

## Electronic Marketing, Corporate Culture and Organizational Performance

**Olgha Auma Adede**  
PhD Candidate  
School of Business  
University of Nairobi  
Nairobi – Kenya

### Abstract

*E-marketing is more than just marketing carried out over the Internet. It involves the effective use of Information Communication Technology in playing a supportive role that aids business and marketing needs of an organization. The study has reviewed various literatures in order to get an in-depth understanding of the relationship between electronic marketing practices, corporate culture and organizational performance. The review indicates that organizations are able to benefit from e-marketing practices when they have the right culture that encourages adoption of new technology, including e-marketing practices. The paper also details the barriers as well as the enablers of e-marketing adoption while highlighting possible future of e-marketing as a discipline. It also provides reviews on the future direction for researchers.*

**Keywords:** Electronic Marketing, Online Marketing, Offline Marketing, Internet-marketing, E-commerce, E-business, Corporate Culture, Organizational Performance

### 1. Introduction

Developments of the 21<sup>st</sup> Century continue to present complex situations to organizations, among them; increased competition, dwindling resources, technological advancements, changing stakeholder demands, melting global economies and globalization. These situations demand that organizations adopt best practices that assure them of competitiveness and success. The developments are experienced across sectors globally thereby forcing organizations to be more innovative, scan the environment, embrace technology and effectively target their customers in order to remain relevant and competitive. In order to survive amidst the changes taking place, organizations have evolved from being product-driven to market-driven which has enabled better understanding of customers and competitors (Lwiza & Nwonkwo, 2002; Jenkins, 2013). Technological advancements have specifically played a major role in enhancing targeting by organizations and the advent of the internet and other interactive technologies have enabled organizations enlarge their marketing strategies to include e-marketing.

### 2. Objective of The Paper

The objective of this paper is to build a structured review of literature on e-marketing, corporate culture and organizational performance, in order provide a record of past research points related to the topic of study. The literature review will also help explore and develop a clear understanding of the relationship among the study variables.

### 3. Internet-Marketing, E-Marketing, E-Commerce And E-Business

In trying to understand the concept of e-marketing, it is important to highlight the terms Internet marketing, E-business and E-commerce due to the interrelatedness of the terms. The terms e-marketing, internet marketing and online marketing, are used interchangeably, and are therefore considered synonymous (Brodie et al, 2007). El-Gohary (2011) however contents that most researchers misuse the term e-marketing by using the terms e-marketing, internet marketing, e-business and e-commerce as equivalents whereas they are different in wording and meaning. He posits out that e-marketing has a broader scope than internet marketing since internet marketing refers only to the internet, World Wide Web and e-mails while e-marketing includes all of the above plus all other e-marketing tools like: intranets, extranets, use of mobile phones and other interactive technologies.

In contrast with this position, e-commerce and e-business have a wider and broader scope than e-marketing (El-Gohary, 2011). E-business is the use of electronic platforms which include the intranet, extranet and the internet to conduct business processes (Kotler, 2010). It looks at the business as a whole and targets all business processes that include production, supply chain, customers and internal management. It is a broad aspect that entails the transformation of an organization's processes to deliver additional customer value (Banerjee & Dash, 2011). E-commerce on the other hand is a sub-set of e-business and entails use of the internet to market, sell and conduct transactions with customers without any face to face contacts (Kotler, 2010). Harridge-March (2004) adds that e-commerce is the sharing of business information, maintaining of business relationships, and conducting of business transactions by means of telecommunications networks. This includes electronically supported commercial transactions involving both organizations and individuals. It therefore refers to the ordering, buying, selling and paying for goods and services using the internet. Although e-commerce can embrace the execution of business transactions using any electronic media, Harridge-March (2004) maintains that the use of the internet, web marketing, mobile telephones and digital Television; when used as tools with which to access the internet, then the term "interactive marketing" or "electronic marketing" becomes more appropriate. She concludes that internet marketing, interactive marketing and mobile marketing, are therefore all forms of e-marketing practices.

#### **4. Electronic Marketing**

E-marketing is the application of marketing principles and techniques via electronic media, including the internet. This makes it the e-selling side of e-commerce which entails a company's efforts to promote and sell its products through the internet and other electronic devices (Kotler, 2010). Harridge-March (2004) posits that e-marketing makes use of the internet as the vehicle to address the 4Ps of marketing namely product, price, promotion and place. E-marketing therefore encompasses all the activities a business conducts via the worldwide web with the aim of attracting new businesses, retaining current ones and developing corporate brand identity. It is a modern business practice involved in marketing of goods, services, information and ideas via the internet and other electronic means (El-Gohary, 2011).

On his part, Siegel (2003) maintains that e-marketing is a subset of e-business that utilizes electronic media to perform marketing activities and achieve desired marketing objectives for an organization. In this case, e-marketing manages the consumer's online experience of the product from the first encounter on the internet through purchase to delivery and subsequently the after sales service. Kotler (2010) argues that e-marketing consists of a company's efforts to communicate, promote, and sell its products and services over the internet. Banerjee and Dash (2011) purport that e-marketing uses the internet as a platform that allows firms to adapt to the needs of customers, reduces transaction costs and allows customers to move from time and location-based behaviours toward non-temporal and non-locational behaviours.

