

Chapter 2

E-Marketing and Small Business Enterprises

Definitions and a Review of the Literature

2.1 Introduction:-

This chapter provides a comprehensive review of Electronic Marketing (E-Marketing) and small business enterprises (SBEs) literature. The first section examines definitions of E-Marketing, a conceptual review of the internet, its history, origins, growth and use as an E-Marketing tool. The chapter also illustrates the differences between the concepts of E-Marketing, Internet Marketing, E-Commerce and E-Business to build a ground base of understanding for these different concepts. Next, the theoretical background of small business enterprises is discussed and there is a comprehensive review of the literature about Electronic Marketing and small business enterprises as a foundation for the research design. Throughout this review, gaps in the literature will be identified to establish a basis for the research into E-Marketing and SBEs.

2.2 Electronic marketing (E-Marketing):-

Electronic Marketing (E-Marketing) can be viewed as a modern business practice associated with buying and selling goods, services, information and ideas via the Internet and other electronic means. A review of relevant literature and published research reveals that the definitions of E-Marketing vary according to each researcher's point of view, background and specialization. While Chaffey (2007) defines it as:-

“Achieving marketing objectives through use of electronic communications technology”
(Chaffey, 2007, P: 339)

McDonald and Wilson (1999) define it as:-

“Any use of technology to achieve marketing objectives”
(McDonald and Wilson, 1999, P: 29)

On the other hand, Reedy and Schullo (2004) define it as:-

“The process aimed at facilitating and conducting of business communication and transactions over networks”

(Reedy and Schullo, 2004, p: 16)

Smith and Chaffey (2005) define it as:-

“Achieving marketing objectives through applying digital technologies”

(Smith and Chaffey, 2005. p: 11)

Strauss and Frost (2001) define it as:-

“The use of electronic data and applications for planning and executing the conception, distribution and pricing of ideas, goods and services to create exchanges that satisfy individual and organizational objectives”

(Strauss and Frost, 2001, p: 454)

For the purpose of conducting this research, the Strauss and Frost (2001) definition will be used to define E-Marketing because it takes into consideration the main elements of E-Marketing as well as all types of products, it illustrates the main objectives of E-marking which is mainly the creating of exchanges that satisfy both customer and organisational needs and it is the definition adopted by the American E-Marketing Association (eMA).

Based on this definition, E-Marketing includes any use of electronic data or electronic applications for conducting company marketing activities. As a result, E-Marketing includes Internet Marketing, E-Mail marketing, Intranet Marketing, Extranet Marketing, Mobile Marketing, Tele Marketing, Electronic Data Interchange (EDI) for marketing activities, Customer Relationship Management (CRM) and more. In fact a review of the literature reveals that the most commonly used tools of E-Marketing are: Internet Marketing, E-Mail marketing, Intranet Marketing, Mobile Marketing and Extranet Marketing (El-Gohary et al., 2008a and 2008b; Paul, 1996; Hofacker, 1999 and 2001; Evans and King, 1999; Eid 2003; Eid and Trueman, 2004 and Chaffey et al., 2006). Consequently this research will investigate these five main tools of E-Marketing that create exchanges and satisfaction for customers; with the potential to enhance the performance of small business enterprises (figure 2-1). However, in order to understand the dynamics of each of these five marketing tools, a conceptual review of the internet, its history, origins, growth and usage in marketing activities is presented in the next part of the chapter. A conceptual review of the major E-Marketing tools will then be discussed.

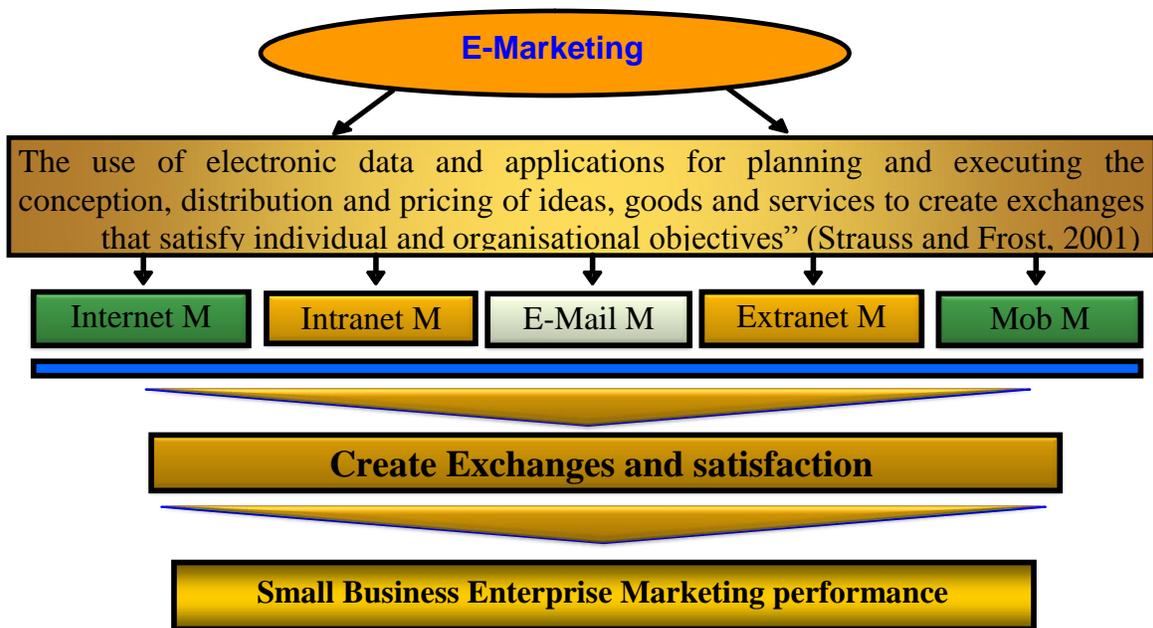


Figure 2-1: E-Marketing Concept

2.2.1 The Internet:

The Internet is one of the major components of E-Marketing. In the last two decades the Internet has changed the nature and characteristics of the media and communications world in very unique ways that have never happened before. The Internet has transformed Marshall McLuhan (1911-1980) expression "Global Village"(McLuhan, 2009) into reality. In very few years, the Internet has gained an enormous recognition as a very dominant platform that has changed and restructured the way we conduct business and the way we communicate. The Internet, like no other mean, has set a global dimension to the business world and has become a unique universal source of information.

Currently, with low investments, SBEs owners can potentially have a web site or a web page and can reach directly a large number of markets both fast and economically. Moreover, with low investments almost any person who can read and write can have access to the World Wide Web. Nowadays, millions of people are connected to the Internet to get the latest news from around the world, search for information and purchase goods. Consequently the nature of business in all countries is changing not only fast but also dramatically. On the other hand, there are some problems associated with the dynamics of this new interactive media (such as security and privacy issues, technological problems, lack of trust, lack of face to face communications,

etc). Regardless of such problems, unquestionably the Internet and electronic communication is rapidly changing traditional marketing practices and techniques (Hoffman and Novak, 1997, 1996; Kiani, 1999 and Quelch and Klein 1996) providing E-Marketing with the chance to have a considerable impact on customer and business market behaviours.

2.2.1.1 History and growth of the Internet:-

From a marketing perspective, the Internet can be defined as “an enabling technology and a powerful set of tools that can be used, wisely or unwisely, in almost any industry and as part of almost any strategy” (Porter, 2001; P: 64). The word itself simply means a “network of networks”. The Internet can therefore be considered as a global network of interconnected computers and servers operating by a standard protocol, or as a worldwide system of interconnected networks and computers, which allows data to be transferred between the different nodes of this network (The Internet Society - IS, 2009).

The first known explanation of social communications conducted through networking was a series of memos written by J.C.R. Licklider of MIT in August 1962 discussing his "Galactic Network" concept (Leiner et al, 2006). However, the beginning of the Internet goes back to the late 1960's and early 1970's when the United States Defence Department established the ARPA Network (the Advanced Research Project Agency net) to link a variety of military and research institutions within the USA (The Internet Society, 2009). Although the first users of the Internet were mainly governmental departments or university researchers, starting from the early 1990s the Internet was opened up to other groups of public including individuals and companies (Hamill and Gregory, 1997; P: 10). This period was known as the: text-based era because the Internet participants was depending on a text interfaces.

But with the launch of the World Wide Web in 1993, with its graphical user interfaces (often known as web browsers), the internet offered huge opportunities for both individuals and organisations which were beyond belief during the text-based era of the Internet. The following figure illustrates a timeline for the Internet history.

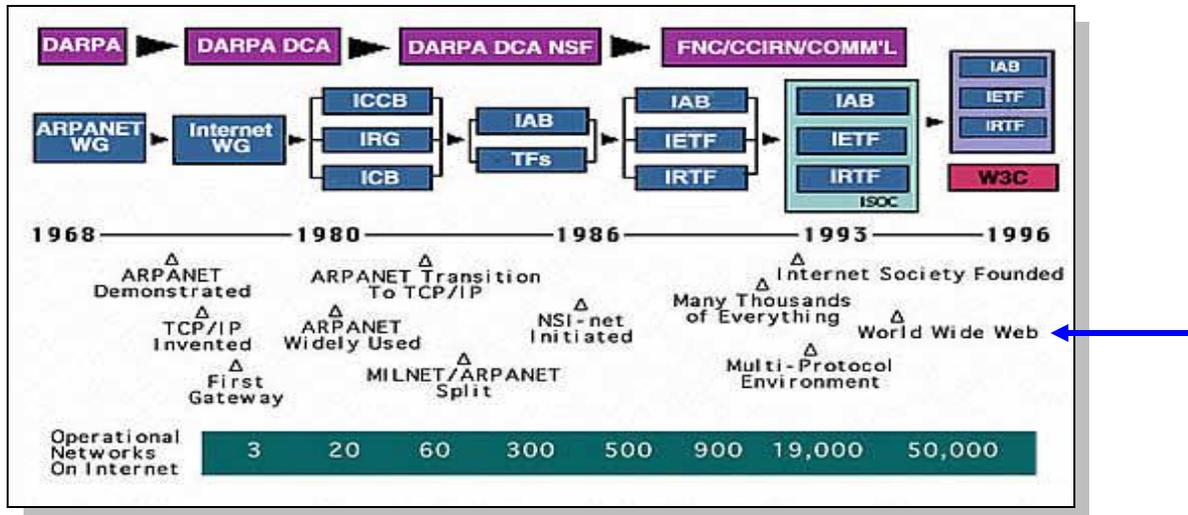


Figure 2-2: Timeline for the Internet history

Source: Leiner et al (2006)

Since 1993 the Internet has grown in a tremendous way. Every day the number of people using the Internet is increasing in a dramatic way creating new opportunities for its users and turning the world into a global village. Within this context, the number of Internet users increased from 16 million (with a percentage of 0.4 % of the world population) in December 1995 to 1,650 million (with a percentage of 24.2 % of the world population) in June 2009 (Internet World Stats, 2009c). Today, Internet users include individuals, companies, governments, universities, researchers and many others. However, with this increasing use there is also increasing potential for SBEs to communicate with their target audience and build productive relationships that will enhance their business.

2.2.1.2 The Internet and Marketing:-

The Internet has not only changed the way businesses interact and deal with their customers and clients but it has also changed ways of conducting business. Within this context, marketing activities on the Internet are no longer limited to the use of plain text messages. Today, the WWW allows interactive marketing because the user is actively involved in responding to vendors' promotion campaigns (Gogan, 1997; P: 93; Poon and Jevons, 1997; P: 29). This interactivity is not usually found in traditional marketing techniques that use broadcast and print media. Whereas the most recent developments of the Internet and the WWW allow full multimedia interactive animations to carry out marketing activities on the Internet almost

instantly and offers great potential for direct marketing and early stage marketing (Berthon et al., 1996a, 1996b).

On the other hand, use of the Internet for commercial communications such as sharing business information, maintaining business relationships and conducting business transactions plays a very important role in today's marketing practices. According to Coppel (2002) Internet marketing applications can be classified according to three dimensions: government, business and consumer. These applications are illustrated in the following figure:-

	Government	Business	Consumer
Government	G2G e.g. coordination	G2B e.g. information	G2C e.g. information
Business	B2G e.g. e-procurement	B2B e.g. e-commerce, e-markets (Covisint.com)	B2C e.g. e-commerce, (Amazon.com)
Consumer	C2G e.g. tax compliance	C2B e.g. price comparison, e-markets (priceline.com)	C2C e.g. e-markets (eBay.com)

Figure 2-3: Internet applications

Source: Coppel (2000).

In other words the Internet offers the possibility for SBEs to communicate and conduct business at a number of different levels. There are also opportunities for companies in developing as well as developed countries to do business and enhance their marketing techniques. For example, as an emerging economy, Egyptian SBEs are receiving considerable government support to develop their full Internet potential.

2.2.2 The Internet in Egypt and the UK:

2.2.2.1 Egypt and the Internet:-

In an attempt to develop Egyptian economic performance full Internet service coverage started in Egypt in October 1993 through two main platforms, namely, the Egyptian Universities Network and the Information and Decision Support Centre (IDSC). The main infrastructure for providing the service was provided by the Egyptian National Telecommunication Organisation (ENTO - Egypt Telecom). Although the official starting date for Internet services in Egypt was

the second half of 1993, there had been several initiatives by public and private organisations before then for the provision of partial Internet services in the country. The user community was estimated at that time to be about 2000 - 3000 users (Internet Society of Egypt - ISE, 2009).

Within only two years and from 1996, not only have Internet speeds increased by nearly 20 times but also the number of Internet users within the country have increased to reach 20,000 users. Moreover, the government started to provide connectivity to private service providers under the “.com.eg” domain, while other providers have their own international gateways (ISE, 2009).

Current Internet situation in Egypt:-

Due to the policy of market liberalisation in Egypt, and the presence of a very good and advanced IT infrastructure, the cost of acquiring computers and telecommunications systems has been decreasing, resulting in an accelerated use of these products. Such trends have resulted in increased reliance on IT within the Egyptian economy by most Egyptian companies regardless of size. Moreover, because of the successful implementation of a free Internet strategy in 2002, Egypt now has the largest Internet market in Africa with more than ten million users (10,532,400 users) in March 2009 and around half a million (427,100) broadband Internet subscribers as of March 2009 (Internet World Stats – IWS, 2009a). According to the ISE (2009) there are around 300 Internet and data service providers in Egypt. Figure 2-4 illustrates Africa’s top 10 Internet countries. As can be seen from figure 2-4, Egypt is the largest Internet market in Africa in 2009.

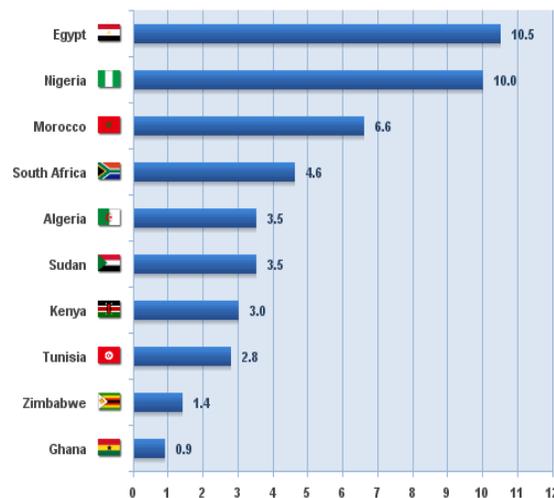


Figure 2-4: Africa top 10 Internet countries (million user)

Source: Internet World Stats (2009b)

Commercialisation of Internet in Egypt:-

Starting from January 1996, the Egyptian government allowed private companies working in the telecommunications fields to operate as private Internet service providers. Within this context, the Internet community in Egypt increased from around 5,500,000 users in 2006 (Egyptian Information and Decision Support Centre – IDSC, 2008) to more than 10,500,000 users (as illustrated in figure 2-4) distributed among three major sectors; academic, government and commercial sectors. There was also a positive policy to liberalise the country's value added services. The government and the Egyptian National Telecommunication Organisation (Egypt Telecom) started to develop an Internet backbone and gateway facility with affordable prices to be used by the private sector Internet service providers (ISP's). Moreover, the government announced that it will continue to support newly established ISP's and to establish a strong industry for value added information services in Egypt in the future.

