

Walden University ScholarWorks

Walden Dissertations and Doctoral Studies

Walden Dissertations and Doctoral Studies Collection

2015

# Small Business Use of Internet Marketing: Findings from Case Studies

Maya Demishkevich Walden University

Follow this and additional works at: https://scholarworks.waldenu.edu/dissertations

Part of the <u>Advertising and Promotion Management Commons</u>, <u>Databases and Information Systems Commons</u>, and the <u>Marketing Commons</u>

This Dissertation is brought to you for free and open access by the Walden Dissertations and Doctoral Studies Collection at ScholarWorks. It has been accepted for inclusion in Walden Dissertations and Doctoral Studies by an authorized administrator of ScholarWorks. For more information, please contact ScholarWorks@waldenu.edu.

# Walden University

College of Management and Technology

This is to certify that the doctoral study by

Maya Demishkevich

has been found to be complete and satisfactory in all respects, and that any and all revisions required by the review committee have been made.

Review Committee
Dr. Howard Schechter, Committee Chairperson, Doctor of Business Administration
Faculty

Dr. Edward Paluch, Committee Member, Doctor of Business Administration Faculty

Dr. John House, University Reviewer, Doctor of Business Administration Faculty

Chief Academic Officer Eric Riedel, Ph.D.

Walden University 2015

#### Abstract

Small Business Use of Internet Marketing: Findings from Case Studies

by

Maya Demishkevich

MBA, Rochester Institute of Technology, 2006 BS, State University of New York at Geneseo, 2004

Doctoral Study Submitted in Partial Fulfillment
of the Requirements for the Degree of
Doctor of Business Administration

Walden University

July 2015

#### Abstract

Internet marketing is critical for meeting changing consumer needs and staying competitive in the business environment. Small business owners need strategies on how to use Internet marketing to promote their products or services. The purpose of this multiple case study was to explore how 5 small business owners in Maryland developed and implemented an online marketing strategy. Participants were recruited for their roles as the chief decision maker of their business; additional prerequisites for their participation were that they used Internet marketing, represented different industries, and had fewer than 20 employees. Data came from semi-structured interviews with the small business owners, direct observations of the firms' online marketing processes and technology, and evaluation of companies' use of different Internet marketing channels. The data analysis strategy drew on resource-based view theory propositions, examinations of conflicting explanations discovered during the literature review, and cross-case synthesis. The 5 emergent themes encompassed unstructured planning, limited Internet marketing knowledge and expertise, use of Internet marketing channels and tools, lack of systematic approach to the management of Internet marketing, and inadequate measurement of Internet marketing efforts. By engaging in Internet marketing strategy planning, acquiring specialized Internet marketing knowledge, measuring marketing performance, and extending their Internal marketing resources through outsourcing, small business owners may develop and implement successful online marketing strategies. These findings may influence positive social change by contributing to more effective and efficient marketing practices in small firms that can lead to better financial performance, higher survival rates, and a healthier economic system.

## Small Business Use of Internet Marketing: Findings from Case Studies

by

## Maya Demishkevich

MBA, Rochester Institute of Technology, 2006 BS, State University of New York at Geneseo, 2004

Doctoral Study Submitted in Partial Fulfillment
of the Requirements for the Degree of
Doctor of Business Administration

Walden University

July 2015

# Table of Contents

Li	st of Tables	iv
Se	ection 1: Foundation of the Study	1
	Background of the Problem	1
	Problem Statement.	2
	Purpose Statement	2
	Nature of the Study	3
	Research Question	4
	Interview Questions	4
	Conceptual Framework	5
	Definition of Terms	6
	Assumptions, Limitations, and Delimitations	8
	Assumptions	8
	Limitations	9
	Delimitations	9
	Significance of the Study	10
	Contribution to Business Practice	10
	Implications for Social Change	11
	A Review of the Professional and Academic Literature	11
	Importance and Characteristics of Small Businesses	13
	Marketing in Small Firms	15
	Internet Marketing	18

Potential Benefits of Internet Marketing Adoption to Small Businesses	19
Drivers of Internet Marketing Adoption	23
Internet Marketing Adoption by Small Businesses	26
Resource-Based View of the Firm	29
Rival Theories of the Conceptual Framework	32
Transition and Summary	37
Section 2: The Project	39
Purpose Statement	39
Role of the Researcher	39
Participants	41
Research Method and Design	43
Method	43
Research Design	44
Population and Sampling	46
Ethical Research	47
Data Collection	49
Instruments	49
Data Collection Technique	51
Data Organization Techniques	53
Data Analysis Technique	54
Reliability and Validity	57
Reliability	57

Validity	58
Transition and Summary	59
Section 3: Application to Professional Practice and Implications for Change	60
Overview of the Study	60
Presentation of the Findings	61
Internet Marketing Resources and Sustained Competitive Advantage	93
Applications to Professional Practice	95
Implications for Social Change	98
Recommendations for Action	99
Reflections	103
Summary and Study Conclusions	103
Appendix B: Consent Form	126
Appendix C: Certificate of Ethical Compliance	128
Appendix D: Confidentiality Agreement for Interview Transcriber	129