Whereas e-marketing has been widely associated with the use of the internet, Ellis-Chadwick and Doherty (2012) refute this and add that e-marketing is the use of the internet and other interactive technologies to create and mediate dialogue between the firm and its customers. Baker and Sinkula (2005); Smith and Zook (2011) maintain that e-marketing utilizes electronic communications technology (both online and offline networks) that include digital platforms, electronic mails, websites and telecommunications technology, interactive technologies like Compact Disks, MP3 among others, to achieve marketing objectives. Dann and Dann (2011) add that e-marketing entails marketing activities and approaches that require some form of interactivity for their implementation. E-marketing therefore relies on some form of technology that includes electronic devices, interactivity and marketing for its implementation. The literature reviewed show that e-marketing therefore go beyond the internet and the use of a company's website to promote and sell a company's products and services while managing customer relationships.

#### **5. Corporate Culture**

Corporate culture refers to the patterns of life, behaviour and inclinations that differentiate one organization from the other. It details how an organization responds to environmental influences. Corporate culture entails patterns of shared values and beliefs over time which produce behavioral norms that are adopted in solving organization's problems (Egan et al, 2004). In this case, corporate culture is a body of solutions to problems which have worked consistently within the organization which are therefore taught to new members as the correct way to perceive, think about and feel in relation to those problems whenever they occur.

Kotter (2008) posits that as organizations encounter challenges, solutions that repeatedly appear to solve the problems they encounter tend to become a part of their culture and the more the solutions work the more deeply they become embedded in the organization's culture. Skerlavaj et al (2007), state that the shared philosophies, assumptions, values, expectations, attitudes and norms bind an organization together. It implies therefore that the set of integrated concepts become the manner through which an organization achieves its specific goals. An organization's collective culture influences the attitudes and subsequent behaviour of employees as well as the level of performance the organization achieves.

Cameron and Quinn (2006) posit that culture within an organization is thought to permeate the organization on at least three fundamental levels. At the surface, one may observe visible artifacts of the organization that include its structure, technology, rules of conduct, dress code, physical layout and rituals. Beneath this dimension is a second level that entails organizational values and beliefs and finally the underlying assumptions about the nature of organizational "reality" that are the deeper manifestations of values. Skerlavaj et al (2007) add that corporate culture is the pattern of basic assumptions invented, discovered and developed by different organizations in learning how to cope with its problems that may require external adaptation and internal integration. Corporate culture is therefore not the overt behavior of members of a group and artifacts visible in a company nor the philosophy and value systems the founder may articulate but the assumptions that lie beneath the values which determine the behavioral patterns adopted in the company and the visible artifacts that include office layout, architecture and dress code, among others (Skerlavaj et al, 2007).

### **6. Organizational Performance**

Organizational performance refers to efficiencies in terms of utilization of resources as well as accomplishment of goals (Firer & William, 2003). Performance measurements give indication as to the efficiency as well as the effectiveness of an organization. All the decisions made in an organization have a relationship with its performance. Most organizational performance measures are historical and how an organization's performance is measured and presented is often determined by its stakeholders. Organisations design key performance indicators to measure and monitor how well they are delivering on their strategic objectives and these also determine their overall performance.

Whereas organizational performance measures are varied, the traditional measures include profitability, productivity and market valuation (Firer & William, 2003). Financial performance indicators include return on investment, return on assets and return on shareholders' equity. Operational performance indicators on the other hand include market share, new products, product quality, market or segment effectiveness, manufacturing value addition, technological efficiency, and survival over time (Wekesa, 2016). Skerlavaj et al (2007) contend that there is little agreement as to what constitutes organizational performance, and add that indicators of organizational performance are not universally identified and defined by scholars. They therefore propose that a more comprehensive definition of organizational performance should include operational as well as organizational effectiveness besides the highly utilized financial indicators. This position is also maintained by Kennerley and Neely (2002) who have recommended the balanced scorecard propagated by Norton and Kaplan (1996) as a more universally accepted indicator of performance.

The balanced scorecard enables well rounded corporate performance measurement devoid of over-reliance on financial measures of performance. Through its four perspectives; financial, customer, innovation and learning and internal process perspectives, it allows managers to view business performance in a holistic and balanced way. By incorporating both financial and non-financial measures, the balanced scorecard broadens the boundaries of organizational performance and integrates intangible as well as tangible aspects which are very important in measuring organizational performance. Kotler (2010) contents that the best indicators of organizational performance include but are not limited to the level of customer satisfaction, indications on customer preference, share of customer mind and customer perception.

### **7. Adoption and Diffusion of Innovation**

Armstrong and Kotler (2003) define adoption as the decision by an individual to become a regular user of an innovation. An innovation can take the form of a new product, idea, structure, production process, technology or administration system (Bilgihan et al, 2011). Adoption is a mental process through which individuals pass from the first time they learn about an innovation to final acceptance / rejection of the same.

Rogers (1995) presented the Diffusion of Innovations Theory (DIT) which highlights how consumers' adoption of new ideas takes place at different stages with some customers considered as venturesome and risk takers being the first to try out new ideas. The theory highlights how people respond to new ideas they are exposed to differently. DIT introduced the adopter category which is composed of the innovators, early adopters, early majority, late majority and the laggards. Schiffman and Kanuk (2007) stress the importance of the adopter categories which form a good platform for marketing organizations' reference on the possible adoption process upon an organization's launch of new products, technologies and systems.