2.2.2.2 The internet and the UK:

The UK is considered as one of the largest Internet markets in the world. The history of the Internet in the UK goes back to 1969 when the first node was connected to the internet's military ancestor, ARPANET (McManus, 2009). Since then the Internet has grown dramatically in the UK to be one of the largest Internet societies in the world. According to the Internet Advertising Bureau UK – IABUK (2009) an estimated £46.6bn was spent online in 2009, 21.3 million people now shop online in the UK spending an average of £661 each in the last six months, E-Commerce is expected to grow to £60bn in 2010 accounting for 20% of all UK retail spending, 76% of the UK internet users are now going online every day or most days; 15.4m households are now online in the UK and by 2011 32m UK consumers will be shopping online; and around 70 % of the total GB adult population is using the Internet. More than 73% of UK internet users have been using the Internet for 3 years or more, 12.6m million people in the UK access the Internet whilst at work and 13.2 million households in the UK have a broadband connection.

The number of Internet users in the UK in 2009 reached 43,221,464 users with a penetration of 70.9 % of the total UK population and a growth rate of 180.7 % for Internet users from 2000 to 2009 (Internet World Stats, 2009d). As illustrated in figure 2-5, the UK is the

second largest country in Europe with regards to number of Internet users as of the end of March 2009.

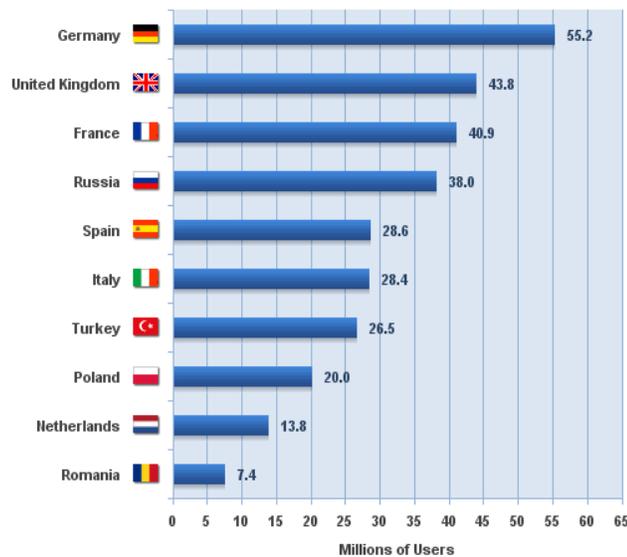


Figure 2-5: Internet top 10 countries in Europe 2009

Source: Internet World Stats (2009d)

2.2.3 E-Marketing Tools used in this research:

As discussed in chapter one (section 1.2.2), for the purpose of conducting this study; the adoption of five main tools of E-Marketing by SBEs and the effect of this adoption on the marketing performance of small businesses will be investigated. These tools are: Internet Marketing, E-Mail marketing, Intranet Marketing, Extranet Marketing and Mobile Marketing. The following parts of the chapter will discuss these tools.

2.2.3.1 Internet marketing:-

According to Chaffey (2007) Internet Marketing is: “Achieving marketing objectives through applying digital technologies of the Internet” (Chaffey, 2007, p: 1). On the other hand, according to eBusiness Connection (2008), Internet marketing is: “The component of marketing that deals with the planning, pricing, promotion, and distribution of products and services online” (eBusiness Connection, 2008, p: 2). They also argue that good Internet marketing strategies clearly communicate a firm’s unique selling proposition, or the unique collection of benefits that creates value for its customers. Moreover, Eid (2003) defined Internet Marketing as:

“The use of the Internet to achieve marketing objectives and support marketing activities” (Eid, 2003; P: 5)

The possibility of using the Internet as an instrument for conducting marketing, commercial and business activities has been widely investigated and recognised in marketing literature [see: McCole and Ramsey (2004), Oliva (2004), Chaston and Mangles (2003), Siddiqui et al (2003), Martin and Matlay (2003), Collins, et al (2003), Adam and Deans (2001), McGowan, et al (2001), Poon and Swatman (1996), (1997a) and (1997b), Chaffey et al., (2000), Wilson and Abel, (2002) and Kiang et al., (2000)]. This recognition of the potential of the Internet as a marketing tool rose from the great benefits that any company regardless of its size can gain from using the Internet in conducting its marketing activities. Within this context, the adoption of the Internet as a commercial intermediate and marketing tool has provided some companies with pioneering ways of marketing products in an intensively competitive environment. On the other hand, Berezai (2000) argues that companies have been forced to consider the Internet as a business and marketing tool in response to the growth in customers’ usage of the Internet for almost every day to day activity. This is probably the case for SBEs in their dealing with large companies who may be suppliers or customers.

In fact, the revolutionary developments in IT, computer science and communications have expanded the role of the Internet beyond its simple use as a communication tool to become a unique and extremely important means for communicating with customers, providing services on a 24/7 bases, entering new markets, reducing costs and increasing sales. Moreover, one of the main characteristics of the Internet is its ability to be used both as a direct sales channel and as an interactive communications tool. Consequently the Internet can affect company marketing performance in two different ways, directly through increasing direct sales and indirectly by providing higher level of customer satisfaction. This improves relationships with customers as well as productivity.

According to Panazoglou and Tsalgaidou (2000) Internet Marketing involves more than simple online transactions. They argue that Internet Marketing facilitates activities such as market research, identifying opportunities and partners, cultivation of relationships with customers and suppliers, document exchanges and providing a facility for joint design

(Panazoglou and Tsalgatidou, 2000; P: 301). Also, Greene (2009) demonstrates that the Internet provides a lot of benefits for any company in terms of marketing activities. According to him, the benefits of Internet Marketing include low start-up costs, low operating costs, cheap and free resources, time freedom and high profit margin. Moreover, Epsilon (2009) states that Internet Marketing reimbursement includes a 24/7 presence as well as convenience, added value and satisfaction, the ability to standardise sales performance, improved credibility, promotion of brick and mortar presence, growth opportunity, two-way communicative marketing, cheap market research and flexibility. Within the same line, Ghosh (1998) illustrates that the Internet can widen markets, increase efficiencies and lower costs by bringing companies and customers together (Ghosh, 1998; P: 125). In more detail Gogan (1997) argues that the expected benefits for most companies includes improving seller competitive position, adding new markets, reducing seller costs, improving seller capabilities and improving customer service and relationship (Gogan, 1997; P: 96).

Additionally, Skinner (2000) argues that the Internet provides four different types of opportunities for different firms. According to his arguments, the Internet can establish a direct link among companies and customers to complete transactions or trade information more easily, lets companies avoid other parties in its value chain through selling directly to customers, helps the business to develop and deliver new products and services for current and prospective customers and finally allows companies to possibly use the Internet to become the main leader in a specific industry or segment and to set new business rules (Skinner, 2000; P :127).

Moreover, Lancioni (2000) argues that continual growth of Internet usage has provided businesses (especially SBEs) with a lot of important opportunities for reducing costs and improving it services. This can be achieved through the unique characteristics of the Internet which allow enterprises to keep track of different customer preferences and enables them to adapt these preferences into enterprise marketing activities such as advertising and promotions to satisfy these preferences and needs. This in turn will lead to increasing marketing productivity through the linking of enterprise expenditures with its results.

With regards to the benefits of the Internet for SBEs, Poon and Swatman (1999a) state that the Internet has direct and indirect marketing benefits and grouped them into short and long-

term categories. They illustrate that the potential benefits of using the Internet in conducting marketing activities by small businesses increases as they extend their Internet-to-internal application integration. Within this context the more Internet-to-internal application integration the small enterprise has the more the benefit they will gain from using the Internet in conducting marketing activities. They argue that this Internet-to-internal application integration can be classified into three main levels: minimum, limited and full Internet-to-internal application integration. These three levels are illustrated in figure 2-6.

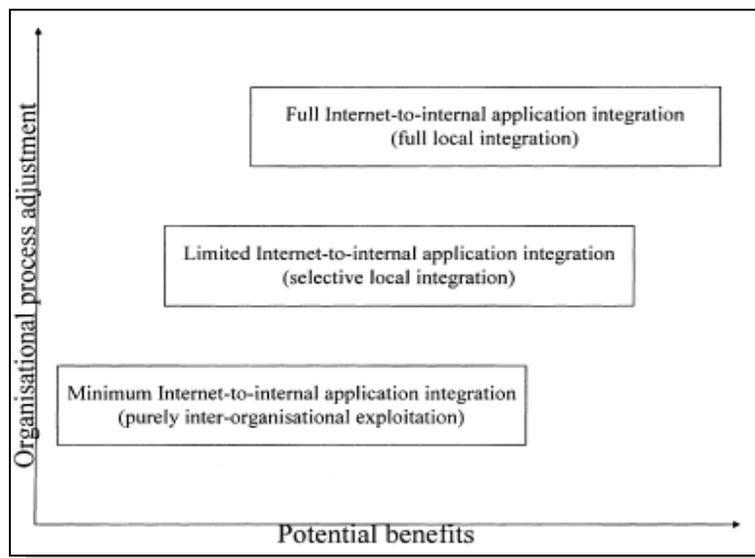


Figure 2-6: The three stages of Internet-to-internal application systems integration.

Source: Poon and Swatman (1999a)

On the other hand, the use of the Internet for conducting marketing activities is associated with some problems. Panazoglou and Tsalgatidou (2000) observe that these problems include only partial solutions for company needs, some rigid requirements, a limited interoperability, and most importantly insufficient trust and security as well as a lack of integration with existing business models (Panazoglou and Tsalgatidou, 2000; P: 303). Soh et al. (1997) find that the main problems facing the effective use of the Internet are difficulty in locating the right information, a rising user cost and issues related to security and data protection.

2.2.3.2 E-mail marketing:-

E-mail marketing is a format of an E-mail-based marketing activity in which advertisements, promotional and marketing activities are conducted through sending E-mails to a targeted list of recipients (usually current or perspective customers). The E-mail message (which

may be a text, HTML, or rich media message) is more like a Web-based advertisement than a typical e-mail message. According to Galgano and La Mesa (2006) E-mail Marketing refers to developing marketing strategies that use electronic mail to communicate with current and prospects customers.

Moreover, Chaffey (2007) distinguish between two different types of E-Mail Marketing namely Outbound E-Mail marketing and Inbound E-Mail marketing. According to him Outbound E-Mail marketing can be defined as: *“E-Mails campaigns used as a form of direct marketing where E-mails are sent to customers and prospects from an organization”* (Chaffey, 2007, P: 421). He also defines Inbound E-Mail marketing as: *“The management of E-mails from customers by an organization”* (Chaffey, 2007, P: 421). On the other hand, Carlton (2009) defines E-Mail marketing as: *“Sending out newsletters or e-magazines to subscribers list”* (Carlton, 2009, P: 1).

The concept behind E-mail marketing is that it makes more sense to send attractive, professional, and convincing advertisements and marketing activities to a smaller group of recipients that might be actually interested in receiving such marketing messages instead of sending the same marketing messages to a larger group that does not have much interest in receiving it. On the other hand, E-mail marketing is generally a permission-based process and depends on the willingness of the recipient to receive advertising information and other marketing information, rather than un-solicited commercial e-mail (UCE) which is often referred to as SPAM. Accordingly, it is important to emphasise that E-mail Marketing is not spamming which refers to indiscriminately sending an enormous number of e-mails and/or newsletters to the recipients without gaining their consent beforehand.

Today, most E-Mail Marketing messages include some mechanisms to provide the company (the sender) with useful feedback on the effectiveness and efficiency of its e-mail marketing campaign, such mechanisms make it possible for the marketer to track the e-mail marketing campaign through some performance measures:-

- Tracking the number of messages that were opened from the total number of messages sent.
- The total number of clicks that were generated from each message of these messages.

- The total number of e-mail recipients that asked to be removed from the company e-mail list, and finally
- The total number of messages that were blocked by the receiver server and considered as SPAM.

Moreover, the marketer (sender) may use customer segmentation techniques to ensure that the message is appropriate for the group it's sent to, and use personalisation techniques so the recipient is addressed as an individual with his/her own name, which in turn will increase the effectiveness and efficiency of E-mail Marketing.

There are a lot of reimbursements linked to the use of E-Mail Marketing. Carlton (2009) illustrates that these benefits include: e-mails are a cost-effective marketing tool, it helps build good relationships with customers, it provides useful information for customers and finally can provide instant feedback on the marketing campaign effectiveness. As a result of all these benefits associated with the use of E-Mail Marketing, a growing number of businesses are depending on it to conduct their marketing activities. According to the American E-Marketing Association - eMA (2009c), the volume of promotional e-mails sent by American retailers accelerated in October 2008 and increased dramatically in December 2008 when retailers sent their consumers a monthly average of 14.6 e-mails as can be seen in figure 2-7.



Figure 2-7: Promotional e-mails sent by American retailers during 2008 by month

Source: American E-Marketing association (eMA, 2009c)

On the other hand, there are some problems associated with the use of E-Mail Marketing such as SPAM reports. When conducting an E-Mail Marketing campaign, if any of the customers

and/or receivers indicates that the received e-mail is a SPAM for his/her Internet service provider (ISP) the ISP will automatically generate an abuse report which can be a serious problem. Such an abuse report will result in prevention of all e-mails generated and sent from the company e-mail address from being delivered to any e-mail address through the Internet service provider. This in turn may unfavorably affect the deliverability of company e-mails to this ISP if they do not make all the needed corrective actions to avoid that. There is also a risk that SPAM mail can alienate customers.

From a SBE context, Poon and Swatman (1999b) discussed the use of e-mails by SBEs from a marketing perspective. Based on their arguments, small businesses use e-mails to interact with customers and business partners. Within this context, and as illustrated in figure 2-8 small businesses normally use e-mails to exchange information and ideas with business partners from one end and to provide information to its customers, provide customer support, deliver information based products for customers, receive customer enquiries and allow customers to access business information from the other.

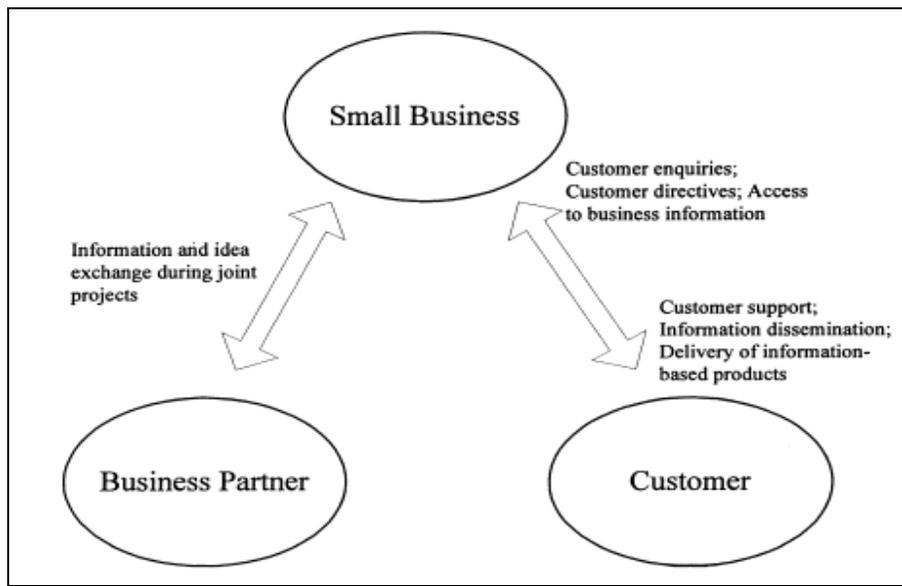


Figure 2-8: E-mail usage between a small business, its customer and business partner.