# List of Tables

Table 1. Details of Literature Reviewed by Year of Publication	13
Table 2. Details of Company A's Online Marketing Channel Mix	64
Table 3. Details of Company A's Online Marketing Tools	65
Table 4. Details of Company B's Online Marketing Channel Mix	67
Table 5. Details of Company B's Online Marketing Tools	68
Table 6. Details of Company C's Online Marketing Channel Mix	70
Table 7. Details of Company C's Online Marketing Tools	71
Table 8. Details of Company D's Online Marketing Channel Mix	73
Table 9. Details of Company D's Online Marketing Tools	74
Table 10. Details of Company E's Online Marketing Channel Mix	76
Table 11. Details of Company E's Online Marketing Tools	77
Table 12. Online Marketing Channels Used by Study Participants	83
Table 13. Online Marketing Tools Used by Study Participants	85

#### Section 1: Foundation of the Study

In this section, I provide an overview of the existing business problem and the method I used to explore how small business owners pursue an Internet marketing strategy. I also provide a critical review of the professional literature pertaining to the problem and justify the need for new research in this area. Furthermore, I discuss the potential contribution of my study to positive social change in small firms, their communities, and the economy as a whole.

#### **Background of the Problem**

Small businesses play a vital role in the U.S. economy, representing 99.7% of all employer firms in the United States and employing half of U.S. workers (Small Business Administration [SBA], 2014a). The prosperity of small enterprises is critical for the health of the economic system, but only 50% of small businesses make it to 5 years (SBA, 2014a). Availability of financial resources is an important reason that contributes to the failure of small businesses (Halibi & Lussier, 2014). Researchers have agreed that marketing is also important to the success of small firms and could increase their chances of survival (Cronin-Gilmore, 2012; Halibi & Lussier, 2014; Jazra, Khan, Hunjra, Rana Aziz, & Rauf, 2011; Walsh & Lipinski, 2009).

The way consumers find and use information changes with increasing Internet adoption rates and advances in technology. Zickuhr and Smith (2012) found that 92% of consumers search online for products and services. To reach target audiences across different devices and platforms with the information they want, small business owners need to embrace online marketing.

Internet marketing offers numerous benefits when compared to traditional media channels. Internet marketing strategies may improve customer relationships, operational efficiency, marketing effectiveness, and a firm's performance when implemented properly (Dlodlo & Mafini, 2014; Eid & El-Kasswawy, 2012; Hamidi & Safabakhsh, 2011; Huang & Tsai, 2011). Some larger organizations are already benefiting from Internet marketing while small businesses are lagging behind in adoption (Boyles, 2011; Harrigan, Ramsey, & Ibbotson, 2012).

#### **Problem Statement**

Small business owners should employ Internet marketing to compete successfully in a business environment (Eida & El-Gohary, 2013). As of August 2011, 78% of U.S. adults and 95% of U.S. teenagers use the Internet (Zickuhr & Smith, 2012). Ninety-two percent of adults use search engines to find information, 91% use e-mail, 71% use the Internet for buying products, 64% use social networking sites, and 61% bank online (Zickuhr & Smith, 2012). Businesses that are choosing not to leverage Internet marketing risk losing competitive advantage since some consumers search for information and make purchases online. The general business problem is that small business owners often face challenges with using Internet marketing to promote products or services. The specific business problem is that some small business owners lack knowledge on how to develop and implement an Internet marketing strategy.

#### **Purpose Statement**

The purpose of this qualitative, multiple case study was to explore how small business owners developed and implemented their Internet marketing strategy. The

targeted population comprised small business owners of companies with a maximum of 20 employees in Maryland, United States. Five small business owners from five different companies using online marketing participated in semi-structured interviews. The implication for positive social change included the potential to reduce small businesses' chances of failure by effectively marketing their products and services on the Internet.

#### **Nature of the Study**

A qualitative method was utilized in this study. The qualitative research method was appropriate for my study because the objective was to gain an in-depth understanding of the process small business owners used to develop and implement an Internet marketing strategy. The intent of qualitative method in this study was to describe small business owner's experiences with Internet marketing, gain insights, identify concerns, and evaluate effectiveness of practices in real world settings. A quantitative approach would not have been the best method to address the research problem in the study. Quantitative research generates numerical data and is ideal for validating existing theories and generalizing outcomes across a large number of subjects (Thomas & Magilvy, 2011). Since the use of Internet marketing in small firms is a new contemporary phenomenon, qualitative method allowed me to explore the phenomenon rather than quantify small business owner's experiences or explore the relationships between specific variables. Due to limited time and resources, the mixed methods research that includes the use of both qualitative and quantitative approaches was not selected (Thomas & Magilvy, 2011).