Diffusion of Innovations theory (Rogers, 1995) assumes that the consumer moves through five stages before arriving at the decision to purchase or to reject a new idea or product. These stages include awareness, interest, evaluation, trial and adoption (rejection) of the new idea (Schiffman & Kanuk, 2007; Armstrong & Kotler, 2003). Awareness stage demonstrates the time the consumer gets to know of the innovation but lacks sufficient information about it. Awareness often takes place through exposure to the innovation through various channels of communication. Upon trying out the innovation on limited basis and evaluating its performance against expectations, the consumer makes a lasting decision of either adopting or rejecting the innovation altogether.

Schiffman and Kanuk (2007) admit that innovations do not always have equal potential for consumer acceptance and whereas some innovations are readily accepted, others take longer to be accepted while some are rejected completely thus have no chance of adoption. Whereas marketers are not able to determine the likelihood of acceptance of innovations, diffusion process introduces five characteristics of innovations that help in consumer acceptance of innovations thus relative advantage, compatibility, complexity, trialability and observability (Schiffman & Kanuk 2007; Armstrong & Kotler 2003). Relative advantage is the degree to which potential customers perceive an innovation as superior to existing substitutes with the innovations that have relative advantage (seen as more superior) over the substitutes having higher acceptance rate than those seen to lack any advantage. Compatibility refers to the degree to which potential consumers feel an innovation is consistent with their present needs, values and practices. Consumers readily accept innovations that they feel are more compatible with their needs and values than those that lack in compatibility. Complexity is the degree to which an innovation is difficult to understand or use. This affects acceptance as innovations that are easy to understand and use are easily accepted compared with those that are not. Trialability is the degree to which an innovation is capable of being tried on limited basis and the greater the opportunity to try out an innovation the higher the acceptance of the same. Observability on the other hand is the ease with which the benefits and attributes of an innovation can be observed, imagined or described to potential consumers. Innovations with higher degree of social visibility are more easily diffused than those that are used privately (Schiffman & Kanuk, 2007).

### **8. Drivers of Adoption of Electronic Marketing**

E-marketing is growing rapidly and is significantly impacting customer and business market behaviour. Organizations are increasingly developing e-marketing strategies by utilizing existing and emerging communications as well as data networks (Sheth et al, 2005). This imparts personalized and uninterrupted communication between organizations and customers which in the end provide value above application of traditional networks on their own (Dann & Dann, 2011). Harridge-March (2004) suggests that interactive technologies are doing away with the need for people to visit shops as time spent by home web users is also increasing because they are searching for and using websites more often than ever.

Olson and Boyer (2003) detail in their study how the changing demographic profile of the United States of America's population, the expanding number of dual-income and single-parent households, the increase in average age of the household head; have all contributed to the adoption of internet shopping. Due to obligations to work and family, people are increasingly time constrained thus opting to turn to internet shopping. The sick, disabled and the elderly do not have the ability to physically visit retail outlets but often opt for internet shopping that fits their situations. Internet shopping is also credited with delivery of greater convenience, more and better product information and lower prices due to customers' ability to compare prices on line before committing to purchases. E-marketing has also made it easier for organizations to trade across borders thereby breaking geographic barriers as consumers are able to access products and services by a single press of a button. E-marketing, in this case, allows firms to reach customers that may not be easily accessible due to temporal and locational limitations of existing distribution channels (Harridge-March, 2004).

The primary advantages of e-marketing is reducing costs and enhancing reach. Smith and Zook (2011) posit that the cost of an e-marketing platform is normally lower than other marketing platforms such as face-to-face contacts made by sales people or middlemen/distributors. Banerjee and Dash (2011) maintain that e-mail marketing campaigns, web banners, online directory adverts, telephone marketing and other interactive marketing technologies produce approximately twice the return on marketing investment compared with other main forms of traditional marketing techniques. The web is also being widely used as a research tool by organizations and individuals. Organizations that are reluctant to adopt e-marketing are more likely to loose out to those that have readily adopted the concept (Ellis-Chadwick & Doherty, 2012).

E-marketing has real benefits that include faster cycle time, higher response rates, global reach, access to the market at an affordable rate, more conversion rates, 24 hour marketing as well as trackable and measurable communication campaigns (Ellis-Chadwick and Doherty, 2012). Krishnamurthy and Singh (2005) add that e-marketing is opening new markets for existing businesses; it is creating new business models such as the virtual organizations while providing users with an easier, more convenient screen-to-face interactions. Harridge-March (2004) maintains that e-marketing enables organizations to achieve increased effectiveness and efficiency through communicating with customers. Notably, companies that have websites and have adopted e-marketing strategy have the potential of giving information, entertaining and being interactive with their customers.

### **9. Barriers to Adoption of Electronic Marketing**

Adoption of e-marketing depends to a great extent on technology and literacy of users with the literacy of the users being measured in terms of their ability to interact with and use technology effectively (Otieno, 2006). Areas with lower literacy levels pose barriers to adoption of e-marketing. Internet security is equally a major concern to individuals and marketing organizations alike. The speed with which computer viruses spread and the growing expertise of hackers and cyber criminals who seek to steal from or damage the organization pause security concerns (Olson & Boyer, 2002). Marketing organizations adopting e-marketing have to invest in proper security procedures to guard all forms of e-marketing practices – both online and offline activities.

