Chapter V

Global Internet Marketing Strategy: Framework and Managerial Insights

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Abstract

This chapter explores some key managerial issues in the development and implementation of a global Internet marketing strategy. While it appears that the Internet has opened up infinite possibilities for an integrated global marketing strategy, this chapter notes several infrastructural and cultural issues that limit the effectiveness of global strategies. This chapter offers insights on using the full potential of the Internet in the deployment of global marketing strategies, while being cognizant of...
various other realities and limitations. Several practical managerial recommendations are offered for crafting and deploying a global marketing strategy.

Introduction

Even after several years of the commercial expansion of the Internet and the development of the World Wide Web (WWW), the adoption of Internet technologies by global firms and the promises of reaching a global market appear to be fraught with a variety of structural and functional encumbrances (Guillen, 2002; Samiee, 1998). Some of the barriers stem from the relatively slow pace of development of Internet infrastructure around the world, while others are due to the inability of firms to fully exploit the global potential of the WWW. The potential of electronic technologies to foster radical changes to marketing exchanges and organization depends to a large extent on the institutional context of specific firms and countries. Differences in technological advancement, culture, politics, law, and consumer behavior would largely shape the development of electronic markets (Guillen, 2002; Zugelder, Flaherty & Johnson 2000). While such markets offer more complete information as compared to traditional markets, buyer-seller exchanges would, nevertheless, have to adapt to the unique constellation of institutional forces in different countries and industries. Moreover, the regulatory environment of e-commerce is only emerging, and it is bound to be only much more complicated given global differences in intellectual property considerations, patents, consumer privacy, and other issues (see Dutta, Lanvin & Paua, eds. 2003; Kogut, ed. 2003, OECD, 2002; UNCTAD, 2002).

In retrospect, global reach through the Internet may add a new layer of complexity on top of the already numerous challenges faced by firms attempting to cross national boundaries through conventional methods. However, the promise of reaching a wider market more efficiently through the Internet is an opportunity that can certainly be exploited (Brynjolfsson & Kahin, 2000; Gray, 2000; Vulcan, 2003). Savvy firms could harness the powers of the WWW to create superior and customized value for global buyers, search and obtain global resources more effectively, reduce business risk through a diversified portfolio of markets, and thereby, add to profit margins.