The qualitative research method includes five main approaches: (a) phenomenology, (b) case study, (c) ethnography, (d) narrative, and (e) grounded theory. Given the nature of the problem, the multiple case study design was appropriate. The multiple case study design allows researchers to ask *how* and *what* questions and explore differences and similarities between cases (Yin, 2014). The case study design allowed me to gain a holistic understanding of the processes and decisions small business owners used to develop and implement an online marketing strategy.

#### **Research Question**

The central question of my research study was: How can small business owners develop and implement a successful Internet marketing strategy? The objective of my study was to explore the process small business owners pursued in creating and executing online marketing strategy and understand what factors might contribute to its success and failure.

#### **Interview Questions**

The research included the following interview questions:

- What are your professional background and work experience?
- What prior education do you believe is helping you in creating and implementing online marketing strategy for your business?
- What decision-making process do you use to create and implement your online marketing strategy?
- How would you describe your marketing mix? How does online marketing fit into your marketing mix?

- How did your online marketing strategy evolve over time?
- What percent of your total marketing budget do you allocate to online marketing?
- What is your marketing budget?
- Who is handling your online marketing? What are the responsibilities of the person in charge of your online marketing?
- What is your on-going operational routine as it relates to online marketing?
- What challenges did you have when creating and implementing your online marketing strategy?
- What are the three specific things you are most satisfied with your online marketing efforts?
- What are the three specific things you are most unsatisfied with your online marketing efforts?

#### **Conceptual Framework**

A resource-based view of the firm (RBV) comprised the conceptual framework for my study. RBV is a strategic management theory that helps assess how a firm's resources affect its financial performance (Wernerelt, 1984). RBV suggests that each organization possesses a distinctive set of resources and capabilities that help explain the variance in firm performance over time (Barney, 1991; Wernerelt, 1984). Penrose (1959) was the first to introduce the idea to view the firm as a bundle of strategic assets.

Distinguished scholars including Wernerfelt (1984), Barney (1991), Hall (1993), Conner

and Prahalad (1996), and Grant (2001) further contributed to the development of the RBV.

The RBV focuses on internal strategic resources that align with the company's strategic intent and serve as the basis of competitive advantage. The underlying assumption of the RBV is that resources and capabilities possessed by firms are heterogeneous and imperfectly transferable (Wernerelt, 1984). Wernerfelt (1984) argued that the RBV provides a strategic guidance for understanding which resources the companies should seek to strengthen their position or which resources, already at their disposal, they should prioritize as more valuable.

Firms need both resources and capabilities to develop and implement Internet marketing strategies (Kim, Lee, & Lee, 2013). Resources can include computers, Internet, e-mail marketing platform, analytics, and social media platforms. Some of the available Internet marketing resources may not create a sustainable competitive advantage for small firms (Kim et al., 2013). Employee skills and experience, along with the way a firm utilizes Internet marketing resources, can increase inimitability and make a set of Internet marketing capabilities a potential source of competitive advantage.

#### **Definition of Terms**

This section includes the commonly used terms related to the area of online marketing in small firms. The definitions of the terms came from the peer-reviewed articles and government websites.

Digital marketing: Digital marketing encompasses wireless communications and digital television marketing activities in addition to Internet marketing channels (Li, Li,

He, Ward, & Davies, 2011).

Electronic business (e-business): Electronic business is the use of the Internet to perform a range of processes in order to deliver valuable products and services to customers (Theodosiou & Katsikea, 2012).

Electronic commerce (e-commerce): E-commerce is the purchase or sale of goods between the businesses, households, individuals, governments and other public and private organizations over computer networks (Savrul & Kılıç, 2011).

Electronic marketing (e-marketing): Electronic marketing is the use of Internet and its related technologies such as e-mail, search marketing, real-time communication to help achieve marketing objectives in conjunction with other marketing communication tools (El-Gohary, 2012). The terms e-marketing and Internet marketing will be used interchangeably in my study.

*Inimitable resources*: Inimitable resources are rare and valuable resources and capabilities that are difficult to imitate and, therefore, have a greater potential to enhance a firm's competitive advantage (Barney 1991).

Internet marketing (IM): Internet marketing is the use of Internet and related technologies for creating, communicating, and delivering value to customers. Internet marketing can incorporate website, search engine marketing, social media marketing, content marketing, email marketing, mobile marketing, and banner advertising (Eida & El-Gohary, 2013; Jarvinen, Tollinen, Karjaluoto, & Jayawardhena, 2012).

*Marketing*: Marketing is the process of determining and satisfying the needs, wants, and aspirations of target markets (Walsh & Lipinski, 2009).

Small business enterprises (SBEs): Small business enterprises are for-profit companies with fewer than 500 employees (SBA, 2014b). For the purposes of my study, the definition of small businesses was independent business firms with a maximum of 20 employees.