A country's infrastructure development which includes roads, telecommunications, legislative bodies, open and free justice systems; affect the level of adoption of e-marketing (Sheth & Sharma, 2005). Telecommunication density, broadband access, data processing devices - including personal computers and mobile phones, address the issues of availability and access to the tools necessary for e-marketing utilization (Krishnamurthy & Singh, 2005). Weak legal and legislative infrastructure increases transaction governance costs and adaptation requirements. Lack of a well-developed infrastructure has a negative influence on e-marketing adoption.

Olson and Boyer (2003) contend that the main impediments to consumer adoption of e-marketing strategies are not the technical issues associated with network security and bandwidth but various complaints by customers that online activities especially the web is hard to navigate; it is difficult to find specific items and offerings of organizations and that individual sites are too limited due to lack of variety to choose from. Customers are also often disappointed by the customer service due to lack of personal service, entertainment and social interactions experienced with traditional marketing activities. Raoofi (2012) however refutes this and maintains that the e-marketing provides enormous potential benefits to consumers globally by offering a wider choice and range in products at lower prices and by availing entirely new products and many product categories such as books, CDs and travel packages to consumers who are physically far away from the world's centers of traditional commerce.

Otieno (2006) identified three barriers to e-marketing adoption as being the organization itself, trust in the system and legal support issues. He contends that although market conditions are changing very fast, for fear of the unknown, organizations find it harder to adapt and deal with these changes at the same pace as they occur. Raoofi (2012) holds the same sentiments and adds that lack of trust affects consumer engagement with internet stores and that consumers are unlikely to patronize internet stores that fail to create a sense of trust. In this case, trust can only exist if the consumer believes that the seller has both the ability and the motivation to deliver goods and services of the quality expected by the consumer. Consumers are less willing to depend on an impersonal electronic storefront to act on their behalf as is the case in internet shopping. Internet merchants are considered 'fly-by-night' as there are fewer assurances to the consumers that the retailer will stay in business for longer. Olson and Boyer (2003) suggest that much of the internet activity by retailers is experimentation and that overall internet involvement is quite low mainly due to the high set-up costs with high risk of potential failure which prevents many firms from fully embracing the concept.

Adoption of e-marketing has also been slowed down by misalignment between the ICT and marketing strategies of different firms, inability to leverage the ICT infrastructure to the marketing functions, lack of innovative application of e-marketing capabilities and poor interpersonal relationship between ICT and marketing personnel (Gachiri, 2008). This disconnect hinders acceptance and eventual adoption of e-marketing by organizations.

### ***10. Electronic Marketing and Organizational Performance***

E-marketing entails the use of the internet and other forms of interactive technologies to mediate dialogue between an organization and its customers. It differs from other marketing practices due to its reliance on technology to enable interactivity. E-marketing impacts organizations positively through improved communication, marketing research, sales performance, customer relationship management as well as in analysis and planning (Brodie et al., 2007). Studies have demonstrated a direct link between e-marketing and organizational performance through improved service delivery, sales performance and customer interaction (Hossinpour et al, 2014; Trainor et al, 2011; Brodie et al, 2007). E-marketing enhances business performance through improved sales performance and efficiency thereby affecting both the top line and the bottom line in business-to-business organizations (Avlonitis & Karanyani, 2000). E-marketing therefore allows sales personnel to have interactive communications with customers thereby highly affecting sales management activities by facilitating market segmentation and customer classification through effective database management and inter organizational information exchanges. It also facilitates product management activities that lead to product customization and innovations' acceleration.

Further studies show a strong positive relationship between e-marketing penetration and organizational performance in influencing customer acquisition and retention (Brodie et al, 2007). Bar wise and Farley's (2005) add that organizations are increasingly adopting e-marketing and integrating it with other marketing practices for better customer engagement and feedback. The success of e-marketing therefore comes from the enhancement and support of existing business practices. Day and Bens (2005) posit that organizations that have adopted e-marketing often perform better through increased efficiency and effectiveness of database and network marketing practices. E-marketing adoption enables businesses to increase the intensity and enrich the quality of their interactions with partners and suppliers. Important product planning and inventory information is shared on a regular or even real-time basis, thereby leading to more productive relationships (Siegel, 2003).

Akroush, et al. (2009) posit that there is a positive and significant relationship between the e-marketing mix strategies, namely, e-product, e-pricing, e-promotion and e-distribution channels, and the overall performance of organizations through both financial and non-financial performance indicators. E-marketing strategy increases efficiency as the technology involved in e-marketing transforms many marketing strategies resulting into new business models that add customer value as well as increase company profitability (Frost & Strauss, 2001). Marketing research is made easier through e-marketing capabilities. Organizations that have adopted e-marketing are able to efficiently collect market information that aids in market segmentation, product development, service quality improvement, competitors search, industry understanding and customer feedback; all of which improve their market targeting and business success (Hossinpour et al, 2014).

Despite the rich literature linking e-marketing and organizational performance, Tsiotsou and Vlachopoulou (2009) reveal that e-marketing simply has a mediating effect on business performance due to its integration within and inter-relationship with other marketing resources and practices. Whereas Avlonitis and Karanyani (2000) posit that e-marketing practices enhance business performance in terms of sales performance and efficiency, they contend that its adoption does not automatically lead to competitive advantage in efficiency but enables implementation of interactive sales management activities and customized product offerings without sacrificing efficiency.