Source: Poon and Swatman (1999b)

2.2.3.3 Intranet Marketing:-

According to Chaffey (2007), the Intranet can be defined as: “A *private network within a single company using Internet standards to enable employees to share information using e-mail*

and web publishing” (Chaffey, 2007; P: 421). Often people get confused when talking about Intranets and mix it up with the Internet. While there are a lot of similarities between the Internet and Intranets, the most noticeable difference is the facility to make internal company communications and information secure through an Intranet. Within this context, while the Internet is accessible to the global World Wide Web, whereas the Intranet is a private net operating within a company. Although both of them use some similar features like E-mail and typical World Wide Web standards, there are three main differences between them: -

- An Intranet is a closed accessed net and only authorised users of this Intranet can get access to it.
- The Intranet user can get onto the Internet while global Internet users cannot get onto an Intranet.
- An Intranet can be run without an Internet connection or link.

The most well-liked Intranet application is inter-office e-mail, but there are some other applications which include Web publishing of the corporate documents, Web-to-database links that allow users to access company information and newsletters, historical data, catalogs, price lists, information on competitors’ products and customer service data. Overall this is not only a means of sharing knowledge with employees but also a way of protecting the intellectual property of the company. This research argues that an Intranet can be a key marketing tool for a company. Since the Intranet is a useful method for employees’ communications, it can help to increase marketing performance through increasing the levels of coordination within the marketing department. It is also a very useful tool in conducting Internal Marketing that can help to overcome any resistance to change within the firm by informing and involving all the staff of new initiatives and strategies. In this way, company employees are more likely to understand and be committed to the value proposition of the organisation and its brands. In this way it allows SBEs to realise their full marketing potential.

2.2.3.4 Extranet Marketing:-

An Extranet is an aspect of a corporation Intranet that can be accessed by some users outside the company itself. Vlosky, Fontenot and Blalock (2000) define Extranet as: “*A network that links business partners to one another over the Internet*” (Vlosky, Fontenot and Blalock, 2000; P: 3). External stakeholders such as customers, vendors, suppliers and business partners

are examples of the types of people who can benefit from Extranets as a type of private networks. These external stakeholders can exchange huge amounts of data using Electronic Data Interchange (EDI), share exclusive information, cooperate with each other on joint business ventures, contribute to training programs and share services between different companies or enterprises. Based on that, an Extranet is more likely to act as a way of communicating and sharing business information securely without facing the worries related to security, or being intercepted, over the Internet. Extra security and privacy can be achieved with the Extranet by including firewalls and requiring usernames and passwords. Vlosky, Fontenot and Blalock (2000) found that Extranets have some general uses which include conducting electronic communications, allowing contacts with customer and vendors, enabling sales to customers and purchases from suppliers, and finally product and service promotion.

This research argues that an Extranet is an effective tool for secure information sharing, cost reduction, customer services, order processing and distribution as well as building good business relationships. Accordingly, Extranets has a high potential to enhance marketing activities as well as performance of SBEs. The following table illustrate similarities and differences between Internet, Intranets, and Extranets

Table 2-1: Similarities and differences between the Internet, Intranets, and Extranets

<i>Element</i>	<i>Internet</i>	<i>Intranets</i>	<i>Extranets</i>
<i>Meaning</i>	The information Super-highway.	The use of Internet technology within a company or organisation.	A network that uses the Internet to link company Intranets in order to enhance B2B relationships.
<i>Access</i>	Open	Private	By agreement only
<i>Users</i>	Public	Organisation members	Business partners
<i>Information</i>	General	Proprietary	Selective

Source: Adopted from Vlosky et al (2000), Baker (1997) and SharWest Inc. (1997)

2.2.3.5 Mobile marketing:-

Mobile Marketing is a more recent form of E-Marketing based on the explosive growth of mobile technology (particularly popular in emerging economies such as Egypt). According to Norcross (2008) Mobile Marketing is: *“The systematic planning, implementing and control of a mix of business activities intended to bring together buyers and sellers for the mutually advantageous exchange or transfer of products where the primary point of contact with the*

consumer is via their mobile device” (Norcross, 2008; p: 2). Based on the previous definitions, Mobile Marketing can be conducted through: SMS (Short Message Service), MMS (Multimedia Messaging Service), WAP (Wireless Application Protocol) banner advertisements, mobile TV and Bluetooth. On the other hand, the use of mobile phones as well as its applications such as text messages or SMS messages is increasing at an enormous rate. Within this respect, according to the Mobile Data Association - MDA (2009) the number of text messages in the UK in December 2008 reached 7710 Millions as illustrated in figure 2-9.

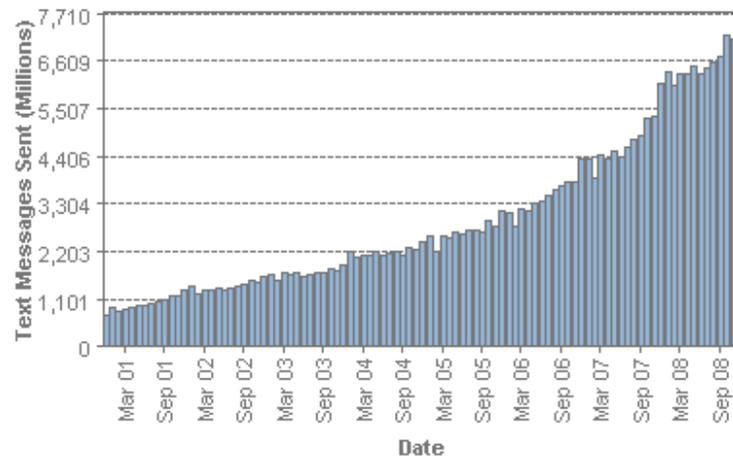


Figure 2-9: Annual text message in the UK from 2001 - 2008

Source: Mobile Data Association - MDA (2009)

One of the primary reasons behind this growth is that mobile phones and text messaging have become increasingly used as a business tool. Text messaging enables information to be sent to groups of customers quickly and conveniently in much the same way as e-mail, making it an increasing popular E-Marketing channel. Moreover, the development and growth of Third Generation (3G) mobile phones had led to superior connection speeds, Wi-Fi connectivity and the increase of mobile Internet browsing by users all over the world. Overall, customers today have better quality mobile phones, improved high quality mobile networks and a very good price plans. All these elements provide a very good base for the use of mobile phone as a tool for conducting marketing activities. According to the American E-Marketing association - eMA (2009a), US mobile advertising spending will increase from \$648 million in 2008 to \$3.3 billion in 2013, as can be seen from figure 2-10.

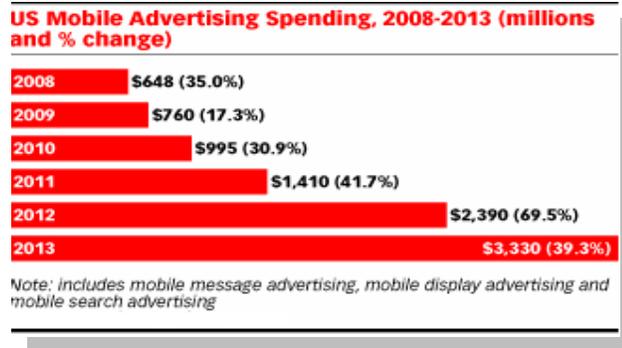


Figure 2-10: US mobile advertising spending from 2008 - 2013

Source: American E-Marketing association (eMA, 2009a)

SMS marketing is one of the main elements of Mobile Marketing. There are some advantages associated with this method:-

- The nature of mobile phones as a means of communications, which is very personal, makes SMS marketing a very powerful marketing tool.
- Nearly all company customers will carry mobile phone everywhere and for most of the day giving SMS marketing the chance to be effective for time sensitive marketing messages.
- SMS marketing provides companies with the ability to use text and photo marketing messages which can satisfy the different needs of the company customers and provide an attractive marketing tool.
- The majority of customers tend to read every single text they receive unlike other marketing messages that are considered to be junk mail, e.g. SPAM or even advertisements which can be ignored.

As a result, and according to the American E-Marketing association - eMA (2009b), almost three quarters of the world's digital messages (74%) were sent through a mobile device in January 2009, with a 15% increase over the previous year (2008), as shown in figure 2-11. Moreover, UK mobile users alone sent around 25 million text messages every day in 2008 (American E-Marketing association – eMA, 2009d).



Figure 2-11: Digital messages sent from mobile devices worldwide from 1/2008 – 1/2009

Source: American E-Marketing association (eMA, 2009b)

On the other hand, there are some disadvantages of using SMS marketing. These disadvantages include the relatively limited space of the message; the fact that a lot of customers might respond negatively to unwanted messages; some customers may be worried about responding to SMS messages due to security reasons; the increase in fraudulent messages; and (in most cases) the company needs to employ a mobile phone agency to send out the texts which can put the marketing activities at risk of being known by competitors.

2.2.4 Differences between E-Marketing, E-commerce, E-business and Internet-marketing:

The review of the literature has revealed that one of the main obstacles to developing E-Marketing potential is the absence of a clear conceptualisation of E-Marketing purpose and definition. The majority of researchers within the field misuse the term E-Marketing and are using the terms E-business, E-Marketing, E-Commerce and Internet-marketing interchangeably as if they are similar or have the same meaning, which is incorrect. For example, E-Marketing is broader in scope than Internet Marketing since it refers not only to digital media such as the Web, e-mail and wireless media, but also includes electronic customer relationship management systems and the management of digital customer data, etc. In contrast, E-Commerce and E-business have a wider and broader scope than E-Marketing. The differences between these terms will be illustrated and discussed in the following part of the chapter. As Internet Marketing has been discussed in the previous part of the chapter, the following parts of the chapter will discuss the remaining terms.

2.2.4.1 Electronic Commerce:-

It is difficult to find an accepted definition of E-Commerce (Duffy and Dale 2002), since its definitions vary according to interpretation and use. For example Kim and Moon, 1998 define Electronic Commerce (EC) as: “*The delivery of information, products and services, or payments via telephone lines, computer networks or any other electronic means*” (Kim and Moon, 1998, p: 2).

Zwass (1996) considers E-Commerce to be an administrative and communications tool and define it as: *“The sharing of business information, maintaining business relationships, and conducting business transactions by means of telecommunications networks”* (Zwass, 1996, P: 3). Whereas Treese and Stewart (1998) see E-Commerce as an opportunity in: *“The use of the global Internet for purchase and sale of goods and services, including services and support after the sale”* (Treese and Stewart, 1998, p: 5)

Baourakis, et al. (2002) define it as: *“The trading of goods and information through the Internet”* (Baourakis, et al., 2002; P: 581). On the other hand, Chaffey (2007) interpret E-Commerce as a means to exchange information: *“All electronically mediated information exchanges between an organization and its external stakeholders”* (Chaffey, 2007, P: 8). In addition, according to some scholars, E-Commerce can take a variety of forms which include electronic data exchange (EDI), mobile telephone, direct links-up with suppliers, Internet, Intranet, Extranet, electronic catalogue ordering, and e-mail (Quayle 2002, P:1149).

According to Tetteh and Burn (2001), regardless of how E-Commerce is defined, the main purpose of E-Commerce is to facilitate the exchange of information and conduction of transactions. They also argue that E-Commerce presents many opportunities for businesses regardless of their size to improve its performance. It is commonly recognised that E-Commerce is equivalent to online buying and selling of products and services. In the narrow terms, E-Commerce focuses on conducting online transactions between different parties over the Internet. According to Canadian eBC (2006) E-Commerce is a term that describes a focus on buying and selling products and services on the Internet. Although Perry and Schneider (2000), as cited in Holsapple and Singh (2000), mentioned that this view is quite narrow and preclude other important non-commercial transactions, information exchanges, and intraorganisational activities” (Perry and Schneider, 2000, P: 152). The view of E-Commerce as a phenomena focusing on buying and selling activities is still one of the most accepted views about E-Commerce among marketers, scholars and practitioners.

However, E-Commerce does play a major role in today’s marketing and business worlds. As can be seen from figure 2-12, UK retail E-Commerce is expected to reach 25.5 billion pounds in 2009 (with an increase of 8.6% from 2008) and expected to reach 44.9 billion pounds by 2012.

Moreover, according to the American E-Marketing association - eMA (2008) UK B2C E-Commerce is expected to reach 94.2 billion pounds by 2012.

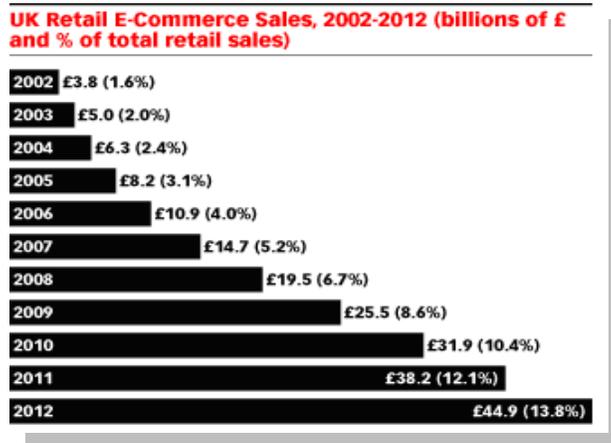


Figure 2-12: UK retail E-Commerce from 2002 to 2012

Source: American E-Marketing association (eMA, 2008)

2.2.4.2 Electronic Business:-

The concept of Electronic Business (E-Business) has gained a lot of interest from researchers and practitioners over the last decade. Although one of the foremost users of the term E-Business was IBM in 1997 (Alexandrou, 2009 and Chaffey, 2007), at present many companies all over the world are trying to use E-Business in conducting its activities. As much as E-Commerce, the concept of E-Business and its definition has created arguments among researchers and there is a no single or unique accepted definition of E-Business (Searle, 2001; Rodgers et al., 2002 and Martin and Matlay, 2003). Within this context, Harrison and Van Hoek (2005) defined E-Business as: *“Trading with an organization’s suppliers and business customers, by electronic means”* (Harrison and Van Hoek, 2005: P: 284). However, Chen (2001) define E-Business as: *“The conduct of business on the Internet, not only buying and selling but also servicing customers and collaborating with business partners”* (Chen, 2001: 2).

The Australian Department for Environment and Resource Management-ADERM (2009) defined E-Business as: *“The use of computer-mediated networks to conduct the normal business of government and encompasses electronic service delivery and e-procurement”* (ADERM, 2009; P: 1). Moreover, the Australian state of Environment – ASE (2009) define E-Business as: *“Business transactions and affairs conducted electronically”* (ASE, 2009; P: 2).

Jelassi and Enders (2008) defined E-Business as: “*The use of electronic means to conduct an organisation business internally and/or externally*” (Jelassi and Enders, 2008; P: 41). Finally, Alexandrou (2009) defines it as: “*The conduct of business on the Internet*” (Alexandrou, 2009; P: 1).

Alexandrou (2009) also argue that E-Business as a term is broader than E-Commerce since it does not refer only to buying and selling (as in E-Commerce) but also refers to servicing customers and collaborating with business partners. This is in line with the roots of the concept of E-Business. By tracing the first known definition of E-Business provided by IBM in 1997 it was found that IBM defined E-Business as: “*The transformation of key business organisational processes through the use of Internet technologies*” (IBM, 2009; P: 1). According to Chaffey (2007), the key business processes referred to in the IBM definition for E-Business are the main organisational process within any organisation (e.g. research and development, marketing, production and logistics).

Conclusion:

The review of the related literature exposes that one of the main obstacles in the literature is the unclear way of dealing with the concept and definition of E-Business as well as E-Marketing, E-Commerce and Internet Marketing. Within this context the majority of researchers within the field misuse the term E-Business, the mainstream of researchers are using the terms: E-Business and E-Commerce as equivalents or a different wording for the same meaning, which is incorrect because these terms are different. For most of the researchers, the term E-Business is generally regarded as the application of information technologies (IT) into business processes.