Small and medium-sized enterprises (SMEs): Small and medium business enterprises are businesses with 500 or fewer employees, depending upon the industry (SBA, 2014b). SMEs often meet the SBA definition of SBEs and include large organizations that do not meet the definition of a large corporation.

Social media: Social media encompasses online platforms and tools that enable social interaction between businesses and customer networks (Jarvinen et al., 2012). Social media are a subset of Internet marketing.

#### Assumptions, Limitations, and Delimitations

#### **Assumptions**

Assumptions are the ideas that the researcher considers as true. My study had several assumptions. The first assumption was that participants provided thoughtful, complete, and honest feedback during the interviews. Employing open-ended questions and active listening techniques gave small business owners more freedom of response and helped alleviate concerns about the integrity of interviewee answers (Rubin & Rubin, 2012). The second assumption was that small business owners considered themselves an organizational resource responsible for acquisition and allocation of resources.

#### Limitations

Limitations represent the potential shortcomings of my study that can affect the trustworthiness of findings (Rubin & Rubin, 2012). The two main limitations of the qualitative research included potential researcher bias and limited transferability of the study's findings to a larger population. Identification of personal experiences, assumptions, and attitudes prior to starting my study was essential to limiting researcher bias, as explained by Chan, Fung, and Chien (2013). Researcher bias may inhibit the interpretation of participants' perceptions and experiences. Researchers also need to be careful using qualitative findings when generalizing about a larger population. To ensure replicability or repeatability of the case study, the researcher needs to keep detailed project documentation with an explanation of the research process undertaken (Wahyuni, 2012).

#### **Delimitations**

Delimitations help define the study's boundaries and the propositions that researchers want to examine (Yin, 2014). The scope of my study was limited to small businesses with no more than 20 employees. These small firms were located in the Maryland area and represented various industries. According to the U.S. Department of Commerce (2012) data, 86% of companies in the United States have fewer than 20 employees. Another factor that narrowed my study included the experience of small business owners with Internet marketing. The level of knowledge and resources allocated to Internet marketing strategy varied, but all study participants marketed their products or services using the Internet.

#### **Significance of the Study**

#### **Contribution to Business Practice**

The analysis of peer-reviewed articles revealed a gap in the research on Internet marketing among small firms. Although, there was a quantity of studies related to SMEs, few focus on small businesses exclusively. SBA (2014b) defined a small firm as an independent business with fewer than 500 employees; however, over 86% of businesses have fewer than 20 employees (U.S. Department of Commerce, 2012). The reviewed literature revealed limited research related to small business enterprises employing fewer than 20 employees. Internet marketing has been a growing area of interest among researchers, yet the number of studies that explored Internet marketing practices of small businesses was scarce. My study addressed this need and provided information about small business owners' experiences with Internet marketing.

Researchers have noted that marketing is important to the success of small businesses (Jazra et al., 2011; Walsh & Lipinski, 2009). Marketing channels are available to companies to convey their messages. These channels comprise traditional media such as print, radio, and television as well as emerging media such as online advertising, social media, and mobile marketing. Internet marketing is more cost-effective compared to traditional media, and companies are shifting their marketing budgets to e-marketing (Rollins, Nickell, & Ennis, 2013). Small firms that want to stay in business might want to learn how to develop successful Internet marketing strategies to improve operational efficiencies, expand their reach, and attract new customers. Consultants and vendors who work with small firms may also benefit from the outcome of my study. By understanding

what it takes to develop a successful Internet marketing strategy, consultants may become more effective business partners to small firms.

#### **Implications for Social Change**

Small businesses play a vital role in the U.S. economy, representing 99.7% of all employer firms in the United States and employing half of U.S. workers (SBA, 2014a). The prosperity of small enterprises is fundamental to the health of the economic system, but only half of small businesses survive 5 years (SBA, 2014a). Firms' marketing efforts and use of the Internet may increase the probability of higher financial performance and lower failure rates (Halabi & Lussier, 2014)

As firms continue to reallocate their marketing budgets from traditional to digital media in search of more cost-effective solutions, small business owners need to understand how to develop a well-formulated Internet marketing strategy (Rollins et al., 2013). The implications for positive social change include the potential to impact any small business by providing guidelines to help small businesses develop a successful Internet marketing strategy, which can increase their competitiveness and survival rates.

#### A Review of the Professional and Academic Literature

In the review of the literature related to small business Internet marketing practices, I provided a critical evaluation of information found in published books, peer-reviewed journals, and government websites. Given the emergent nature of Internet marketing as an academic field of study, the applied research was fragmented and limited in scope. In this section, I aimed to integrate fragmented literature around the topic to produce a more coherent understanding of existing thinking.