### ***11. Corporate Culture and Organizational Performance***

Corporate culture and organizational effectiveness address the impact that corporate culture has on effective performance of the organization. The involvement of the organization's members; adaptability to respond to new circumstances while still retaining its basic character; a consistent or strong, clearly defined culture and a clear mission providing direction and meaning, define cultural dimensions within organizations (Skerlavaj et al, 2007). Strong cultures are associated with good performance as culture is embedded in the company's mission statement (Kotter, 2008).

Organizations with strong culture adopt a culture engraved in the way things are done to the extent that nothing ever changes even when a new executive joins the organization due to the deep roots that the culture has within the organization's activities and practices. Strong culture relates to performance as it enables goal alignment which results into employee motivation while providing needed structures and controls within the organization (Ogbanna & Harris, 2000).

Uniqueness quality of corporate culture makes it a potentially powerful source of generating advantage over competitors. Cameron and Quinn (2006) posit that sustainable competitive advantage arises from the creation of organizational competencies which are both superior and imperfectly imitable by competitors. Organizational culture creates competitive advantage by designing the boundaries of the organization in a manner that facilitates individual interaction while limiting the scope of information processing to appropriate levels (Ogbonna & Harris, 2000). Corporate culture that embraces innovation as a standard business practice constantly seeks for new solutions to existing and potential problems. Such organizations consider innovation as a culture thus an indispensable operational function which translates into good performance (Kyriazopoulos & Samanta, 2006).

Market oriented culture affects performance through innovativeness, loyalty and quality. A body of literature exists that relate customer oriented culture to organizational performance in line with enhanced profitability over and above costs involved in implementation of the market orientation (Skerlevaj et al, 2007). Market oriented culture also contributes to perceived high quality of products and services, customer loyalty, customer satisfaction with organization's products, maintenance of superior customer value and higher profitability (Jaworski & Kohli, 2004). Kirca et al (2005) add that market oriented culture is positively associated with performance in countries whose cultures portray low power distance and uncertainty avoidance as compared to those countries that are high in the same. On their part, Cameron and Quinn (2006) maintain that market oriented culture causes organizations to become more customer focused. This forces them to seek and gather information about their competitors while responding to customer needs effectively. Jaworski and Kohli (2004) hold that organizations that are market oriented have a culture of tracking and responding to customers' needs effectively and this has a positive effect on organizations' performance.

Despite the many studies positively associating corporate culture with organizational performance, Kotter (2008) advises that strong culture can easily become arrogant, inward focused and bureaucratic thereby undermining economic performance and making strategic change impossible to implement. Skerlavaj et al (2007) maintain that corporate culture can only be linked to superior performance if it is able to adapt to changes in environmental conditions. Corporate culture must not therefore only be strong and widely shared but must also have unique qualities which cannot be imitated. When this is achieved, then corporate culture is capable of being linked to good performance. Organizations should therefore manage the strength of the corporate culture in order to have a balance between strong and weak culture as the two extremes can be detrimental to an organizational performance (Agarwal et al, 2003). While studies have questioned the universality of a corporate culture and organizational performance linkage, sufficient evidence suggests that organizational culture is associated with organizational performance.

## ***12. Electronic Marketing, Corporate Culture and Organizational Performance***

E-marketing practices enhance organizational performance if backed by corporate culture that enables ease of adoption. Asikhia (2009) details that e-marketing translates more into organizational performance when supported by corporate culture and behavioral dispositions that include market orientation. In this regard, effective e-marketing enables organizations obtain competitive intelligence and organizational capabilities that facilitate effective marketing decisions for better market positioning. Corporate culture can enhance performance by encouraging and motivating employees, promoting cohesion within the organization while shaping the behaviour of members (Daft, 2007). Market-oriented culture encourages adoption of e-marketing practices thereby contributing to an organization's superior marketing competencies (Raoofi, 2012). Organizations that are market oriented have a culture of tracking and responding to customers' needs; responding with relevant strategies that results into better performance (Jaworski & Kohli, 2004). Organizational learning culture has a direct impact on organizational non-financial performance through employee, customer and supplier perspectives; and indirect impact on financial performance (Skerlavaj et al, 2007). Egan et al (2004) found that higher-level organizational learning culture is associated with employees' job satisfaction and both directly and indirectly with lower turnover intention.