This research argues (based on the various definitions for E-Commerce and E-Business illustrated and discussed within this chapter) that the concept of E-Business goes beyond the narrow understanding associated with the term E-Commerce. Within this context, E-Commerce characteristically relates to the process of buying and selling products, services and information through the use of the Internet and/or computer networks (Chaffey, 2007; Lesjak and Vehovar, 2005; Laudon and Laudon, 2004; Greenstein and Feinman, 2000 and Turban et al., 2004). Moreover, according to the arguments of Rodgers et al. (2002), E-Commerce principally focuses on the organisation customers while E-Business expands the connectivity of the organisation to

include not only its customers but also the organisation suppliers, employees and business partners.

Accordingly, E-Commerce and E-Business are not only two different concepts but also E-Commerce is a subset of E-Business, in line with the findings of Dalton (1999), Kalakota and Robinson (1999), Chaffey (2007), Lesjak and Vehovar (2005), Laudon and Laudon (2004), Jelassi and Enders (2008), Greenstein and Feinman (2000) and Turban et al. (2004). Table 2-2 illustrates some of the similarities and dissimilarities between E-Commerce and E-Business based on both the various definitions as well as the previous discussion within this chapter

Table 2-2: Similarities and dissimilarities between E-Commerce and E-Business

<i>Similarities</i>	<ul style="list-style-type: none"> - Both of the concepts depend on web technology - Both of the concepts integrated new web technology into organisational and business processes. - Both of the concepts aims to increase effectiveness and improve efficiency of the organisations 	
<i>Dissimilarities</i>	<i>E-Commerce</i>	<i>E-Business</i>
	Principally focuses on the organisation customers	Expands the connectivity of the organisation to include not only its customer but also the organisation suppliers, employees and business partners.
	Characteristically relates to the process of buying and selling products, services and information through the use of the Internet and/or computer networks	Characteristically relates to all the key business processes within the organisation (e.g. research and development, marketing, production and logistics).
	Depend mainly on web technology	Technology employed is normally more advanced than that one used in E-Commerce. Depend mainly on web technology, Enterprise Resource Planning systems (ERP), Material Requirements Planning (MRP) and Customer Relationship Management(CRM)

Based on the previous discussion, it is clear that E-Business, E-Marketing, E-Commerce and Internet Marketing are not equivalents or a different wording for the same meaning as observed in the literature, where there is a blurring of the distinction between the terms. Within this context, E-Marketing is broader in scope than Internet Marketing since it refers not only to

digital media such as the web, e-mail and wireless media, but also includes the management of digital customer data, Mobile Marketing, Intranet Marketing, Extranet Marketing and electronic customer relationship management systems. In contrast, E-Commerce and E-business have a wider and broader scope than E-Marketing. These differences can be illustrated in figure 2-13.



Figure 2-13: Differences between Internet marketing, E-Marketing, E-Commerce and E-Business

Source: El-Gohary et al. (2008b)

2.3 Small Business Enterprises:-

The role of small business enterprises (SBEs) as an engine of economic growth has attracted considerable attention in the 1990's. Much of this focus derives from the belief that innovation, particularly in the high tech and information technology areas is crucially dependent on a flourishing entrepreneurial sector. SBEs are a vital part of the economic and social life of any country; they play an important role in today's business world and a healthy small business sector supports and provides a major contribution to the economic growth of any country.

2.3.1 Importance of small business enterprises:-

SBEs are socially and economically important since they have always significantly contributed in providing possibilities for employment, innovations, self-fulfilment and economic growth. It is distressing to find out that not much is known about the activities of these firms in most countries (especially in developing countries). The main reasons for this problem are:-

- SBEs do not receive the same kind of attention as large companies do in most countries.

- The limited resources of SBEs (financial, managerial, human and information resources) seem to restrict and decrease the number of success stories for these firms, accordingly this reduces the interest in researching it.

Nevertheless, the importance of SBEs is now recognised by a reasonable number of countries because of their role in economic development and growth. For example; micro, small and medium-sized enterprises represent 99 % of all enterprises in the EU and provide around 65 million jobs and contribute to entrepreneurship and innovation in the EU. In the UK, the number of firms employing less than 20 people is approaching 98% of all enterprises (DTI, 2008).

The importance of SBEs is a reflection of their ability to create wealth and is based on their role as job providers. They bear the greatest responsibility of employment in the private sector all over the world. As a result, the development of small enterprises has been regarded as an important factor for the achievement of development objectives such as: poverty alleviation, economic development and the promotion of more democratic societies. In Europe, increasing attention has been given to the SBEs sector and to the contribution that entrepreneurs can make in transforming the European economy especially in the current global economic climate (European Commission, 2009). This issue is reflected in the greater than ever range of European Union policy actions that are targeting SBEs.

2.3.2 The unique characteristics of small businesses:-

Small businesses have a number of characteristics that are not shared with large businesses (e.g. lower levels of division of labour). Also SBEs tend to have similar characteristics such as being independently owned, close control exercised by owners, financially dependent on owners and critical decisions generally being made by owners (Australian Bureau of Statistics 2001). From the point of view of many researchers and practitioners, the best illustration of the main important characteristics of a small enterprise remains that used by the Bolton Committee in its Report on Small Firms in 1971. The Committee described a small enterprise as an independent business managed by its owner or part-owners and has a small market share (DTI, 2008).

On the other hand, managerial characteristics of SBEs involve many things such as motivations, goals, objectives, and actions of the owner and/or manager. Most of these managerial characteristics are highly related to the entrepreneur/owner as a manager. Deeks (1976) describes the small business manager/entrepreneur as a skilled craftsperson who is primarily concerned with both quality and reputation of his business. The importance of the entrepreneur/owner in the small business cannot be overemphasised due to his/her role within the SBE which is not only a central role within the small business but is also a great intellectual role for the business success.

2.3.3 Small Business Enterprises Definition:-

An operational definition for SBEs is highly needed for researchers, practitioners, entrepreneurs and all SBEs stakeholders to develop a framework and common understanding for SBEs. Such a definition is also needed to:-

- Facilitate the collection of data on the SBE sector in order to make inter-country and inter-regional comparisons.
- Facilitate the production of more studies which in turn facilitates the economic development progress.
- Facilitate the development and elaboration of economic policies regarding SBEs.
- Foster a better understanding of the role and impact of SBEs in economic growth, contribution to GDP, employment creation, alleviation of poverty, exports growth, ... etc.
- Coordinate the efforts of the multi agencies dealing with SBEs.

Within this research, it is important to provide a definition for SBEs. Such a definition is one of the main elements of this research because it is a critical determinate for the research population on which the sample will be determined. However, the definition of SBEs has changed in the past because of the dynamics of Internet technology. In other words, because new technologies have revolutionised the way in which today businesses operates, far fewer people are acquired to perform administrative, communications and marketing tasks. For this reason the number of employees required for a small business in the 21st century is far fewer than in the 20th century.

Regardless of the dominant position held by SBEs in today's economy, defining it has been a complicated task. There is very little agreement on what defines a small business enterprise because the term covers a wide range of elements. Therefore it is clear that there is no single unique definition of a small enterprise, which is mainly because of their wide diversity. Since the 1970's there have been a variety of attempts to get a standardise definitions of SBEs by researchers and other interested parties using variables such as the number of employees, annual sales, annual turnover, total balance sheet, value added by the SBE, value of assets (fixed and/or variable) and ownership. However, the first two criteria are most often used to set the limits of the category of SBEs.

As a result small businesses have been defined in a mystifying number of dissimilar ways according to the national and local needs of each country (Theng and Boon 1996; Watson and Everett 1996). Table 2-3 summarises the legal or most commonly used definitions of SBEs used in some countries around the world.

Table 2-3: Criteria of defining SBEs adapted by some countries

<i>Country</i>	<i>Number of employees</i>	<i>Other criteria</i>
<i>UK and the European Union</i>	Under 50	Annual turnover or global balance less than 10 million Euros + Independence (Not exceeding 25% of the capital or voting rights withheld by one or more companies (or public bodies) which are not themselves SME's)
<i>Egypt</i>	50 employees or less	Capital from 50,000 to 1,000,000 LE
<i>Australia</i>	Under 20	None
<i>USA</i>	Under 100	Less than \$ 5 million annual sales
<i>Canada</i>	Under 500 in mfg and 50 in services	Less than \$ 5 million annual sales
<i>India</i>	None	Total investment (not exceeding 10 million Indian Rupees in industrial enterprises and 1 million in service enterprises)
<i>Mexico</i>	Under 50	None
<i>Thailand</i>	Under 200 in labour intensive	None
<i>Turkey</i>	10 to 49	None

Source: El-Gohary et al (2008a)

Within this context, in the USA a committee formed by Congress found over 700 different definitions for small businesses (Watson and Everett 1996). As a result, and because of the various definitions of small businesses, the USA Congress shaped its own definition for SBEs. According to this definition a small business is: owned or operated by a person employing 100 or fewer individuals (SBAP, 2008). At the same time according to Peterson, Albaum, and Kozmetsky (1986), the definition of the Small Business Act and the Small Business Administration is the most widely used in the USA. According to this definition a small business is: a business that is independently owned and operated and which is not dominant in its field of operation (American Small Business Act, 2008).

In Australia, and for the purpose of statistical analysis, the Australian Bureau of Statistics - ABS (2009) defines small businesses as a business employing less than 20 people. It further argues that small businesses categories include three main categories, which are non-employing businesses, micro businesses and finally other small businesses (ABS, 2009).

In Singapore, small businesses are defined through two main criteria which are the SBE sector (manufacturing or services enterprises) and the number of employees. For instance, small manufacturing enterprises in Singapore are defined by the value of their assets, while small service businesses are defined by the number of employees (Theng and Boon 1996).

The SBE definition currently in force in the European Community (EC) is the one adopted by the European Commission in its Recommendation 2003/361/EC of the sixth of May 2003 (replacing Recommendation 96/280/EC) and is addressed to Member states, the European Investment Bank (EIB) and the European Investment Fund (EIF) (European Commission, 2008). The definition is made according to specific criteria which are number of employees, annual turnover (or: global balance) and independence. Table 2-4 illustrates this definition (which came into force from the 1st of January 2005).

Table 2-4: Criteria of defining SBEs adapted by the EC

<i>Criteria</i>	<i>Small Business Enterprises (SBEs)</i>
Number of employees	< 50
Annual turnover or global balance	< 10 million Euros < 10 million Euros

Independence	Not exceeding 25% of the capital or voting rights withheld by one or more companies (or public bodies) which are not themselves SME's
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Source: European Commission (2009)

The legislated definition in Canada is contained in the Small Business Financing Act is as follows:

"Small business means a business carried on or about to be carried on in Canada for gain or profit with estimated gross annual revenue:

(a) Not exceeding \$5 million or any prescribed lesser amount for the fiscal year of the business during which a loan is approved by a lender in respect of the business; or

(b) In the case of a business about to be carried on, not expected at the time a loan is approved by a lender in respect of the business to exceed \$5 million or any prescribed lesser amount for its first fiscal year that is of not less than fifty-two weeks duration. It does not include the business of farming or a business as having its principal object the furtherance of a charitable or religious purpose."

(Canadian Small Business Financing Act -CSBFA, 2006)

In Mexico, SBEs definition is used primarily for statistical reasons. The Organisation for Economic Co-operation and Development (OECD) defines SBEs only depending on the number of employees. According to the department definition a small enterprise is: *"Any enterprise that employs 50 employees or fewer"* (OECD, 2006).

In India, the Ministry of Small Scale Industries (2006) distinguishes between industrial and service SBEs. According to its definition:-

- Any industrial enterprise will be considered as a SBE if the total investment in fixed assets in plant and machinery whether held on ownership terms, lease or on hire purchase does not exceed 10 million Indian Rupees.
- Any industry related service/ business enterprise will be considered as a SBE if its total investment was up to 1 million Indian Rupees in fixed assets, excluding land and buildings.

In Turkey, the number of workers is the only criteria used to define a small business enterprise. According to the Turkstat (The State Institute of Statistics) a small business enterprise is that enterprise employing from ten to forty-nine employees (Turkstat, 2006)

In Egypt, although there is a law associated with all aspects related to SBEs, the Small Business Enterprises Development Law (Law number 141 for the year 2009), and despite that this law has provided a legal definition for SBEs in Egypt, there is still more than 12 different definitions in use by different institution in Egypt to define SBEs. These definitions will be discussed in detail in chapter five (section 5.3). According to Law number 141 for the year 2009 a small business enterprise is defined as: *“Any company or individual firm that conduct production, service or commercial economic activities with a capital no less than 50,000 Egyptian pounds and no more than one million Egyptian pounds and employs 50 employees or less”* (Law number 141 for the year 2009, article 1, p 2).

To sum up, all the previous discussed definitions are by no mean conclusive and there are many other equally valuable definitions that through time and space have not been considered directly in this chapter. But it is important to recognise that the size of the SBE is relevant to its sector, economic condition, the country that it is operating in and the legal consideration of each country. All definitions have had to be renewed over time because of the impact of new technologies on business practice. In most countries, the numbers of full-time employees or their equivalent is the most common way used to define SBEs. As can be seen from table 2-3, the number of employees is the most often used factor in determining the category of SBEs in most countries. Furthermore, in most countries (countries of the European Union, Canada – in services -, Mexico, Egypt and Turkey) a SBE will be defined as an enterprise that employs less than 50 employees. Accordingly and due to the absence of a unique definition for SBEs, this research will depend on the European definition for SBEs since it is the most acceptable and takes employees numbers, turnover as well as SBE independence into consideration.

2.4 The Literature:-

2.4.1 An overview:

The main objective of this part of the chapter is to explore, analyse and develop a clear understanding about the different research points related to studies of E-Marketing published between 1993 and 2009 in the field of E-Marketing. A review of the literature will help in preparing an archive of past publications in the field of E-Marketing which in turn will help in

determining the different gaps in the literature and consequently help in directing the future research in the field. On the other hand, as the theory in the field of E-Marketing is still in its infancy stage and not yet well established there is a need for having more well-established studies that can be considered as a step toward a theory building in the field of E-Marketing. Consequently this study aims to provide a clear picture with reference to studies of E-Marketing published between 1993 and 2009.

Generally, the nature of research on E-Marketing is difficult to conduct because it is still considered as an unclear concept for the majority of researchers and practitioners (as illustrated earlier in section 2.2.3 of this chapter) and the nature of E-Marketing research materials which are highly distributed among various journals.

In order to complete a broad theoretical integration of the literature, it has been reviewed in three stages. Firstly, the initial databases that have publications in the field of E-Marketing have been reviewed such as Emerald (MCB) Database; EBSCO Electronic Database; Proquest Direct Database; Science Direct (Elsevier) Database; ABI/Inform database and University of Bradford catalogue. In the second stage, the search descriptors and time length were determined and applied to the literature of E-Marketing in general and E-Marketing in SBEs in particular. These descriptors are Electronic Marketing (E-Marketing), Internet Marketing (I-M), Intranet Marketing, Extranet Marketing, E-Mail Marketing, E-Business, E-Commerce, Electronic Marketplace (E-Marketplace) and Mobile Phone marketing (MM). They were chosen because they firstly represent the main elements of E-Marketing (e.g. Internet Marketing, Intranet Marketing, Extranet Marketing, E-Mail Marketing, Electronic Marketplace and Mobile Phone). Secondly, some of these descriptors (i.e. E-Business and E-Commerce) were used in the literature as equivalents to E-Marketing. Accordingly, investigating such descriptors is necessary to create a significant review of the literature in the field of E-Marketing.

Research into E-Marketing reflects the growth in technology so that only from the late 1980s does research on E-Marketing and Internet Marketing begin to appear in the literature. Starting with the work of Malone et al (1987 and 1989), and continuing with the work of Samiee (1998), Gilmore et al (2007), Krishnamurthy and Singh (2005), Wientzen (2000), White and Daniel (2004), Leverin and Liljander (2006), White (1997), Rohm, Kashyap et al (2004),

Salcedo et al (2003), Stockdale and Standing (2004b), Truong and Jitpaiboon (2008), Porter (2001) and so on. By taking into account that the World Wide Web (WWW) which is one of the main E-Marketing component was launched in 1993 (figure 2-2), the main literature time frame is from 1993 and ends July 2009 as an initial step towards building an archive of past publications in the field of E-Marketing.