To find relevant literature, I searched the following databases: Emerald Insight, ScienceDirect, ProQuest Central, EBSCOhost, and Google Scholar. Some of the key terms and phrases that I used in the search included *small business*, *marketing*, *online* marketing, e-marketing, Internet marketing, digital marketing, advertising, small- and medium-size enterprises, and SMEs. The examination of Internet marketing practices in small firms was limited in recent studies. Consequently, I expanded this literature review to include broader concepts of digital marketing, e-commerce, e-business, and to other sizes of enterprises. In the review, I included studies from a variety of different countries ranging from United States and Great Britain to Zimbabwe, Egypt, and Malaysia. In my review of the literature, I identified eight main subtopics: (a) importance and characteristics of small business, (b) marketing in small businesses, (c) Internet marketing, (d) benefits of Internet marketing adoption, (e) drivers of Internet marketing adoption, (f) adoption of Internet marketing by small businesses, (g) barriers to successful Internet marketing adoption, (h) RBV, and (i) rival theories to the conceptual framework. The insights gleaned from the literature review helped me to identify the gap in knowledge, and the need for the study.

The literature review contained material from 87 peer-reviewed journal articles, one books, and three web pages. Eighty-five referenced literature sources, or 85%, were within the past 5 years, from 2011 to 2015. Table 1 provides the details of the literature reviewed by year of publication.

Table 1

Details of Literature Reviewed by Year of Publication

	Older than						
	5 years	2011	2012	2013	2014	2015	Total
Peer-reviewed articles	14	27	17	19	10		87
Non-peer-reviewed articles		4	3		2		9
Books	1						1
Web pages		1	1	1			3
Totals	15	32	21	20	12		100

#### **Importance and Characteristics of Small Businesses**

In the United States, small firms represent 99.7% of all employer firms and employ half of U.S. workers (SBA, 2014a). From 1993 to mid-2013, 63% of the net new jobs in the United States came from small businesses (SBA, 2014a). Existing businesses contributed approximately 60% of the net new jobs, and 40% came from startups (SBA, 2014a). In addition to creating the majority of new jobs, small businesses also contribute to innovation, entrepreneurship, and creativity (Valadez, 2011). For example, small businesses produced 16 times more patents per employee than large patenting firms (SBA, 2014a). Some statistics, such as the ones I have provided, demonstrate that small businesses play a vital role in the economic well-being of all countries and serve as the major drivers of employment creation, income generation, and poverty reduction.

The definition of small businesses varies in different sources and countries, which makes analysis and comparison of data across nations and agencies problematic (Valadez, 2011). The SBA (2014b) defined a small business as a company with fewer than 500 employees and, for nonmanufacturing industries, less than \$7 million in annual

turnover. Approximately 60% of small businesses have fewer than five employees, and over 95% of businesses in the United States have fewer than 10 employees (U.S. Department of Commerce, 2012). According to the SBA (2014a) data, 72.1% of small businesses are sole proprietors, and 52% are home-based businesses. Regardless of the number of employees, small business owners need to ensure that all core business functions are performing at a level that would keep the company viable.

The prosperity of small enterprises is fundamental to the health of the economic system, yet the survival rate of new employer firms is low. In fact, only half survive to 5 years (SBA, 2014a). To increase the probability of these firms' survival, understanding why companies fail and succeed is vital for small business owners. According to Jazra et al. (2011), some of the factors that contribute to business failures include lack of financial and technological resources, government support, marketing strategies, and entrepreneurial skills. Researchers found that the availability of financial resources was the most important factor in a small business's success (Halibi & Lussier, 2014; Jazra et al., 2011). Small business owners often have limited financial resources, and the way they allocate these resources is critical. Increasing the efficiency of marketing efforts and planning activities may help firms increase their chances of survival (Halibi & Lussier, 2014). Small business owners with limited marketing and financial resources need to find the optimal way of promoting their businesses.

Small businesses vary in not only size and revenue, as suggested by some technical definitions, but also in the age, industry, motivations, location, resources, and organization, among other factors (Valadez, 2011). Although small firms are not a

homogeneous group, they do share some common characteristics such as lack of knowledge, in-house expertise, and financial capital that often prevent them from developing the same economies of scale as bigger businesses (Resnick et al., 2012). These limitations leave small business owners with fewer options for performing different business activities and little margin for error (Bharati & Chaudhury, 2012).

#### **Marketing in Small Firms**

A review of the literature suggested that the marketing efforts of SMEs are inferior to those of the large organizations due to various constraints. Walsh and Lipinski (2009) found that the level of marketing function maturity in SMEs is not as high as in large organizations. Important factors, often cited in literature, that affected small firms' marketing strategies included lack of financial resources and marketing expertise, insufficient customer knowledge, unstructured planning activities, lack of time, and reactive approach to marketing (Boyles, 2011; Cronin-Gilmore, 2012; Resnick et al., 2011; Sen & Haq, 2011). Researchers noted the prominent role of the small business owner in marketing activities (Centeno & Hart, 2012; Cronin-Gilmore, 2012; Resnick et al., 2011). The small business owner is often the key decision maker overseeing many of the business functions that specialists manage in large organizations. Therefore, small business owners' marketing knowledge has an impact on the firm's marketing strategies. Small businesses have many limitations, but it does not mean that they lack marketing.

