

IMPLEMENTING E-MARKETING IN EMERGING COUNTRIES: A FINE LINE BETWEEN ADVANTAGES AND DISADVANTAGES?

Felicia Ramona Birău, Ph.D.

Regional Public Finances General Directorate of Craiova, Romania

birauramona@yahoo.com

Abstract— The main purpose of this research article is to highlight the global impact of implementing e-marketing in emerging countries. Emerging markets present new challenges and significant opportunities in the complex context of globalization and international increasing integration. The concept of e-marketing is based on the fundamental principles of traditional marketing, but it is also characterized by an effective and innovative approach. It is rather an online projection for large scale adoption of traditional marketing. Moreover, a more suitable implemented e-marketing strategy can achieve more satisfactory results due to the following factors : the absence of geographical boundaries, extremely effective costs, potential consumers unlimited access based on internet connection (24/7), continuously updating of the available information, extensive possibilities for customizing the virtual office, website design, virtual catalogs, accesible distribution channels and many more besides. Nevertheless, in the context of an increasingly connected business environment, the focus of adjustment to the consumer needs and motivation includes the e-marketing approach as an effective alternative to traditional marketing.

Index Terms— e-marketing, consumers,

globalization, emerging countries, traditional marketing, strategy, online

I. INTRODUCTION

The e-marketing is a modern and innovative approach which has the ability to promote in an effective manner the appointed products and services. It is also important to emphasize the global dimension of e-marketing relative to traditional marketing. The advantages of using e-marketing are extremely varied, both for prospective buyers (consumers) and for sellers. Broadly, the concept of e-marketing focuses on the basic idea of conducting marketing of products or services over the Internet. The term of e-marketing embraces a wide range of designations such as : online-marketing, internet marketing, i-marketing, web marketing or digital marketing. This terms can often be considered synonymous considering their significance. According to the eMarketing Association (eMA) which is the world's largest international association of emarketing professionals, : „e-marketing requires language, techniques and approaches that are

unique. (Quinn)" Indeed, e-marketing techniques and processes continuously adapts to changing market requirements.

Traditional marketing provides a rather different perspective, especially regarding the implementation approach and its implications. These inherent differences are generated in particular by the fact that the theoretical framework is based on different assumptions under specific circumstances. However, the time is dependent on space so that the individual expression of emerging countries can not be ignored. Peter F. Drucker (1986), known in the literature as the father of modern management, has argued that : "marketing is the distinguishing, unique function of the business." According to Kotler (2000) : "the field of consumer behavior studies how individuals, groups, and organizations select, buy, use, and dispose of goods, services, ideas, or experiences to satisfy their needs and desires". A very concise definition on traditional marketing is provided by the American Marketing Association : "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. (approved July 2013)."

II. A GENERAL FRAMEWORK FOR IMPLEMENTING

E-MARKETING IN EMERGING COUNTRIES

According to FTSE Country Classification as at September 2013 (the latest official report), there are the following four categories of countries, ie developed, advanced emerging, secondary emerging and frontier. Developed countries include (in alphabetical order) : Australia, Austria, Belgium/Luxembourg, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel,

Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, South Korea, Spain, Sweden, Switzerland, UK and USA. Advanced emerging countries comprise : Brazil, Czech republic, Hungary, Malaysia, Mexico, Poland, South Africa, Taiwan, Thailand and Turkey. Secondary emerging countries include : Chile, China, Colombia, Egypt, India, Indonesia, Morocco, Pakistan, Peru, Philippines, Russia and UAE. Frontier countries category consists of : Argentina, Bahrain, Bangladesh, Botswana, Bulgaria, Côte D'ivoire, Croatia, Cyprus, Estonia, Ghana, Jordan, Kenya, Lithuania, Macedonia, Malta, Mauritius, Nigeria, Oman, Qatar, Romania, Serbia, Slovakia, Slovenia, Sri Lanka, Tunisia and Vietnam.

Emerging markets are highly fragmented and on the other side this situation leads to the lack of a solid national marketing based on brand's market power. International global brands have very high opportunities in emerging markets given the low visibility and apparent lack of consistency of local brands. Moreover, one of the main characteristics of emerging countries is the fact that incomes (income per capita) and cash flows have a fairly low level compared to developed countries. In this instable context, it is somewhat risky to anticipate the existence of a solid marketing structure, even in the traditional sense of the concept. Beyond the fact that are highly competitive and dynamic, emerging markets represent an extremely fertile investment habitat in order to exploit customer satisfaction effectively.

Nevertheless, a considerable growth and development of products, services, brands and even the market as a whole should be based on a rigorous marketing strategy. Emerging markets by their very uncertain nature provide attractive marketing opportunities for both local and international potential investors. There are many valuable resources that can be exploited by adapting to different cultures and traditions. In this regard, the marketing approach differs considerably related to the factors that might influence the consumer decision making process in the present and future.