In the third stage, the relevant research studies were identified. The search yielded 387 studies from 83 journals. Each article of the 387 articles were reviewed carefully and in detail to investigate the research points as well as the methodology applied in it. Then articles were classified according to research area, methodologies, research strategies, research methods, market studied, type of study (empirical/not empirical), sample unit, journal and year of publication.

2.4.1.1 Distribution of the literature according to the research areas:-

The articles published from 1993 to 2009 in the field of E-Marketing covers the following research areas: E-marketplace, Electronic platforms, ICT adoption, Internet marketing, On-line trust, B2B, performance evaluation, the Web, Electronic marketing, E-mail Making, E-readiness, E-relationships, E-security, E-service, Electronic Commerce, E-business, E-supply chain management, Internet adaptation, Mobile marketing, Database marketing and other research areas as illustrated in table 2-5. As can be seen, Electronic Commerce was the major research area covered by researchers from 1993 to 2009 with a total number of 91 articles and a percentage of 23.5 % of the total number of articles. This was followed by Internet Marketing with a total number of 78 articles and a percentage of 20.1 % of the total number of articles, Electronic Business with a total number of 54 articles and a percentage of 14% of the total number of articles, E-Marketplace and the web with a percentage of 4.9 % of the total number of articles for each (19 articles) and finally Business-to-Business with a percentage of 4.4 % of the total number of articles (17 articles).

Table 2-5: Distribution of published studies according to the research areas (1993-2009)

<i>Research Area</i>	<i>Number of studies</i>	<i>%</i>
<i>E-marketplace</i>	19	4.9 %
Electronic Commerce	91	23.5 %
Electronic platforms	1	0.3 %

ICT adoption	6	1.5 %
Internet marketing	78	20.1 %
On-line trust	4	1 %
B2B	17	4.4 %
E-business	54	14 %
Performance evaluation	2	0.5 %
The Web	19	4.9 %
Electronic marketing	9	2.3 %
E-mail Making	5	1.3 %
E-readiness	3	0.7 %
E-relationships	5	1.4 %
E-security	9	2.3 %
E-service	8	2.1 %
E-supply chain management	6	1.5 %
Internet adaptation	12	3.1 %
Mobile marketing	5	1.4 %
Database marketing	2	0.5 %
Other research areas	32	8.3 %
Total	387	100 %

By reviewing the distribution of articles studied Electronic Commerce, Electronic Business and Internet Marketing (as the largest three research areas covered by researchers and practitioners in the field of E-Marketing) by year of publication it is noticed that:-

- Most of the articles have been conducted in the period from 2003 to 2009 with a total number of 69 studies for Electronic Commerce (75.8 % of the total number of studies investigated E-Commerce) and 42 studies for Electronic Business (77.8 % of the total number of studies investigated E-Business).
- Most of the E-Commerce articles were published in 2003 with a percentage of 28.9 % of the total number of articles published in the period from 2003 to 2009 followed by year 2004 with a percentage of 18.8 % of the total number of articles. It is also noticed that the number of articles published tended to decrease significantly from 2003 to 2009 which reflects a decreasing interest from researchers to study Electronic Commerce in the last 5 years (as can be seen in table 2-6) .

Table 2-6: Electronic Commerce, Electronic Business and Internet Marketing articles published from 2003 to 2009

	<i>E-Commerce</i>	<i>E-Business</i>	<i>Internet Marketing</i>	
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<i>Year</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>%</i>
2003	20	28.9 %	5	11.9 %	4	13.8 %	20.7 %
2004	13	18.8 %	10	23.8 %	4	13.8 %	19.3 %
2005	11	15.9 %	6	14.2 %	6	20.6 %	16.4 %
2006	7	10 %	3	7.1 %	5	17.4 %	10.7 %
2007	5	7.7 %	6	14.2 %	3	10.3 %	10 %
2008	6	8.7 %	7	16.6 %	4	13.8 %	12.1 %
2009	7	10 %	5	12.2 %	3	10.3 %	10.8 %
Total	69	100%	42	100%	29	100%	100%

- Most of the E-Business articles were published in 2004 with a percentage of 23.8 % of the total number of articles published in the period from 2003 to 2009 followed by years 2008 with a percentage of 16.6 %, then 2005 and 2007 both with a percentage of 14.2 % of the total number of articles for both of them.
- Although most of the Internet Marketing articles were published in 2005, with a percentage of 20.6% of the total number of articles published in the period from 2003 to 2009, it was followed by years 2006 with a percentage of 17 % of the total number of articles. There in no significant difference between most of the years investigated.
- In general, it is noticed that the number of articles published in the three research areas tended to decrease from 2003 to 2009. This not only reflects a decreasing interest from researchers to study these research areas, but also could reflect an increasing interest in studying other research areas (e.g. E-Marketing) To discover if this interest is redirected by researchers to study E-Marketing, the distribution of articles studied E-Marketing from 2003 to 2009 was analysed. The results of this analysis (as illustrated in table 2-7) showed that:
 - o Most of the E-Marketing articles were published in 2005 with a percentage of 42.8 % of the total number of articles.
 - o Generally, there is significant stability in E-Marketing research in the last 7 years.
 - o Regardless of the important role of E-Marketing in conducting marketing activities, there no increasing interest in studying E-Marketing (all E-Marketing activities not only one of it e.g. Internet Marketing, E-Mail Marketing etc.) by researchers.

Table 2-7: Articles on Electronic Marketing published from 2003 to 2009

<i>Year</i>	<i>Electronic Marketing</i>	
	<i>Number of articles</i>	<i>%</i>
2003	0	0 %
2004	1	14.2 %
2005	3	42.8 %
2006	1	14.2 %
2007	2	28.4 %
2008	0	0 %
2009	0	0 %
<i>Total</i>	<i>7</i>	<i>100%</i>

2.4.1.2 Distribution of the literature according to journal of publication:-

On the other hand, articles published from 1993 to 2009 in the field are distributed across 83 different academic journals. Appendix seven shows the distribution of the published articles in these journals and the percentage of this distribution of articles. Most of these articles were published in the Journal of Small Business and Enterprise Development (34 articles) with a percentage of 8.9 % of the total number of studies conducted in the period of the literature. This can be justified by taking into consideration that the literature has been conducted from a small business prospective. Accordingly, it is expected that most of the studies conducted in the literature period were published in small business journal. The next two top journals were Internet Research (with 28 studies and a percentage of 7.2 % of the total number of studies) and Journal of Consumer Marketing (with 18 studies and a percentage of 4.7 % of the total number of studies). This was followed by International Marketing Review, Industrial Management and Data Systems and Marketing Intelligence and Planning (with 14 studies and a percentage of 3.6 % of the total number of studies for each of them), and finally Information Management and Computer Security (with 11 studies and a percentage of 2.8 % of the total number of studies).

By analysing the articles published in the Journal of Small Business and Enterprise Development, as the largest journal in number of E-Marketing publications (34 articles) by year of publication, it is noticed that most of the articles have been published in the time period from 2003 to 2007 (25 articles with a percentage of 73.4 % of the total number of studies published in the journal during the literature period) as can be seen in Appendix seven.

2.4.1.3 Distribution of the literature according to the research methodologies employed:-

The majority of studies within the literature were conceptual studies with a percentage of 41 % of the total number of studies. It was also found that the majority of the empirical studies depended on qualitative methodology with a percentage of 28 % of the total number of studies followed by a 24 % of the total number of studies depending on quantitative methodology. On the other hand, triangulation methodology was implemented in 6 % of the total number of studies. These findings are illustrated in table 2.8.

Table 2-8: Research methodologies employed by researchers in the fields of E-Marketing and small business enterprise from 1993 to 2009

<i>N</i>	<i>Methodologies</i>	<i>Number of studies</i>			<i>%</i>		
		<i>1993 - 1997</i>	<i>1998 - 2002</i>	<i>2003 - 2009</i>	<i>1993 - 1997</i>	<i>1998 - 2002</i>	<i>2003 - 2009</i>
1	Conceptual methodology	51	63	45	78 %	46 %	24 %
2	Qualitative methodology	7	38	63	11 %	28 %	34 %
3	Quantitative methodology	7	26	60	11 %	19 %	32 %
4	Triangulation	0	8	17	0 %	6 %	9 %
5	Literature review	0	1	1	0 %	1%	1 %
	<i>Total</i>	<i>65</i>	<i>136</i>	<i>186</i>	<i>100 %</i>	<i>100 %</i>	<i>100 %</i>

Table 2.8 could be a very helpful resource to guide researchers searching for a suitable methodology in the area of E-Marketing through providing a good understanding of the methodologies used by other researchers in the field. However, the different research methodologies, research strategies and research methods employed by researchers in the fields of E-Marketing and small business enterprise from 1993 to 2009 will be discussed in detail within chapter four.

2.4.1.4 Distribution of the literature according to the Market Studied (country), type of study (Empirical/Not Empirical) and Sample Unit:-

With regard to the type of study (empirical/not empirical), by analysing the articles published in the field of E-Marketing from 1993 to 2009 it is found that while 226 of the studies in the literature period were empirical with a percentage of 58.4 % of the total number of articles, 161 studies were unempirical with a percentage of 41.6 % of the total number of articles.

Table 2-9: Distribution of articles published from 1993 to 2009 by type of study

<i>Empirical/Not Empirical</i>	<i>Number of studies</i>	<i>%</i>
Empirical	226	58.4 %
Not Empirical	161	41.6 %
Total	387	100 %

This reflects not only an increasing trend in empirical studies in the field, but also reflects the existence of a satisfactory level of conceptualisation for most of the theoretical issues related to E-Marketing. This is confirmed by analysing the articles published in the field of E-Marketing in the last seven years (2003 to 2009) which provide the same research attitude. By analysing these articles it is found that while 143 of the studies in this period were empirical with a percentage of 76.8 % of the total number of articles, 43 studies were not empirical with a percentage of 43 % of the total number of articles.

Table 2-10: Distribution of articles published from 2003 to 2009 by type of study

<i>Empirical/Not Empirical</i>	<i>Number of studies</i>	<i>%</i>
Empirical	143	76.8 %
Not Empirical	43	23.2 %
Total	186	100 %

Distribution of the articles published from 1993 to 2009 by country (Market Studied) is shown in table 2-11. From the table it is noticed that the research output in E-Marketing has been concentrated in four main countries: the UK (with a percentage of 18.5 % of the total number of studies), USA (with a percentage of 16 % of the total number of studies), Australia (with a percentage of 8.8 % of the total number of studies) and New Zealand (with a percentage of 3.9 % of the total number of studies). That can be justified because these four countries had an early adoption for the Internet and web technologies which has lead to an increase in interest to investigate the Internet and web technologies related issues by researchers within these countries.

Table 2-11: Distribution of Electronic Marketing articles published from 1993 to 2009 by countries

<i>Country</i>	<i>Number of studies</i>	<i>%</i>	<i>Country</i>	<i>Number of studies</i>	<i>%</i>
Asia	3	1.4 %	Ghana	2	0.9 %
Australia	20	8.8 %	Greece	4	1.8 %
Sweden	5	2.3 %	Hong Kong	1	0.4 %
Austria	2	0.9 %	India	2	0.9 %

Ireland	5	2.3 %	Israel	1	0.4 %
Great Britain	42	18.5 %	Japan	2	0.9 %
Switzerland	4	1.8 %	Latin America	1	0.4 %
Botswana	2	0.9 %	New Zealand	11	3.9 %
Brunei Darussalam	3	1.4 %	Slovenia	1	0.4 %
Canada	7	3.9 %	South Africa	4	1.8 %
Chile	1	0.4 %	Spain	3	1.4 %
China	6	2.6 %	Taiwan	4	1.8 %
Cyberspace	26	11.5 %	Thailand	2	0.9 %
Denmark	1	0.4 %	Turkey	3	1.4 %
United States	36	16 %	UAE	1	0.4 %
Germany	4	1.8 %	Meddle East	1	0.4 %
France	1	0.4 %	Africa	1	0.4 %
Eastern Europe	1	0.4 %	Vietnam	1	0.4 %
Cyprus	1	0.4 %	Singapore	2	0.9 %
Europe	5	2.3 %	Italy	2	0.9 %
Finland	2	0.9 %	Total	226	100 %

By analysing the articles conducted in the UK market it is noticed that these articles has covered the following research areas: E-Marketing, Internet marketing, the web, ICT adoption, E-business, E-Commerce, Business performance and some other research areas (as illustrated in table 2-12). Within this context, E-Business was the major research area covered by researchers in the UK market from 1993 to 2009 with a total number of 11 articles and a percentage of 26.6 % of the total number of articles. This was followed by E-Commerce with a total number of 10 articles and a percentage of 23.8 % of the total number of articles and Internet Marketing with a percentage of 16.7 % of the total number of articles. It is also noticed that there was only one article conducted in the UK market which researched E-Marketing (with a percentage of 2.3 % of the total number of articles in the UK)

Table 2-12: Distribution of articles published from 2003 to 2009 within the UK market

UK - Research Area	Number of studies	%
E-business	11	26.6 %
Electronic Commerce	10	23.8 %
Electronic marketing	1	2.3 %
Internet marketing	7	16.7 %
The web	2	4.6 %
ICT adoption	1	2.3 %
Business performance	1	2.3 %

Other research areas	9	21.4 %
Total	42	100 %

On the other hand, table 2-13 and figure 2-14 illustrate the distribution of the articles published from 1993 to 2009 according to the sample unit. From the table it is noticed that most of the studies were conducted on small and medium size Enterprises (SME's) and SBEs as sample units. Within this respect, 58 studies were conducted on Small and medium size Enterprises (SME's) with a percentage of 25.7 % of the total number of articles and 37 studies conducted on SBEs with a percentage of 16.3 % of the total number of articles. Afterwards, it is noticed that 24 studies were conducted on consumers and Internet users with a percentage of 10.7 % of the total number of studies.

Appendix six illustrates a bibliography of the literature in the field of E-Marketing from 1993 to 2009

Table 2-13: Distribution of articles published from 1993 to 2009 according to sample unit

<i>Sample Unit</i>	<i>Number of studies</i>	<i>%</i>
Small Business Enterprises (SBEs)	37	16.3 %
Small and medium size Enterprises (SME's)	58	25.7 %
B2B Enterprises	8	3.5 %
Consumers and Internet users	24	10.7 %
Electronic intermediary	16	7.1 %
Regional market place	9	3.9 %
Other sample units	74	32.8 %
Total	226	100 %

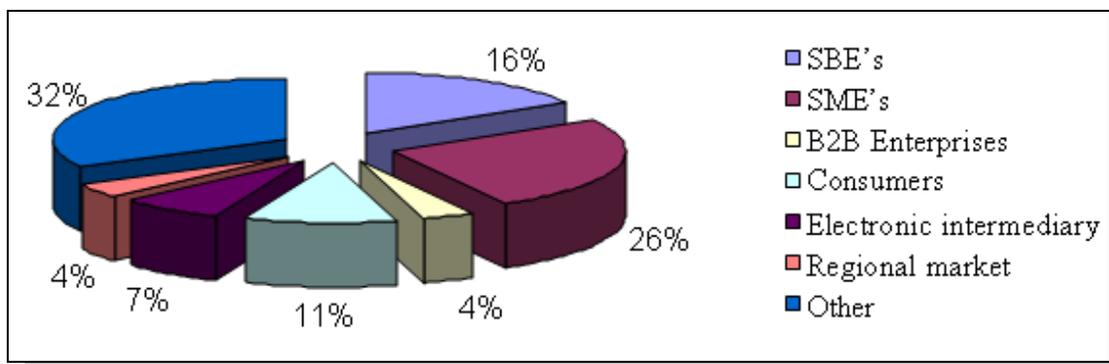


Figure 2.14: Distribution of articles published from 1993 to 2009 according to sample unit

2.4.2 E-Marketing literature:-

"There is first the literature of KNOWLEDGE, and secondly, the literature of POWER. The function of the first is to teach and the function of the second is to move"

Thomas De Quincey (1821)

Previously in this chapter, it was evidenced that SBEs have a number of characteristics that are not shared with large businesses such as lower levels of division of labour, being independently owned, close control exercised by owners, financially dependent on the capital of owners, critical decisions generally made by the owners and most importantly, limited access to different types of resources. As a result of this lack of different types of resources, SBEs are less likely to fully embrace E-Marketing when compared to larger enterprises, although as will be discussed later in chapter ten, some SBEs within the UK can be seen to counter this trend. Existing research relating to E-Marketing within SBEs may help to illuminate this adoption phenomenon and can help in determining the different gaps within the literature which in turn will guide researchers and scholars within the field toward filling these research gaps.