Small business owners adopt standard marketing practices to meet their business needs. O'Donnell (2011) identified nine marketing activities relevant to small firms including marketing planning, managing limited resources, keeping existing customers,

acquiring new customers, gathering information about customers, gathering information about competitors, managing the product offering, managing pricing, and managing delivery. O'Donnell found that small business owners' process for engaging in marketing activities was unplanned, informal, and employed a bottom-up approach. Moreover, the implementation of different marketing activities was reactive in nature due to the dynamic business environment (O'Donnell, 2011; Resnick et al., 2011). Small business owners do not have the resources or operational structure of a large company, so they engage in marketing in a way that suits their firm.

The research demonstrated that small firms do engage in successful marketing activities even though they may not follow traditional approaches. Resnick et al. (2011) found that the focus of SMEs' marketing activities was customer engagement through a wide range of activities and channels. Researchers identified networking, partnership development, and word-of-mouth as the top three marketing strategies that small business owners employed (Cronin-Gilmore, 2012; O'Donnell, 2014; Resnick et al., 2011). Centeno and Hart (2012) found that small business owners were active in brand communication activities that included personal selling, e-mailing, and online presence maintenance. Harrigan et al. (2012) found that SMEs practiced relationship marketing and had a system for communicating with customers and managing customer data. SMEs' approach resembled customer relationship management (CRM), but some owner-managers were not familiar with this term (Harrigan et al., 2012). Researchers have shown that small business owners used a variety of marketing tactics, but due to their lack of strategy and resources, small business owners tended to favor marketing activities

that generated immediate or short-term results (Centeno & Hart, 2012; Cronin-Gilmore, 2012; Harrigan et al., 2012; O'Donnell, 2014; Resnick et al., 2011).

Researchers also noted the impact of small business growth goals, business orientation, and organizational lifecycle on marketing strategies. O'Donnell (2011) showed that the industry norms and lifecycle stage influenced small firms' marketing activities. As the firm moved through its lifecycle, the marketing function became more established (O'Donnell, 2011). Eggers, Hansen, and Davis (2012) found that firms with high growth intentions had entrepreneurial orientation and were likely to employ strategies based on product and process innovations. Firms with low growth intentions tended to have customer orientation that led to short-term gains because the firm focused on responding to existing customer needs (Eggers et al., 2012). Therefore, small business owners need to ensure that their marketing strategies align with their business goals.

Measuring the impact of marketing strategies is the key to improving marketing performance. Mintz and Currim (2013) found a positive relationship between the use of metrics and the marketing-mix performance. Defining and collecting metrics to demonstrate marketing contribution to the organization is important for improving performance, but the measurement of marketing tactics and strategies is a complicated process that requires integration of multiple metrics (Leeflang, Verhoef, Dahlström, & Freundt, 2014). Resnick et al. (2011) found that SMEs did not perform the analysis of marketing activities and relied on their intuition. Lack of marketing expertise combined with the lack of measurement caused some small business owners to be hostile towards marketing based on their prior bad experience (Cronin-Gilmore, 2012). Tracking of

marketing efforts can help improve marketing performance and attitude toward marketing (Mintz & Currim, 2013).

Marketing practices of small firms differ from those of larger organizations, but researchers agreed that marketing plays a vital role in their success, and that to help SMEs stay competitive, influence of marketing as a function of business needs to increase (Cronin-Gilmore, 2012; Jazra et al., 2011; Morgan, 2012; Walsh & Lipinski, 2009). Often business owners lack marketing experience, and it is imperative to the success of marketing strategies that the company's marketer is involved in the decisionmaking process (Walsh & Lipinski, 2009). Additional marketing training may help small business owners understand the importance of marketing and increase its influence in their organization (Cronin-Gilmore, 2012). Martensen and Mouritsen (2013) found that hiring competent marketing professionals, developing deep market knowledge, and measuring the results of marketing activities could have the highest total impact on business performance. Resnick et al. (2011) also noted the chaotic nature of marketing in SMEs differs from best practices defined in the academic literature. To prepare new entrepreneurs and small business employees, Resnick et al. (2011) recommended adjusting higher education curricula to reflect the needs of SMEs.

#### **Internet Marketing**

Internet marketing and its related terms, such as electronic marketing, digital marketing, and online marketing, commonly describe the use of technologies in marketing efforts (Jarvinen et al., 2012; Omar, Ramayah, Lin, Mohamad, & Marimuthu, 2011). The review of the literature revealed a lack of agreement on what composes each

term, and researchers used these terms interchangeably based on their point of view, experiences, and specialization (Eida & El-Gohary, 2013). These concepts and terms are related and intertwined and, in my study, I used *Internet marketing* as an umbrella term that included marketing activities across the following channels: website, search engine marketing, social media marketing, content marketing, e-mail marketing, mobile marketing, and banner advertising. Internet marketing is a subset of digital marketing that, in addition to Internet marketing channels, includes wireless communications and digital television (Li et al., 2011). My study did not address SMS, WebTV, and digital advertising; therefore, Internet marketing was an accurate term to describe the range of marketing activities explored in this research.