Kotler and Armstrong (2007) discussed the substantial influence of cultural factors such as language, religions, values and attitudes, customs, behavioral patterns. Kotler, Kartajaya and Setiawan (2010) suggested that “the public begins to expect companies to operate as engines for socio-cultural development and not engines for profit making”.

Economic and social conditions differ from one emerging country to another so that marketing strategies need to consider these issues since it involves making some important adjustments. Consequently, international marketers must strictly consider the dominant culture of a society, particularly the cultural and cross-cultural variations. Moreover, cultural differences are so sharp that they can play the very role of the fine line between success and failure of marketing strategy.

In several emerging countries, rapid population growth is a pressing issue with major implications on long term in terms of available resources. On the other hand, science and technology development level is extremely fragile and in some particular cases, far too low compared to the developed countries evidence. In recent past, beyond certain progresses, technology is still underdeveloped despite the fact that it has been growing quite fast over the last several years. Moreover, the infrastructure is also very poorly developed which makes it more difficult to implement traditional marketing strategies.

There is no limit to what can be accomplished by implementing e-marketing even in emerging countries. However, there are situations in which there is a fine line between advantages and disadvantages. The e-marketing methodologies argue that the availability and accessibility of products and services to potential consumers is essential. In addition, making products and services accessible worldwide is a fundamental criterion of e-marketing activity. In some instances, potential consumers interact over the Internet using a social-media networking platform (MySpace, Facebook,

Twitter, Google+ and other social networking sites). A social-media networking is of particular interest to global marketers because it is a mass communication tool that has spread very rapidly around the world. Internet access provides various expanding possibilities so that the company's growth is a very probable hypothesis.

E-marketing embraces the idea of using attractive virtual advertising which leads to the use of various texts, pictures, graphics, animation, videos, sounds. This online approach is far more permissive than in the case of traditional brochures, catalogs, prospectus, planners, banners, flags and other promotional materials. The e-marketing provides significant sales without involving other marketing efforts. Thus, the perspective of saving time and money is considerable. This relatively new activity generates positive results for the represented business in order to properly promote the products and services. Likewise, the business restructuring is much easier in terms of e-marketing, so that resources can be significantly reduced in case of extreme events (financial crisis, natural disasters). It is also important to emphasize that e-marketing activity is characterized by a very low level of risk.

The disadvantages of e-marketing are consistent and also have major implications for business development. First of all, e-marketing is significantly dependent on information technology. The connection speed, ie slow internet connections or other technical limitations strongly affect the impact of e-marketing activity. On the other hand, the e-marketing approach leads to a highly intense worldwide competition in the context of globalisation and international interlinkages. However, this might not be conducive to smaller business.

The e-marketing by its very nature promotes high transparency of pricing regarding products and services. Beyond the advantage of a higher visibility, this issue leads to increased competition between business competitors in terms of pricing policy. One

major disadvantage of e-marketing is considering the consumer reluctance on the electronic payments. The online payments on delivery system represents an major obstacle for the uninitiated consumers in emerging countries. Online fraud is a topic of great current interest and the means of prevention are increasingly effective. Furthermore, a significant attention should be paid to online security, consumer privacy and identity protection.

III. CONCLUSIONS

The concept of e-marketing is beyond any justification a suitable and a lower cost alternative to the limits of traditional marketing approach. Moreover, in the case of emerging countries the culture of consumerism is in an early stage (incipient) considering the fact that consumers have not yet developed a strictly oriented position in this challenging environment. However, traditional marketing and e-marketing are strongly interrelated, considering the fact that both include the same methodologies. The impact of globalization on the achievement of an effective e-marketing activity is significant. This continuous development of e-marketing emphasizes a new approach of customer satisfaction in the turbulent context of a rapidly changing global economy.

IV. REFERENCES

1. Drucker, F. P (1986) Management : Tasks, Responsibilities, Practices, Truman Talley Books / E.P. Dutton / New York, 553 pp., ISBN 0-525-24463-8

2. Kotler, P., Armstrong, G., Principles of Marketing (2007) Hardcover, 9th edition, Published by Prentice Hall (first published 1980), ISBN 0132390027

3. Kotler, P. (2000) Marketing Management: Millennium Edition, 10 edition, Prentice Hall PTR, 456 pp., ISBN 0130172871, 9780130172877

4. Kotler, P., Kartajaya, H., Setiawan, I. (2010) Marketing 3.0 From Products to Customers to the Human Spirit, John Wiley & Sons, Inc., Hoboken, New Jersey, 207 pp., ISBN 978-0-470-59882-5

5. <https://www.ama.org/> American Marketing Association

6. <http://www.ftse.com/Indices/CountryClassification/>

7. <http://www.emarketingassociation.com/> e-Marketing Association (eMA)