By reviewing the literature in the field of E-Marketing it's found that one of the main obstacles in the literature is the unclear way of dealing with the concept and definition of E-Marketing. As discussed in detail in section 2.2.3, the majority of researchers within the field misuse the term E-Marketing and use the terms E-business, E-Marketing, E-Commerce and Internet Marketing as equivalents, which is incorrect because these terms are different.

For example, Sheikh (2009) conducted a study to examine conversion rate problems of SMEs in Internet Marketing in Pakistan. By investigating the study it is found that Sheikh (2009) presented the concept of E-Commerce as an equivalent to E-Marketing. Within the same line, Juena and Mirz (2008) conducted a study to investigate the utilisation of mobile advertising in B2C marketing. Instead of considering mobile advertising as an element of E-Marketing, they considered it as a part of Mobile Commerce. Moreover, Ngai (2003) conducted a review of the literature related to Internet Marketing research for the period from 1987 to 2000. Within his study Ngai (2003) reviewed not only Internet Marketing but also E-Marketing, E-Commerce and E-Business based on the argument that these entire three concepts are similar to each other.

Moreover, Svedic (2004) conducted a study to investigate E-Marketing strategies for E-business. Although the study was mainly related to E-Marketing, Svedic (2004) considered E-Marketing and E-Business as equivalents. Also, Fiore (2001) work on E-Marketing strategies was entirely related to E-Business instead of E-Marketing. What has been discussed by Sheikh (2009), Juena and Mirz (2008), Svedic (2004), Fiore (2001) and Ngai (2003) is also true for a lot of researchers and scholars in the field of E-Marketing. As a result of this unclear way of dealing with the concept and definition of E-Marketing, when conducting the review of the literature, it was expanded to the broader concepts of E-Commerce and E-Business.

2.4.2.1 Internet Marketing:

Based on the literature it was found that, in the last two decades, the study of the World Wide Web and Internet usage in conducting marketing activities was a major subject receiving most of the interest from both academics and practitioners in many parts of the world. This interest in studying Internet Marketing was driven by the great benefits associated with its usage in conducting marketing activities as well as the important role that the Internet is playing as a marketing tool and distribution channel. Within this context, there are quite a reasonable number of studies that have been conducted on Internet usage by SBEs. Within this context, the possibility of using the Internet as a tool for conducting marketing, commercial and business activities has been widely investigated and recognised in E-Marketing literature (e.g. McCole and Ramsey, 2004; Oliva, 2004; Chaston and Mangles, 2003; Siddiqui et al. 2003; Martin and Matlay, 2003; Collins, et al, 2003; Adam and Deans, 2001; McGowan, et al, 2001; Poon and Swatman, 1996, 1997a and 1997b; Chaffey et al, 2006; Wilson and Abel, 2002 and Kiang et al., 2000). This recognition of the role of the Internet as a marketing tool has risen from the great benefits that SBEs can gain from using the Internet in conducting marketing activities. Within this context, the adoption of the Internet as a marketing intermediate and tool has provided companies with ground-breaking, innovative and revolutionary ways of marketing their products in an intensively competitive environment. Berezai (2000) argues that companies have been forced to consider the Internet as a business and marketing tool as a result of growth in customers' usage of the Internet for almost every day to day activity as well as a shopping channel.

Greene (2009) demonstrated that the Internet provides a lot of benefits to any company adopting it for conducting marketing activities. According to him, the benefits of Internet Marketing include low start-up costs, low operating costs, cheap and free resources, time freedom and high profit margin. Moreover, Epsilon (2009) stated that Internet Marketing reimbursement includes 24/7 presence, more convenience, added value and satisfaction, standardised sales performance, improved credibility, promotion of brick and mortar presence, growth opportunity, two-way communicative marketing, cheap market research and flexibility. Similarly, Ghosh (1998) illustrates that the Internet promises to widen markets, increase efficiencies and lower costs by bringing companies and customers together (Ghosh, 1998). In more detail Gogan (1997) argues that the expected benefits that most companies expect to achieve by using the Internet include improving seller competitive position, adding new markets, reducing costs, improving seller capabilities, improving customer service and finally improving relationships with customers (Gogan, 1997). Also Ramsey et al (2004) suggest that the Internet is a very suitable and important business tool for SBEs, especially for small knowledge intensive business services which can use it effectively to compete.

Additionally, Skinner (2000) finds that the Internet provides four different types of opportunities for different firms. According to his arguments, the Internet can establish a direct link among companies and customers to complete transactions or trade information more easily, lets companies avoid other parties in its value chain through selling directly to customers, help the business to develop and deliver new products and services for current and prospective customers and finally allows companies to become the main leader in a specific industry or segment and to set new business rules (Skinner, 2000).

Moreover, Lancioni (2000) argues that continues growth of Internet usage has provided SBEs with a lot of important opportunities for reducing costs and to improve services. Moreover, Poon and Swatman (1999a) stated that the Internet has direct and indirect marketing benefits for SBEs and groups them into short and long-term benefits. These benefits include more revenues, cost reduction, ongoing business transformation, customer retention and long term business partnerships.

With regards to Internet use by SBEs, in a study about the innovative use of the Internet in small firms Martin and Matlay (2003) investigated the impact of knowledge management and organisational learning in accessing new opportunities by SBEs. Building on their earlier survey designed to establish a profile of Australian SBEs using the Internet in 1996, Poon and Swatman (1997a) conducted further research to investigate small business use of the Internet in Australia. They found that the most crucial issues affecting ongoing Internet use within SBEs are management commitment and perceived benefits of Internet usage. In line with the findings of Adam and Deans (2001) they also found that most SBEs are still using the Internet as a communications medium in addition to other communications tools like telephone and facsimile. Although, this corroborates the findings of Brock and Zhou (2005), Kula and Tatoglu (2003), Eid (2003) and Collins, et al (2003); Adam and Deans (2001) illustrate that small businesses use of the internet has changed to include more activities rather than using it as just a communications medium. They illustrated that SBEs are using the Internet to conduct other online transactions such as business processes or customer relationship management (CRM). Moreover, Poon and Swatman (1999a) find that the Internet is an effective marketing medium for SBEs and as effective as or more effective than other marketing tools.

McCole and Ramsey (2004) proved that SMEs find it necessary to establish a web presence to increase their ability to survive and to deal effectively with the opportunities that the Internet can deliver. In another study they highlight that SMEs current and future level of E-Business adoption is influenced by a mixture of factors such as understanding potential E-Business benefits; being able to respond to customers and competitors practices; being prepared to develop staff skills and knowledge of Internet-based technologies and having a well justified and strategic orientation towards E-business (Ramsey and McCole, 2005)

In another study, Poon and Swatman (1997b) find that advertising and marketing are the main variables driving Internet usage by SBEs. Furthermore, to build on early studies conducted by Poon and Swatman (1996a; 1997a; and 1997b) on SBEs use of the Internet Chaston and Mangles (2003), Collins, et al (2003), Lagrosen (2005), Simmons et al (2007) and McGowan, et al (2001) conducted research studies on the utilisation of the Internet among SBEs. Within this context, McGowan, et al (2001) find that communication, knowledge, judgement, experience and planning are the main vital factors in shaping the adoption, usage and utilisation of the Internet.

Lagrosen (2005) find that small Swedish service companies, when using and utilising the Internet for marketing communication, depend on three main communications strategies: personalised relationship communication strategy, mass relationship communication strategy and the mass transaction communication strategy. Simmons et al (2007) illustrates that UK small agri food enterprises need to develop an awareness of the Internet as well as a dynamic strategic approach in Internet adoption and utilisation. On the other hand, Collins, et al (2003) finds that small and medium-sized tourist enterprises in Austria, Ireland, UK and Switzerland are not utilising the Internet and IT in their businesses to its full potential. Moreover, Chaston and Mangles (2003), find inadequate proof to hold the view that relationship orientated firms, when compared with transactionally-orientated competitors, exhibit differing perceptions about the nature of online markets.

Chwelos, Benbasat and Dexter (2001) when testing Electronic Data Interchange (EDI) adoption in SBEs, ascertained that there are three main factors that influence the tendency to adopt EDI. These factors are perceived benefits, organisational readiness and external pressure. Similarly, Stockdale and Standing (2006), when developing a classification frame to support SBE E-Commerce adoption initiatives, constructed a frame based on previous literature. This frame included factors like industry sectors and relationships, expectations and realisations of benefits associated with E-Commerce, external factors, technology factors, lack of knowledge and finally available resources.

The degree of information and computer technology adoption of both customers and suppliers has inevitably impacted and perhaps even exerted pressure upon SBEs when deciding whether to adopt E-Marketing activities or not. However, it should be noted that previous research (Standing and Stockdale 2003; Mehrtens, Cragg and Mills 2001) indicates that pressure is more likely to come from customers than from suppliers. Resulting from competition and industry forces, it is seen that a considerable number of SBEs have adopted E-Marketing activities. Nevertheless, this is just the start of the journey and the different factors that might have an impact on the adoption of E-Marketing by SBEs needs to be investigated. On the other hand, marketing practitioners and academics have devoted considerable effort in studying Business – to – Business (B2B) E-Marketing. Although there are a wide range of studies that

have been conducted on B2B (Eid, 2003; Hamill, 1997; Hoffman et al, 1999; Hoffman and Novak 1996; Porter, 2001; ...), there are a very few number of studies on B2B in SBEs, though one has been conducted by Ng (2005) to develop a framework for Australian agribusiness companies seeking to select B2B E-business models. The framework (figure 2-15) consists of 16 internal and external factors that influence the selection of B2B E-business models.

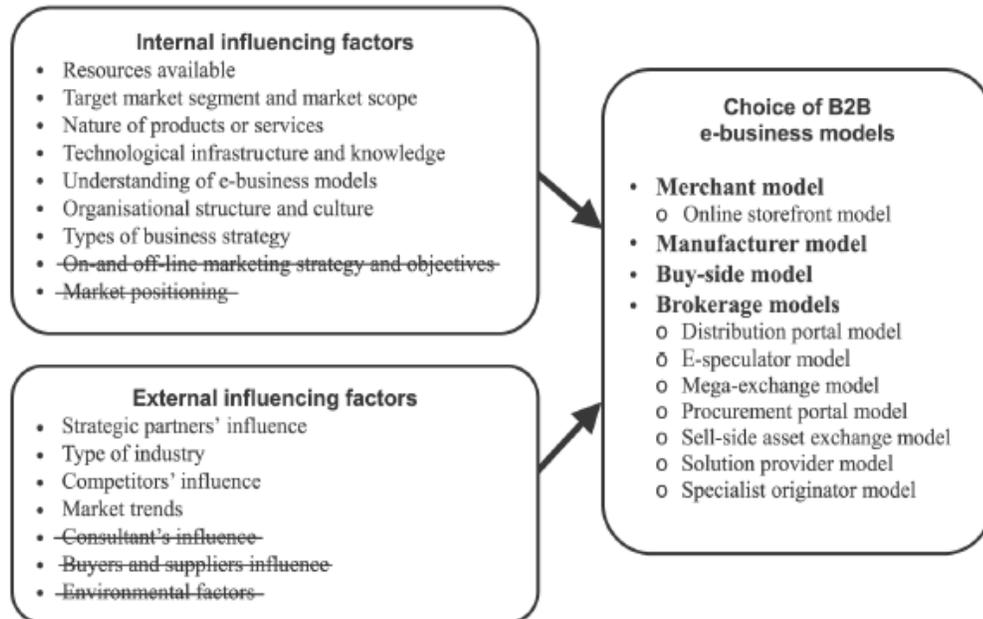


Figure 2-15: Preliminary model for the selection of B2B E-Business models
Source: Ng (2005)

The findings show that SBEs are more concerned with three factors of the framework: understanding of E-Business models, on and off-line marketing strategies and market trends. The enterprises studied believed that these factors could further enhance the competitiveness of their organisations. Some of the factors included in the Ng (2005) framework (e.g. available resources, market trends, competitive pressure and type of products) are used to investigate the adoption of E-Marketing by SBEs within this research (as discussed in detail in chapter 3 - section 3.4.1 and chapter 6 – section 6.3)

There are a number of studies into the adoption of E-business practices by SBEs: Fillis, et al (2004), Jutla, et al (2002), Mendo and Fitzgerald (2005) and Ramsey and McCole (2004 and 2005). Within this context, Fillis, et al (2004) argue that globalisation and technology effects appear to have motivated small firms around the world to engage in E-Business practices.

Drawing on existing research on E-Business they formulated a conceptual framework of the different reasons motivating adoption and non-adoption of E-Business in SBEs (figure 2-16).

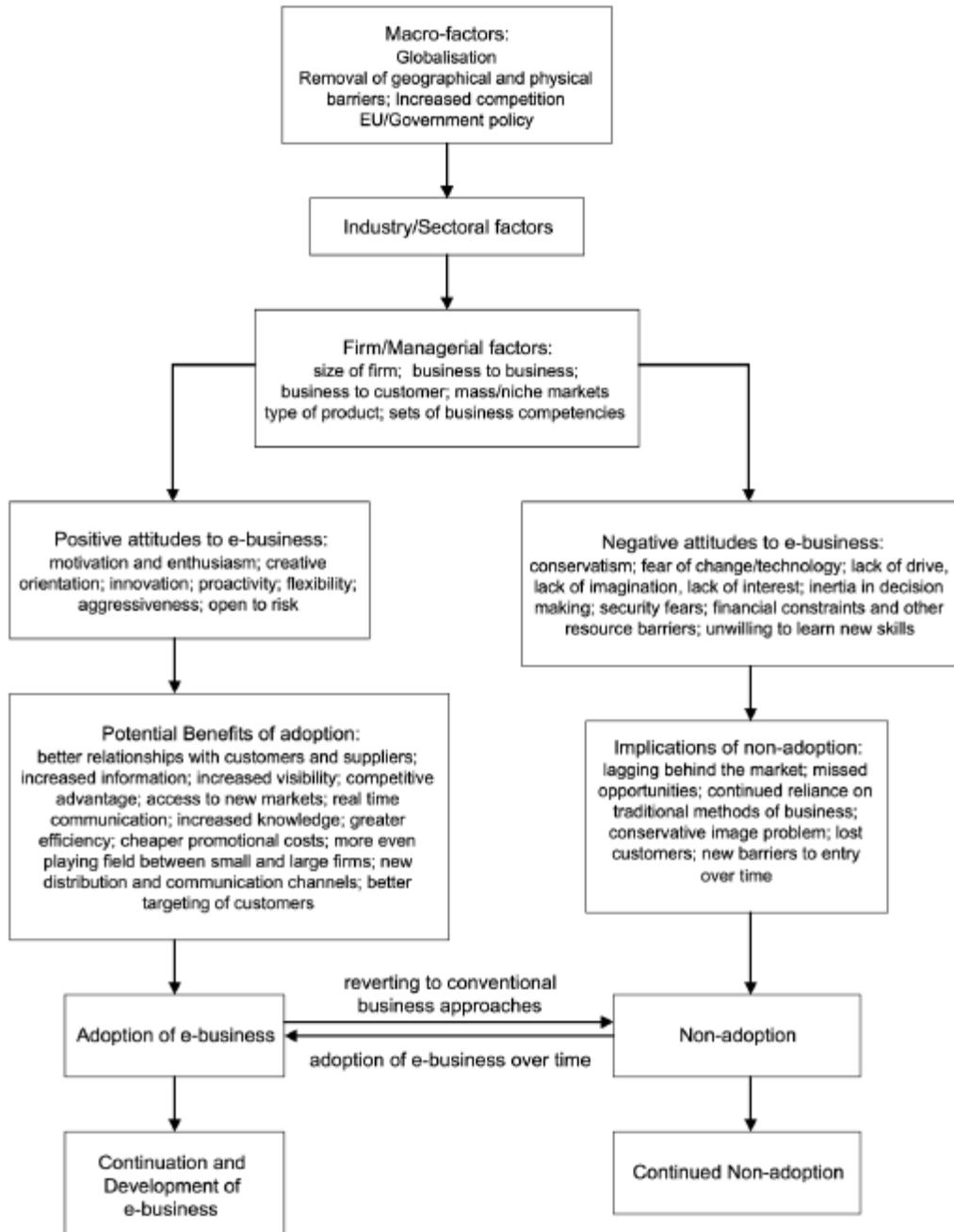


Figure 2-16: Conceptual model of E-Business development

Source: Fillis, et al (2004a)

The framework was built from the following factors: macro dimensions, industry sector and firm-level factors together with owner/manager motivations and attitudes towards E-Business adoption. The logic of classifying adoption factors into macro and micro factors, as

employed by Fillis, et al (2004a), is adopted by this research when constructing the research framework (the justification of this adoption is discussed in detail in chapter six – section 6-3). However, some of the factors included in the Fillis, et al (2004a) framework (e.g. competitive pressure, type of products and size of the firm) are used to investigate the adoption of E-Marketing by SBEs (as discussed in detail in chapter 3 – section 3.4.1 and chapter 6 – section 6.3).