#### **Potential Benefits of Internet Marketing Adoption to Small Businesses**

In the literature, researchers cited potential benefits of Internet marketing. Some of the benefits mentioned in the research apply to enterprises of all sizes; however, some authors focused on highlighting the ways marketing online can benefit small and medium sized businesses (Harrigan et al., 2011; Kim et al., 2013). Researchers agreed that the benefits of Internet marketing could help small firms become more competitive, yet one of the controversial and underresearched issues was measuring the actual impact of online marketing activities on a firm's performance (Harrigan et al., 2011; Rezvani et al., 2012).

Researchers often compare Internet marketing to traditional media channels such as print, direct mail, radio, and television advertising. Interactivity, personalization, immediate response, flexibility, and precise measurement are some of the advantages of

online advertising over traditional media (Hanafizadeh, Behboudi, Ahadi, & Varkani, 2012). Researchers have demonstrated that the use of Internet may help improve a firm's operational and marketing efficiency (Dlodlo & Mafini, 2014; Eid & El-Kasswawy, 2012; Hamidi & Safabakhsh, 2011; Huang & Tsai, 2011). For example, Hamidi and Safabakhsh (2011) cited affordability of online marketing compared to other channels. The Internet offers a range of opportunities for firms to achieve marketing and operational efficiency gains by lowering costs (Boyles, 2011; Hanafizadeh et al., 2012). Therefore, Internet marketing may have a positive effect on the efficiency of marketing expenditures.

Investments in traditional advertising vehicles are decreasing as consumers and businesses turn to the Internet for daily functioning (Berman & Kesterson-Townes, 2011; Christiansen, 2011). A survey of 230 advertisers and agency leaders showed that over 65% moved at least 30% of their budgets from traditional to digital marketing, and 44% now spend at least 50% of their budgets on social and digital media (RSW/US, 2012). MarketLine (2011) estimated the world online advertising industry will reach \$73 billion by 2015, representing 64% of the entire industry value. Internet marketing is no longer just a complementary tool to many of the traditional forms of advertising media, but rather it is a mainstream media channel. This marketing industry trend demonstrates the fast evolution of the Internet and its increasing importance as a marketing channel.

A benefit of online marketing is the ability to reach wider audiences and advertize anytime and anywhere (Fan & Tsai, 2014; Hamidi & Safabakhsh, 2011; Rezvani et al., 2011). Online marketing may help small firms grow internationally (Bell & Loane,

2010). Researchers suggested that small firms could achieve rapid growth, scalability, and efficiency by using web technologies to collaborate, share, and create business opportunities (Bell & Loane, 2010). Online marketing allows companies to grow internationally and expand to new markets; it also allows reaching audiences across different devices. In addition to desktop computers, laptops, and tablets; customers access the Internet on their smartphones (RSW/US, 2012). Advances in smartphone capabilities allow small business owners to target and serve consumers through e-mail, audio, SMS, video, advertising, websites, social media, and apps (Persaud & Azhar, 2012). For example, small business owners can use online marketing to extend their reach and promote their product or service to potential customers outside of their area (Sinkovics & Sinkovics, 2012). At the same time, consumers can browse a company's website at any time and from anywhere with an Internet connection. The ability to compete with larger organizations and reach more customers is important for small businesses.

Online marketing provides a cheaper and faster way of increasing brand awareness and brand building. The use of online tools such as websites, e-mail, online advertising, viral marketing, and social media allow companies to increase their brand name awareness, loyalty, perceived quality, and brand associations (Sharma 2011; Simmons, Armstrong, & Durkin, 2011). Due to the virtual nature of the World Wide Web, having an established and trusted brand on the Internet is valuable since it may help simplify a buyer's decision-making process by providing familiarity and lowering perceived risk (Morgan-Thomas & Veloutsou, 2013). Internet marketing can enable increased brand visibility. Simmons et al. (2011) found that the core of successful

Internet branding was the understanding of target customers, which allows companies to create personalized marketing communications and content to better address customer needs and increase engagement with the brand. Understanding of the target audience may help identify appropriate channels and tools for communication with prospective and current customers (Durkin, 2013; Simmons et al., 2011).