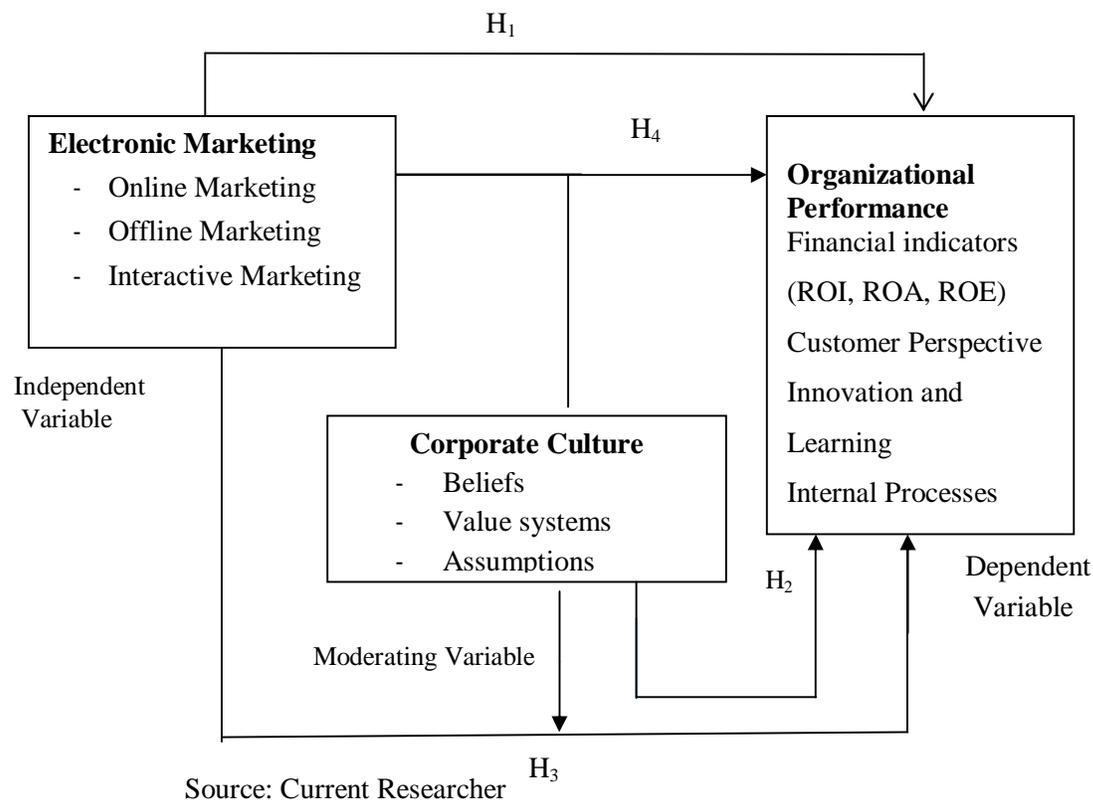
Investing effort, time and money into initiatives aimed at developing a learning-oriented culture often brings about improved organizational performance in terms of better relationships within and outside the company as well as in profitability (Skerlavaj et al, 2007). This means that managers striving for effectiveness and efficiency in their processes should put people first.

### 13. Conceptual Framework

A model that links e-marketing to organizational performance can be developed based on the discussions presented in the literature reviewed. E-marketing has a direct influence on organizational performance; however, this influence is moderated by corporate culture which influences firm's decision and commitment to invest in resources that enable utilization and adoption of e-marketing strategy. E-Marketing is therefore the independent variable; corporate culture is the moderating variable while organizational performance is the dependent variable.

E-marketing is viewed in terms of online, offline and interactive activities while organizational performance is viewed along the balance scorecard perspectives advocated by Kaplan and Norton (1996). Corporate culture on the other hand is viewed in terms of beliefs, assumptions and values within the organization. Corporate culture determines the adoption process; thus the rate at which e-marketing is adopted within the organization. Organizations with positive culture and desire to remain competitive will adopt e-marketing faster thereby enhancing their performance (Kotter, 2008). The ability of the organization to invest in resources that enable utilization of e-marketing is also very crucial and is considered a factor of culture. Such organizations will therefore consider investing in personnel (through skills development), equipment and systems which enable effective application of the e-marketing strategies.

**Figure 1: Conceptual model of E-marketing, Corporate Culture and Organizational Performance**



#### 1.11 Conceptual Hypotheses

The following hypotheses are developed from the reviewed literature and the above conceptual framework.

- H1 There is significant relationship between Electronic Marketing and Organizational Performance  
 H2 There is significant relationship between Corporate Culture and Organizational Performance  
 H3 The relationship between the Electronic Marketing and Organizational Performance is significantly moderated by Corporate Culture

H4 The joint effect of Electronic Marketing, Corporate Culture and Organizational Performance is statistically significant

#### **14. The Future of Electronic Marketing**

Marketing organizations have turned to technology in order to cope with the emerging challenges of getting more from marketing resources while simultaneously meeting greater customer expectations and establishing long lasting relationships. Studies by Brodie et al (2007) and Trainor et al (2010) suggest that organizations can improve customer acquisition and retention by integrating information technology into their marketing practices to foster rich interactions with their customers. This trend is expected to grow in the future as organizations recognize the greater importance of incorporating e-marketing into their marketing strategies. The advent of globalization, internationalization, technological advancements, changing social trends, customer pro-activity and increased preferences for convenience; all point to the fact that the future of e-marketing cannot be down played (Brodie et al., 2007).

Globalization is a pointer to the bright future of e-marketing as it enables ease of interaction and integration among people, companies and governments globally. Shopping online has gained acceptance due to the convenience it affords both the customers and organizations. Due to globalization, shoppers no longer have to travel 'abroad' to access products of interest. Coupled with consumers' pursuit for convenience, e-marketing makes it possible for consumers to access products and services globally from the comfort of their homes and offices (Brodie et al, 2007).

Technological advancement has seen spread and adoption of the internet and other interactive technologies to create and mediate dialogue between the organization and its customers (Brodie et al, 2007). Businesses are increasingly handling commercial exchanges of goods, services, information and ideas through technology while smart cards, point-of-sale devices, scratch cards, and similar technology are highly visible worldwide (Asikhia, 2009). Technological advancement has seen rise of e-banking transactions through online banking services thereby enabling customers to patronize the banks from the convenience and comfort of their homes and offices. The growth and acceptance of credit cards, debit cards and automated teller machines (ATMs); the rise of e-payment solution companies like Master Card and Visa Card that allow customers to pay, withdraw or transfer funds anywhere in the world as well as make purchases with their e-cards have all been made possible due to technological advancement. This is a pointer to the bright future of e-marketing which does not only involve marketing through the internet but also effective use of technology to market companies offerings (Asikhia, 2009; Raoofi, 2012).