Also Jutla, et al (2002), present a conceptual model to be used by governments in creating and sustaining an appropriate climate that facilitates the national adoption of E-Business (figure 2-17). Based on the arguments of Jutla, et al (2002) and other researchers in the field (e.g. Simpson and Docherty, 2004; Tsao, Lin, and Lin, 2004 and Looi, 2004), governmental influence is considered to be a factor affecting the adoption of E-Marketing by SBEs (as discussed in detail in chapter 3 – section 3.4.1 and chapter 6 – section 6.3).

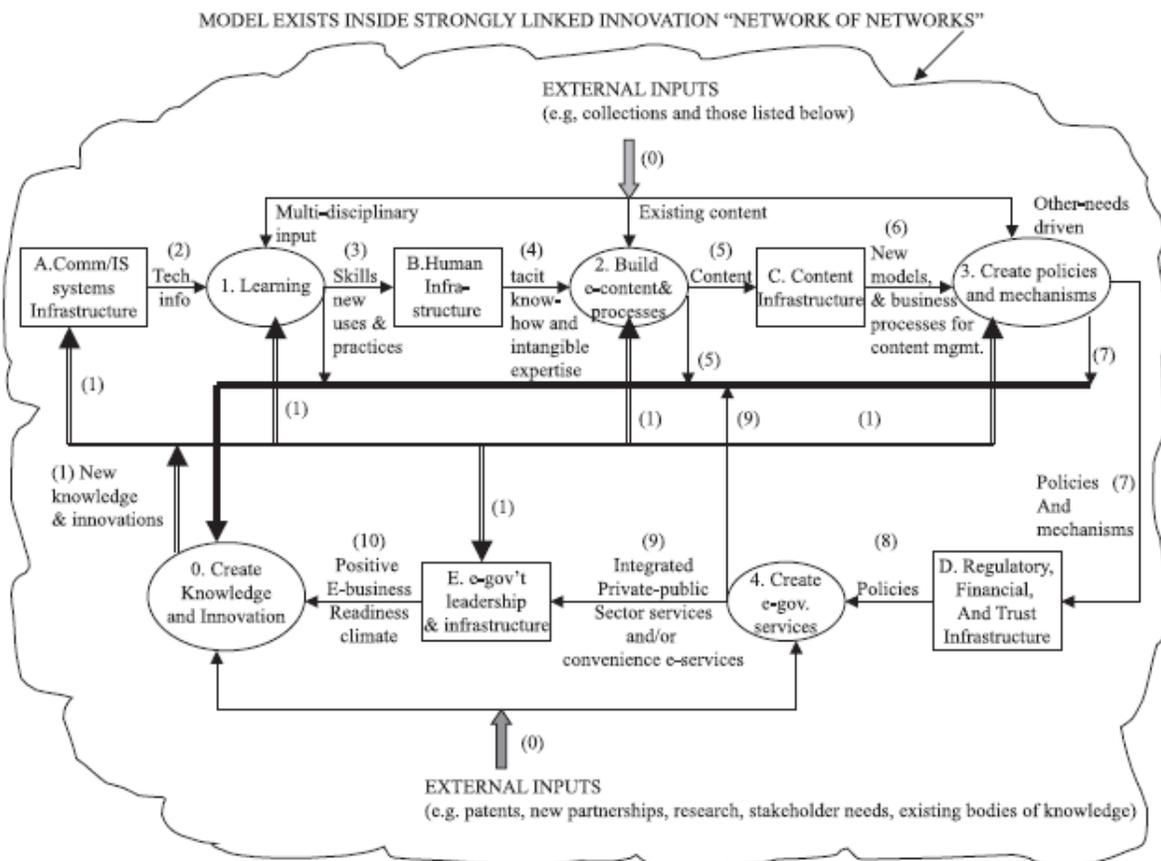


Figure 2-17: A model for government support for E-Business readiness is SME's
Source: Jutla, et al (2002)

There are also a considerable number of conceptual and theoretical studies that have been conducted on E-Marketing in SBEs. Within this context, Oliva (2004) brings to light some of the unique characteristics related to e-Bay as a phenomena within business world. He illustrated that in a relatively short time eBay has grown enormously and that the benefits and innovations associated with eBay are now touching SBEs and creating a new marketplace that can satisfy small business enterprises needs. In addition De Kervenoael et al (2006) try to demonstrate the need for an improved understanding of consumer value for online grocery purchases and to propose the notion of integrated service solution packages as a strategy for growing and successfully sustaining both marketing strategy and policy.

Based on the previous discussions, it is noticed that there are a number of studies that have been conducted to investigate Internet Marketing. Within this context, the main authors in this area of the field are Martin, L; Matlay, H; Poon, S; Swatman, P; Eid, R; McCole, P and Ramsey, E. However, almost all these studies concentrated only on investigating Internet Marketing as a sole E-Marketing tool without integrating it with other tools (e.g. E-Mail Marketing, Intranet Marketing, and Mobile Marketing). Moreover, not only do a small number of these studies investigate Internet Marketing from a small businesses perspective, but also few of them investigate the adoption of Internet Marketing by SBEs, and most of these studies are conceptual and/or theoretical. This reflects a gap in the field of E-Marketing in general and E-Marketing in SBEs in particular. To cover such a gap there is a need to conduct research studies to investigate the different factors affecting the adoption of Internet Marketing by SBEs.

2.4.2.2 E-mail Marketing:

There are a considerable number of studies that have been conducted to investigate E-mail Marketing. Baggott (2007), Brodeur (2000), Han and Reddy (2000), Jackson (2001), Saint (2001), Harper (2002), Heneroty (2002), Hughes (2005), Isaacson (2002), Robinson (2002), Ansari and Mela (2003), Chittenden and Rettie (2003), Darnoveek (2003), Dorsey (2003), Obston (2003), Parenteau (2003), Singh (2003) and Maneesoonthorn (2006) are examples of these studies. Within this context, it is noticed that researchers and practitioners have identified the main key factors to develop an effective E-mail campaign as well as the key barriers. For example Rettie (2002) adopted the direct-mail response model developed by Vriens et al. (1998)

to construct an E-mail Marketing response process (figure 2-18). Based on his findings, effective E-mail Marketing campaigns can be achieved through encouraging the e-mail recipient to open the e-mail message, gaining the recipient attention towards the e-mail and finally convincing the recipient to visit the URL link included in the e-mail message. He also found that e-mail subject heading, length of the e-mail, consumer attitudes, incentives and number of images are the most important factors to increase the response rate for E-mail Marketing campaigns.

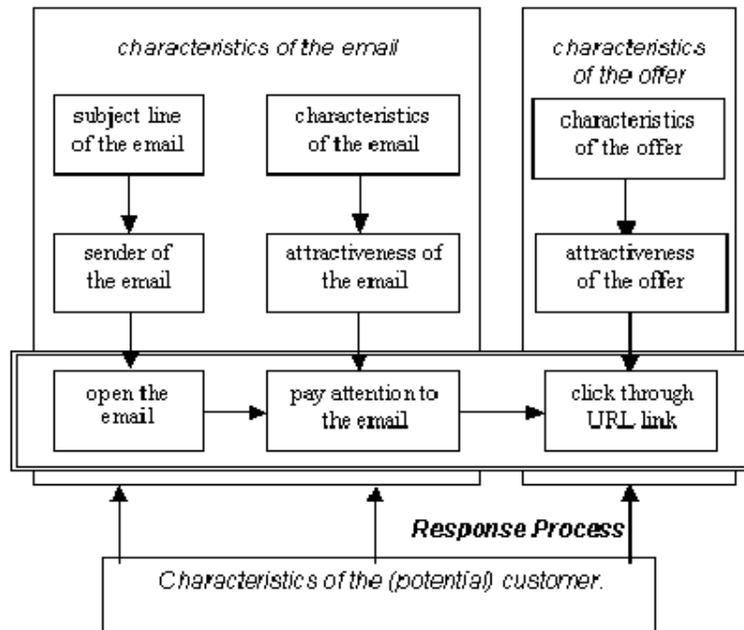


Figure 2-18: Basic E-mail Marketing response process

Source: Rettie (2002)

The importance of consumer attitudes is also highlighted by Maneesoonthorn (2006) who finds that although E-mail Marketing studies have been conducted either through online surveys, in-depth interviews or controlled experiments, few researchers have studied the effects of e-mail features on consumer attitudes and/or behavioural intentions.

However, SPAM has gained a lot of attention from researchers and even never ending interest from both marketing practitioners and SBE owners. According to Kinnard (2002), SPAM is one of the most important rising concerns for any e-mail marketer as a result of the risk of being perceived as spammers by customers. Within the same line, Rowan and Tapp (2003) argue that e-mail spamming is a great threat for E-mail Marketing and can weaken the effectiveness of e-mail as an effective marketing tool. Moreover, Windham (2000) argues that unwelcome e-mails (SPAM) can be regarded as an attack of customers' privacy and will damage

or at least harm the reputation of E-Mail Marketing. Wright and Bolting (2001), Wreden (1999), Sheehan and Hoy (2000) and Rettie (2002) suggest that enterprises need to limit the number of e-mail messages sent to the customers and obtain the customers consent to receive such e-mails. Such suggestions help in shaping the concept of permission marketing which is based on obtaining customer consent to receive marketing communications from the enterprise (such as e-mails). The concept of permission marketing has been proposed by Godin (1999) and gained considerable interest by both researchers and practitioners.

Godin (1999) has identified five different levels of permission marketing: situation permission, brand trust permission, personal relationship permission, points permission and finally intravenous permission. He also argues that these levels of permission marketing can lead to turning enterprise customers into loyal customers. Investigation of the literature illustrate that permission based E-mail Marketing assist enterprises in gaining better and effective marketing performance compared with non-permission based marketing or other forms of online advertising (Waring and Martinez 2002).

Krishnamurthy (2001), based on the work of Godin (1999), argues that permission marketing can be considered as a concept that focus only on the communication side of a larger concept called co-creation marketing. Moreover, Kolettis (2002) and Krishnamurthy (2000) identify and investigate some of the main characteristics of permission marketing. Within this context, Kolettis (2002) presents some characteristics for permission marketing which include: permission must be gained, consumers must perceive some benefits for giving the permission, permission must be dealt with carefully and permission can not be transferred. In addition, Krishnamurthy (2000) identify some other characteristics for permission marketing including: permission must be gained in an explicit way, identity of each consumer must be verified, the consumer must know what data is the enterprise is keeping about him/her, the consumer must be able to control both the nature and number of messages received by him/her and the consumer must be capable of ending the permission relationship at any point of time.

Based on the previous discussions, it is noticed that there are few studies that have been conducted to investigate E-Mail Marketing. Within this context, the main authors in this area of the field are Godin, S; Krishnamurthy, S and Kolettis, H. However, all these studies concentrate

only on investigating E-Mail Marketing as a sole E-Marketing tool without integrating it with other tools (e.g. E-Mail Marketing, Intranet Marketing, and Mobile Marketing), and have not investigated E-Mail Marketing from a small businesses perspective. Also they have not investigated the adoption of E-Mail Marketing by SBEs and most of these studies are conceptual and theoretical. This reflects a gap in the field of E-Marketing in general and E-Marketing in SBEs in particular. To cover such a gap there is a need to conduct research studies to investigate the different factors affecting the adoption of E-Mail Marketing by SBEs.

2.4.2.3 Intranet and Extranet Marketing:

With regards to the adoption and/or the use of Intranet Marketing or Extranet marketing by SBEs, it was found, based on the literature, that there is no single study that has been conducted to investigate the adoption and usage of Intranet Marketing or Extranet Marketing by SBEs. Moreover, the review of the literature failed to find any studies that examined or investigated the impact of Intranet Marketing or Extranet marketing adoption and usage by SBEs on the marketing performance of these enterprises. Consequently, this research expands the review to the broader concepts of E-Commerce, E-Business and to include other sizes of enterprises. Of the three studies identified through this extension, Dubas and Brennan (2002), Angeles (2001) and Vlosky, Fontenot and Blalock (2000), no single study examined or investigated Intranet Marketing or Extranet marketing adoption and usage. Furthermore, no single study examined or investigated the impact of Intranet Marketing or Extranet marketing adoption by SBEs on the marketing performance of these enterprises.

In this context, Dubas and Brennan (2002) argue that webcasting represents a radical change in the means by which Internet content is delivered over the Internet, Intranets or Extranets. They also illustrate that the collaboration among various Extranet participants maximises the benefits of webcasting and leads to faster access to relevant information in an event-based environment. Moreover, Angeles (2001) establishes an outline for understanding Extranet implementation guidelines. Within the same line, Vlosky, Fontenot and Blalock (2000) find that Extranets have general uses which are conducting electronic communication with trading, contacts with customer and vendors, sales to customers, product and service promotion and finally purchases from suppliers. They also find that there are some concerns about using

Extranets such as security of information, transmission time, speed of access and not having adequate internal technical resources to maintain the system.

This reflects a gap in the field of E-Marketing in general and E-Marketing in SBEs in particular. To cover such a gap there is a great need to conduct research studies to investigate the different aspects related to Intranet Marketing and Extranet marketing adoption and usage by SBEs as well as the impact of this adoption and usage on SBEs marketing performance.

2.4.2.4 Mobile Marketing:

With regards to the adoption and/or the use of Mobile Marketing by SBEs, it was found, based on the literature, that there is no single study that has been conducted to investigate the adoption and usage of Mobile Marketing by SBEs. Moreover, the review of the literature failed to find any studies that examined or investigated the impact of Mobile Marketing adoption and usage by SBEs on the marketing performance of such enterprises. Consequently, this research expands the literature review to the broader concepts of E-Commerce, E-Business and to include other sizes of enterprises. Of the five studies identified through this extension, Liu and Chen (2009), Sinisalo et al (2007), Rossi and Tuunainen (2007), Okazaki (2005), Juena and Mirz (2008) and Robins (2003) only four studies have examined or investigated Mobile Marketing adoption and usage (Liu and Chen, 2009; Sinisalo et al, 2007; Juena and Mirz, 2008 and Okazaki, 2005). Furthermore, no single study has examined or investigated the impact of Mobile Marketing adoption by SBEs on the marketing performance of these enterprises.

