of the Web site and, in turn, the successful practice of B2B IIM.

Web Site Factors

Companies use the Web to convey promotional messages or interesting and informative material to consumers. The Web site can also be used to sell products directly to the customers and to provide them with various computing and communication services (Hamill and Gregory 1997, p. 25). However, the corporate Web site is the company's marketing showpiece, and many researchers consider it a crucial component in any B2B IIM effort (Hamill and Gregory 1997; Hofacker 2001; Kotab and Helsen 2000; Lynn et al. 2002; Quelch and Klein 1996; Samiee 1998). A well-designed Web site, the effective marketing of the Web site, multilingual capabilities, and culture consideration are the most impor-

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