E-marketing is rapidly gaining prominence as a tool for competitiveness worldwide. Internationalization is gaining ground as multinational companies seek to stamp their presence globally. Adoption of e-marketing strategy will enable a process driven by international trade and investment as aided by information technology. Krishnamurthy and Sing (2006) posit that the international acceptance of the internet and the web increases the scope of international e-marketing. Internationalization introduces changes in every organization's marketing practices thereby prompting organizations to step up their efforts to electronify their marketing operations to better satisfy customer needs while effectively enhancing their operations in the international markets (Asikhia, 2009).

With the increase in adoption of e-marketing, the customer is projected to take an increasingly active role in the fulfillment process, leading to "co-creation." Co-creation involves both customers and marketers interacting in aspects of design, production and consumption of products and services. This process is already taking place in the marketing of services but will increasingly be seen in the design and production of physical products (Constantinides, 2004). As firms embrace co-creation, e-marketing will be at a centrifugal point between producers and consumers of products and services.

#### **15. Conclusion and the Way Forward**

The importance of e-marketing as a concept needs more understanding for organizations to gain from the wide benefits it offers. Marketers have acknowledged that the world is a global village and adoption of e-marketing enables organizations to reach the whole world with their communications and offerings. Organizations that ignore e-marketing would be at a disadvantaged position compared to those that adopt it.

For organizations to remain competitive there needs to be a strong link between the environments within which they operate, development of positive culture that encourages investment in resources that enable adoption of e-

marketing. Organizations need to be willing to surmount the barriers to adoption of e-marketing in order to enhance their performance. The ability to scan the environment and act on the same; have the right corporate culture that is receptive to change, coupled with adequate resources (financial, physical and human), play a vital role in organizational performance.

Whereas e-marketing is still in its youthful stage as compared to other established marketing strategies, the trends show that its adoption is taking place at a very significant rate. Despite this, few researchers are devoting their time and resources in studying it thereby leaving a big gap that may need to be explored (El-Gohary, 2011). Significant future developments in the area of e-marketing are therefore anticipated as more and more organizations adopt it as an un-matched marketing strategy. This will also lead to more scholars choosing to research much more on the concept while extending it to other avenues not covered by existing studies. It is also important that scholars conduct future studies to explicitly determine the relationships between electronic marketing, corporate culture and organizational performance.

## Reference

- Agarwal, S., Erramilli, M. K., & Dev, C. S. (2003). Market orientation and performance in service firms: role of innovation. *Journal of Services Marketing*, 69, 24-41.
- Akroush, M. N. (2009). Does service quality implementation mediate the relationship between technical service quality and performance: an empirical examination of banks in Jordan. *International Journal of Services, Economics and Management*, 1(3), 209
- Armstrong, G., & Kotler, P. (2003). *Marketing: An introduction* (6th ed.). Upper Saddle River, NJ: Prentice Hall.
- Asikhia, O. U. (2009). The moderating role of e-marketing on the consequences of market orientation in Nigerian firms. *International journal of business and information*, 4(2), 243-270.
- Avlonitis, G. J., & Karayanni, D. A. (2000). The Impact of Internet Use on Business-to-Business Marketing. *Industrial Marketing Management*, 29, 441-459.
- Baker, W. E., & Sinkula, J. M. (2005). Market Orientation and the New Product Paradox. *Journal of Product Innovation Management*, 22(6), 483-502.
- Banerjee, S., & Dash, S. K. (2011). Factors influencing scope and acceptability of E-detailing as a pharmaceutical marketing communication tool in emerging economies like India : Views of the company personnel. *International Journal of Pharmaceutical and Healthcare Marketing*, 5(2), 153-168.
- Barwise, P., & Farley, J. U. (2005). The state of interactive marketing in seven countries: Interactive marketing comes of age. *Journal of Interactive Marketing*, 19(3), 67-80.
- Bilgihan, A., Okumus, F., & Kwun, D. J. (2011). Information technology applications and competitive advantage in hotel companies. *Journal of Hospitality and Tourism Technology*, 2(2), 139-154.
- Brodie, R. J., Winklhofer, H., Coviello, N. E., & Johnston, W. J. (2007). Is e-marketing coming of age? An examination of the penetration of e-marketing and firm performance. *Journal of Interactive Marketing*, 21(1), 1-22.
- Cameron, K. S., & Quinn, R. E. (2006). *Diagnosing and changing organizational culture: Based on the competing values framework*. San Francisco: Jossey-Bass.
- Constantinides, E. (2004). *Influencing the online consumer's behaviour: the Web Experience*. Internet Research
- Daft, R. L. (2007). *Organizational Theory and Design* (9th ed.). South-Western: Cincinnati, OH.
- Dann, S., & Dann, S. (2011). *E-marketing theory and application* (1st ed.). United Kingdom: Palgrave Macmillan.
- Day, G. S., & Bens, K. J. (2005). Capitalizing on the internet opportunity. *Journal of Business & Industrial Marketing*, 20(4/5), 160-168.
- Egan, T. M., Yang, B., & Bartlett, K. R. (2004). The Effects of Organizational Learning Culture and Job Satisfaction on Motivation to Transfer Learning and Turnover Intention. *Human Resource Development Quarterly*, 15, 279-301.
- El-Gohary, H. (2011). E-Marketing - A literature Review from a Small Businesses perspective. *International Journal of Business and Social Science*, 1(1), 214-244.
- Ellis-Chadwick, F., & Doherty, N. F. (2012). Web advertising: The role of e-mail marketing. *Journal of Business Research*, 65(6), 843-848.
- Firer, S., & Williams, S. M. (2003). Intellectual Capital and Traditional Measures of Corporate Performance. Paper Presented at the 6th World Congress on Intellectual Capital. *Journal of intellectual capital*, 4(3), 348-360.
- Frost, R., & Strauss, J. (2001). *Building Effective Websites*. Prentice Hall.