In this context, Rossi and Tuunainen (2007) argue that changing the employees' mind-sets when using a new technology is important and that new technologies are easier to use especially when it is accompanied with visible enhancement in work routines of individuals and the operations of the organisation. Based on the findings of Rossi and Tuunainen (2007) study, Sinisalo et al (2007) conducted a study to investigate mobile customer relationship management (mCRM) practices among big retailers in Finland. The findings indicated that there are some issues that the company has to take into account when moving towards mobile customer relationship management (mCRM). According to Sinisalo et al (2007) these issues can be divided into three categories: exogenous, endogenous and mCRM-specific.

On the other hand, Okazaki (2005) finds that mobile advertising adoption by multinational companies (MNC's) are affected strongly by the MNC branding strategy, facilitating conditions, security and costs. He also found that Japanese, American, and European MNC's are statistically classifiable according to their cultural affiliation towards mobile advertising adoption. Within this context, while Japanese MNC's are the least willing MNC's to use and adopt mobile advertising, American MNC's are the most motivated MNC's to use and adopt mobile advertising. Within the same line, Juena and Mirz (2008) in a study to investigate the utilization of mobile advertising in B2C marketing found that technology has a great impact on mobile advertising and that personalisation, customer permission, control and privacy are the main factors affecting the popularity of mobile advertising. Moreover, Liu and Chen (2009) find that all the factors derived from the IDT, TAM and theory of planned behavior (except perceived risk and perceived ease of use) significantly affect mobile commerce acceptance. Some of the factors investigated by Liu and Chen (2009) are adopted by this research when constructing the research framework (the justification of this adoption as well as a detailed discussion of these factors is presented in chapter three)

This reflects another gap in the field of E-Marketing in general and E-Marketing in SBEs in particular. To cover such a gap there is a great need to conduct research studies to investigate the different aspects related to Mobile Marketing adoption and usage by SBEs as well as the impact of this adoption and usage on SBEs marketing performance.

2.4.2.5 E-Marketing adoption and SBEs marketing performance:

With regards to the impact of E-Marketing adoption on the marketing performance of SBEs, the review of the literature failed to find a single study that has been conducted to investigate the relationship between E-Marketing adoption and the marketing performance of SBEs. Consequently, this research expands the literature review to the broader concepts of E-Commerce, E-Business and to include other sizes of enterprises. Of the six studies identified through this extension, Brodie et al (2007), Wu et al. (2003), Drennan and McColl-Kennedy (2003), Domke-Damonte and Levsen (2002), Khan and Motiwalla (2002) and Garbi (2002), one study found positive relationship between E-Marketing and performance (Brodie et al, 2007) and five studies found a positive relationship between E-Business penetration and firm performance

(Wu et al, 2003; Drennan and McColl-Kennedy, 2003; Domke-Damonte and Levsen, 2002; Khan and Motiwalla, 2002 and Garbi, 2002). The most relevant studies of these six studies were the work of Brodie et al (2007), Domke-Damonte and Levsen (2002) and Wu et al (2003) because each of these studies investigated the relationship between adoption and performance.

Wu et al (2003) moderates the relationship between E-Business adoption and performance through the use of environment uncertainty. Based on their findings there is a positive relationship between E-Business adoption and performance as can be measured by sales performance, business efficiency, relationship development with customers and customer satisfaction. On the other hand, Brodie et al (2007) find that E-Marketing penetration increased among USA companies in the period from 2002 to 2005. They also find a positive relationship between E-Marketing adoption and performance. Finally, Domke-Damonte and Levsen (2002) find a positive relationship between Internet usage and business performance in small hotels.

On one hand, this reflects another gap in the field of E-Marketing in general and E-Marketing in SBEs in particular. To cover such a gap there is a great need to conduct research studies to investigate the impact of E-Marketing adoption and usage on SBEs marketing performance. On the other hand, this research differs from the three studies conducted by Brodie et al (2007), Domke-Damonte and Levsen (2002) and Wu et al (2003). With regards to Wu et al (2003) and Domke-Damonte and Levsen (2002), both studies mainly investigate E-Business and Internet adoption and the impact of this adoption on business performance which is totally different from the main focus of this study. Moreover although Brodie et al (2007) study was investigating E-Marketing adoption and its impact on marketing performance, they focus on American companies (not small business enterprises). Also they focus on acquisition performance and retention performance when investigating this relationship which is totally different from the main thrust of this study which looks at SBEs and aims to investigate the impact of E-Marketing adoption on marketing performance within these enterprises.

2.4.2.6 E-Marketing in developed and developing countries:

As a result of the high number of Internet users in North America (252 million users with a percentage of 16 per cent of all Internet users around the world – IWS, 2009e), not surprisingly a considerable number of the studies that focus on business use of the Internet and the WWW

have been conducted from the US perspective (Adam, et. al., 2002). According to Eid et al (2002) 62 per cent of the companies involved in the published case studies in the field of Business-to-Business international Internet Marketing (B2B IIM) are USA based, which indicates the leading role that US companies are taking towards E-Marketing implementation. However with regards to the literature related to E-Marketing in SBEs, there are a considerable number of studies that have been conducted in other countries. As illustrated in table 2-12 (page 2-40), the research output in E-Marketing is concentrated in four main countries: the UK, USA, Australia and New Zealand. Appendix eight illustrate some of the studies that have been conducted in these countries.

These studies have contributed to the understanding of business use of the Internet in individual countries. The Poon and Swatman (1997a, 1997b, and 1999) Australian studies focus on small business to the exclusion of medium and large business, whereas Ng and Wilson (1998) study use a broader sample base and more comprehensively describes business use of the Internet in the UK. The Ng and Wilson (1998) study does not, however, specifically examine the use of the Internet from a strategic marketing point of view. On the other hand, Ramsey and McCole (2005) study on New Zealand focus on E-Business adoption by SME's and the factors which influences the firm's current and future level of E-Business adoption. Regarding the studies conducted on the UK, it is noticed that a considerable number of these studies focused on SBEs.

Moreover, there are some inter-country comparisons of E-Marketing and business use of the Internet. Table 2-14 summaries the inter-country comparison studies in E-Marketing. As can be seen from the table, almost all these inter-country comparisons studies have been conducted in Europe and developed countries such as Australia, UK, USA, Ireland, Denmark, Germany, France, Austria, Sweden, Japan and New Zealand. The only study that can be seen to counter this trend is the one conducted by Jennex, Amoroso and Adalakun (2004a). Within this study they investigate the key infrastructure factors affecting the success of SBEs in establishing B2B E-Commerce ventures in developing economies. Their sample included SBEs from the USA, India, Thailand, Malaysia, Vietnam, Pakistan, Philippines, China, Taiwan, Turkey, Israel, Nigeria, Kenya and Brazil. The results reveal that employees' skills, client interface, and technical infrastructure are the most important factors to the success of B2B E-Commerce relationships.

Table 2-14: Inter-country comparisons studies in E-Marketing

<i>Study</i>	<i>Conducted on</i>
McCole and Ramsey (2004)	UK, the Republic of Ireland and New Zealand
Collins, et al (2003)	Austria, Ireland, Great Britain and Switzerland
Adam, et. al (2002)	UK, Australia and New Zealand
Adam and Deans (2001)	Australia and New Zealand
Beck, Wigand and König (2005a)	Denmark, the United States, Germany and France
Damaskopoulos and Evgeniou (2003)	Eastern Europe and Cyprus
Jennex, Amoroso and Adalakun (2004a)	USA, Asia, Europe, Middle East and Africa
Lawson-Body and P O'Keefe (2006)	United States and Canada
MacGregor and Vrazalic (2005)	Australia and Sweden
Rao, Metts and Monge (2003)	Cyberspace (Europe / 17 countries)
Okazaki, S. (2005)	Japan, USA and Europe
Daniel, E., and Wilson, H., and McDonald, M. (2003)	UK and USA

Furthermore, there are a relatively little number of studies that has been conducted in other less developed countries (LDC). Within this context, Hinson et al (2007) and Hinson and Sorensen (2006) conducted studies in Ghana; Lin (2008), Yu (2006), Chou et al (2005) and Tsao, Lin, and Lin (2004) conducted studies in Taiwan; De Klerk and Kroon (2007), Elliott and Boshoff (2005), Schlenker and Crocker (2003) and Moodley (2003) conducted studies in South Africa; Lertwongsatien and Wongpinunwatana (2003) conducted a study in Thailand; Kula and Tatoglu (2003), Kaynak, Tatoglu and Kula (2005) and Büyüközkan (2004) conducted studies in Turkey; Seyal and Abd Rahman (2003) and Looi, H. (2004) conducted studies in Brunei Darussalam; Tan, Tyler and Manica (2007) and Wong et al (2005) conducted studies in China and Lal (2005) and Rahman (2004) conducted studies in India. Moreover, table 2-15 illustrate E-Marketing studies conducted in less developed countries

Table 2-15: E-Marketing studies conducted in less developed countries

<i>Country</i>	<i>Study</i>
Taiwan	Lin (2008), Yu (2006), Chou, Hsu, Yeh, and Ho (2005), Tsao, Lin, and Lin (2004)
Ghana	Hinson, Atuguba, Ofori and Fobih (2007), Hinson and Sorensen (2006)
China	Tan, Tyler and Manica (2007), Wong, Y., Chan, R. and Leung, T. (2005)
South Africa	De Klerk and Kroon (2007), Elliott and Boshoff (2005), Schlenker

	and Crocker (2003), Moodley (2003)
Vietnam	Bui, et al (2006)
India	Lal (2005), Rahman (2004), Jennex, Amoroso and Adalakun (2004a).
Singapore	Teo, T. and Tan, J. (2002)
Pakistan	Sheikh (2009)
Botswana	Mutula and van Brakel (2006)
Slovenia	Lesjak and Vehovar (2005)
Turkey	Kaynak, Tatoglu and Kula (2005), Büyüközkan (2004), Kula and Tatoglu (2003), Jennex, Amoroso and Adalakun (2004a).
Hong Kong	Gunasekaran and Ngai (2005)
Greece	Lymperopoulos, C. and Chaniotakis, I. (2005)
Brunei Darussalam	Looi, H. (2004), Seyal and Abd Rahman (2003)
United Arab Emirates	Darby, R., Jones, J. and Al Madani, G. (2003)
Inter-country	Jennex, Amoroso and Adalakun (2004a)
Latin America	Rohm, Kashyap, Brashear and Milne (2004)
Chile	Grandon and Pearson (2003)
Thailand	Lertwongsatien and Wongpinunwatana (2003), Jennex, Amoroso and Adalakun (2004a).

According to the previous table; although there is a relatively limited number of studies in less developed countries (32 studies with a percentage of 5.9 % of the total number of studies in the literature period), it is noticed that there is a growing trend toward conducting E-Marketing related studies in LDCs. It is also noticed that there is no single study that has been conducted in Egypt or any other Arabic country except for the study of Darby, Jones and Al Madani (2003) which was conducted in the United Arab Emirates. This reflects a gap in the field of E-Marketing in general and E-Marketing in SBEs in particular. To cover such a gap there is a great need to conduct research studies to investigate the different aspects of E-Marketing in Egypt as well as other Arabic countries.

To sum up, there are a number of studies that have been conducted to investigate different E-Marketing issues and tools such as Internet Marketing, E-Mail Marketing, Intranet Marketing, Extranet Marketing and Mobile Marketing. However, almost all these studies concentrated on investigating each E-Marketing tool as a sole tool without integrating it with other tools. Additionally, not only are there a small number of studies investigating E-Marketing

from a small businesses perspective, but even fewer studies have investigated the adoption of E-Marketing by SBEs. Moreover, the review of the literature failed to find any studies that examine or investigate the adoption of Intranet Marketing, Extranet Marketing or Mobile Marketing by SBEs or the impact of this adoption and usage on the marketing performance of these enterprises. It is also noticed that there is no single study that has been conducted in Egypt or any other Arabic country except for the study of Darby, Jones and Al Madani (2003) which was conducted in the United Arab Emirates

This reflects gaps in the field of E-Marketing in general and E-Marketing in SBEs in particular. To cover such gaps there is a need to conduct research studies to investigate the different factors affecting the adoption of E-Marketing as well as the impact of this adoption on SBEs marketing performance in both developed and developing countries.

2.5 Chapter Summary:

Based on the introduction provided within chapter one, this chapter introduces the theoretical background related to the study, E-Marketing as a new marketing phenomenon and philosophy, SBEs as well as providing a comprehensive review of the relevant literature to E-Marketing and SBEs. The discussion within the chapter began with the dilemma related to E-Marketing definition. The discussion illustrated that there is no unique definition for E-Marketing and that the definition that will be used within this study is the one provided by Strauss and Frost (2001). Moreover the discussion illustrated that this research will investigate the factors affecting the adoption of five main E-Marketing tools (namely Internet Marketing, E-Mail Marketing, Mobile Marketing, Intranet Marketing and Extranet Marketing) by SBEs and the effect of this adoption on SBEs marketing performance.

Afterwards, an introductory discussion about the Internet (as the most important element of E-Marketing) was provided. Building on this introductory discussion, Internet history, its origins, growth, using it in conducting marketing activities, other E-Marketing tools and the current situations related to the Internet in Egypt and the UK were addressed and discussed in detail to provide a sound base for the theoretical background associated with this study.

Based on this theoretical background, and as a result of the lack of clarity associated with the concept of E-Marketing in the literature, the chapter illustrated the differences between the concepts of E-Marketing, Internet Marketing, E-Commerce and E-Business to build a ground base of understanding for these different concepts. Within this context and based on the discussions within the chapter, it was proven that E-Marketing, E-Business, E-Commerce and Internet marketing are not equivalents nor have the same meanings, as incorrectly seen in the literature. The discussion illustrated that E-Marketing is broader in scope than Internet Marketing since it refers not only to digital media such as the web, e-mail and wireless media, but also includes the management of digital customer data, Mobile Marketing, Intranet Marketing, Extranet Marketing and electronic customer relationship management systems. In contrast, E-Commerce and E-Business have a wider and broader scope than E-Marketing.

Subsequently the chapter illustrated the theoretical background related to SBEs showing their importance, the unique characteristics associated with it, the importance of having a definition for SBEs and the dilemma related to having such a definition. The discussions illustrated that there is no unique definition for SBEs and that there are a number of factors that have been used to define what a small business is. The discussion showed that number of employees is the most often used factor in determining the category of SBEs in most countries and that in most cases a small business enterprise will be defined as an enterprise that employs less than 50 employees. Based on this and due to the absence of a unique definition for SBEs, this research will depend on the European definition for SBEs for the purpose of conducting this research.

The discussions then illustrated a comprehensive review of the relevant literature in the different contexts related to E-Marketing and SBEs to guide the researcher in conducting the research design. The main aim of conducting this review is to explore, analyse and develop a clear understanding about the different research points related to studies of E-Marketing published between 1993 and 2009 in the field of E-Marketing. Such a review helps in preparing an archive of the past publications in the field of E-Marketing which in turn helps in determining the different gaps in the literature and consequently helps in directing future research in the field. The review was conducted through implementing a three stages search and yielded 387 studies from 83 journals. Each article of the 387 articles was reviewed carefully and in detail to

investigate the research points as well as the methodology applied in it. Articles were then classified according to research area, methodologies, research strategies, research methods, market studied, type of study (empirical/not empirical), sample unit, journal and year of publication.

Throughout this review of the literature, the chapter identified shortages and gaps in the literature related to E-Marketing and SBEs. Within this context, research gaps were found in areas related to factors affecting the adoption of E-Marketing (all the elements related to E-Marketing) by SBEs within the UK and Egypt as well as the impact of this adoption and usage on SBEs marketing performance. Accordingly there is a great need to conduct research studies to investigate the different aspects related to these areas which in turn will cover these research gaps. This research is concerned with covering these research gaps by identifying the factors affecting the adoption of E-Marketing by SBEs as a first step towards investigating the impact of this adoption on SBEs marketing performance. Within the following chapter the literature will be extended to include the different theories of IT and new technology adoption to develop a better understanding of their influence and potential for E-Marketing adoption in SBEs.