- Gachiri, C. (2008). "Extent and challenges of application of information and communication technology in marketing in commercial bank". Unpublished MBA Research Project, University of Nairobi, Nairobi, Kenya
- Harridge-March, S. (2004). Electronic marketing, the new kid on the block. *Marketing Intelligence & Planning*, 22(3), 297-309.
- Hossinpour, M., Hasanzade, M., & Feizi, M. (2014). The impact of E-marketing on life and investment insurance sales with emphasis on internet. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 3(8), 235-245.
- Jaworski, B. J., & Kohli, A. K. (2004). Market orientation: Review, refinement, and roadmap. *Journal of Market-focused Management*, 1(2), 119-135.
- Jenkins, A. (2013): Barclays Bank: Transform update 2013 interim results, 30 July 2013
- Kaplan, R. S., & Norton, D. P. (1996). Using the Balanced Scorecard as a Strategic Management System. *Harvard Business Review*, 75-85.
- Kennerley, M., & Neely, A. (2002). A framework of the factors affecting the evolution of performance measurement systems. *International Journal of Operations & Production Management*, 22(11), 1222-1245.
- Kirca, A. H., Jayachandran, S., & Bearden, W. O. (2005). Market Orientation: A Meta-Analytic Review and Assessment of Its Antecedents and Impact on Performance. *Journal of Marketing*, 69(4), 24-41.
- Krishnamurthy, S., & Singh, N. (2005). The international e-marketing framework (IEMF) : Identifying the building blocks for future global e-marketing research. *International Marketing Review*, 22(6), 605-610.
- Kotler, P. (2010). *Principles Of Marketing: A South Asian Perspective*, 13/E: Pearson Education India.
- Kotter, J. P., & Schlesinger, L. A. (2008). Choosing Strategies for Change. *Harvard Business Review*, 130-140.
- Kyriazopoulos, P., & Samanta, I. (2006). Can the internal structure of an organization assist and facilitate innovation? The case of firms operating in Greece. 13th International Annual EurOMA Conference.
- Lwiza, D. R., & Nwankwo, S. (2002). Market-driven transformation of the banking sector in Tanzania. *International Journal of Bank Marketing*, 20(1), 38-49.
- Ogbonna, E., & Harris, L. C. (2000). Leadership style, organizational culture and performance: empirical evidence from UK companies. *International Journal of Human Resource Management*, 11(4)
- Olson, J. R., & Boyer, K. K. (2003). Factors influencing the utilization of Internet purchasing in small organizations. *Journal of Operations Management*, 21, 225-245.
- Otieno, M. (2006), An investigation into internet banking technology adoption among Kenya commercial banks. Unpublished MBA Research Project, University of Nairobi, Nairobi, Kenya.
- Raoofi, M. (2012). Moderating Role Of E-Marketing On The Consequences Of Market Orientation In Iranian Firms. *Management and Marketing Journal*, 2(11), 301-316
- Rogers, E. M. (1995). *Diffusion of Innovation* (4th ed.). New York: Free Press.
- Siegel, C. (2003). *Internet marketing*, Houghton Mifflin Company, Edinburgh Gate, England.
- Sheth, J. N., & Sharma, A. (2005). International e-marketing: opportunities and issues. *International Marketing Review*, 22(6), 611-622.
- Shiffman, L. G., & Kanuk, L. L. (2007). *Consumer Behaviour* (9th ed.). Pearson Prentice Hall.
- Skerlavaj, M., Stemberger, M. I., Skrinjar, R., & Dimovski, V. (2007). Organizational learning culture? The missing link between business process change and organizational performance. *International Journal of Production Economics*, 12(7), 346-367.
- Smith, P. R., & Zook, Z. (2011). *Marketing communications: Integrating offline and online with social media*. Philadelphia, UK: Kogan Page.
- Trainor, K. J., Rapp, A., Beitelspacher, L. S., & Schillewaert, N. (2011). Integrating information technology and marketing: An examination of the drivers and outcomes of e-Marketing capability. *Industrial Marketing Management*, 40, 162-174.
- Tsiotsou, R. H., & Vlachopoulou, M. (2009). Understanding the effects of market orientation and e-marketing on service performance. *Marketing intelligence and planning*, 29(2), 144-155.
- Wekesa, L., & Maalu, J. (2016). Influence of Firm Level Institutions on the Relationship Between competitive Strategy and Firm Performance of Non- Timber Forest Products by small and Medium enterprises in Kenya. *International Journal of Economics, commerce and Management*, 6(8), 115-129.