Internet marketing technologies may positively impact the relationship with customers while making the process efficient and effective. Firms may improve customer relations and targeting activities by using the Internet to synchronize existing communication channels (Eid & El-Kassrawy, 2012). Companies can use interactive communication technologies and tools such as e-mail, eCRM, social media, and chats to personalize and automate marketing communications (Harrigan et al., 2011). The Internet and evolving technologies allow businesses and marketing specialists collect and organize data about individuals' interests or characteristics as they surf the Internet and input personal information (Christiansen, 2011). Access to personal data allows marketers to deliver targeted and effective advertising (Christiansen, 2011). Integration of customer data with online marketing tools is important for small businesses to improve communication and relationship quality with current and prospective customers.

An important finding is the positive impact of online marketing on a firm's performance. Dlodlo and Mafini (2014) found a relationship between the use of Internet marketing for the purposes of promotion and intelligence gathering, and SMEs' productivity. Eida and El-Gohary (2013) demonstrated that the adoption of Internet marketing by small businesses positively affected sales, marketing performance,

marketing effectiveness, and organizational performance. Rollins et al. (2013) investigated how companies adjusted marketing strategies during the Great Recession in 2008–2009. Moreover, Rollins et al. (2013) showed that investment in Internet marketing during the recession helped improve companies' chances of survival. Theodosiou and Katsikea (2012) found a positive influence of e-business on organizational performance in the hotel industry. These studies relied on self-reported data; however, the findings are important because they indicated a positive relationship between the use of online marketing and a firm's performance.

Internet marketing may not be the best channel for all small businesses, but its benefits warrant an assessment and a consideration. Moreover, the benefits of Internet marketing and new technologies do not automatically translate to increased financial performance and operational efficiency (Thompson, Williams, & Thomas, 2013). The complexity and diversity of Internet technologies often require specialized knowledge and understanding of potential challenges and perils (Bordonaba-Juste, Lucia-Palacios, & Polo-Redondo, 2012).

#### **Drivers of Internet Marketing Adoption**

The use of Internet marketing offers benefits, yet not all small businesses take advantage of it. The research that explored what drives some small businesses to adopt Internet marketing was fragmented and limited in scope. Some studies on this topic were exploratory and focused on the type of usage and the barriers hindering adoption of Internet marketing; as well as e-commerce, e-business, and social networks (Alam, Ali, & Jani, 2011; Jarvinen et al., 2012; Omar et al., 2011; Pentina, Koh, & Le, 2012). Some

authors focused on examining the factors that influenced SMEs' adoption of online advertising (Hanafizadeh et al., 2012). Dlodlo and Dhurup (2013) examined the adoption process and focused on the drivers of e-marketing implementation. In this literature review, the main factors that motivated businesses to engage in marketing online were environmental factors, organizational factors, and technology factors (Dlodlo & Dhurup, 2013; Hanafizadeh et al., 2012; Omar et al., 2011).

The environmental factors that affect small businesses include pressures from customers, competitors, and regulatory agencies. Dlodlo and Dhurup (2013) found that external pressures had a significant impact on small business owners' decisions to adopt Internet marketing. The immediate network of suppliers, clients, family members, employees, and friends influenced owner decisions to adopt new technologies (Parker & Castleman, 2009). Pentina et al. (2012) confirmed that the social influences by industry experts, competitors, and customers had an effect on the intentions to adopt social networks marketing. The growth of the Internet and advances in technology have revolutionized and transformed the way people live and do business (Wesserman, 2011). Consumer behavior changed with the advent of the Internet. Besides expecting to find, buy, and review products and services online, consumers expect personalized experiences and fast company response (Berman & Kesterson-Townes, 2011; Jimenez & Mendoza, 2013; Marshall, Moncrief, Rudd, & Lee, 2012; Rosen & Phillips, 2011). Furthermore, to deliver relevant, personalized, and contextualized information to consumers, marketers should be cognizant of where and how customers access information on the Internet (Persaud & Azhar, 2012). Consumers may not rely on local providers because they can

purchase products and services from around the globe. Hanafizadeh et al. (2012) found that companies operating in competitive industries adopted online advertising to stay competitive. Changing consumer behavior, competitive pressures, and widespread access to Internet are important drivers of online marketing adoption among small businesses (Hanafizadeh et al., 2012; Pentina et al., 2012).

Researchers noted organizational characteristics that influence small businesses' adoption of Internet marketing. One of the drivers is small business owners' awareness and understanding of Internet marketing benefits (Dlodlo & Dhurup, 2013; Hanafizadeh et al., 2012; Omar et al., 2011). For example, 50% of Malaysian SMEs surveyed by Omar et al. (2011) were not aware of the operational and financial advantages of online marketing. Lack of understanding of how Internet marketing can lead to efficiency and lower costs may inhibit adoption. Hanafizadeh et al. (2012) confirmed that SMEs with a higher awareness of Internet advertising benefits had the higher motivation to implement the process. Furthermore, factors that had an affect on adoption included compatibility of Internet marketing with organizational culture, goals, and attitude towards technology (Alam et al., 2011; Dlodlo & Dhurup, 2013).

Technology characteristics may impact a firm's intentions to adopt Internet marketing. Firms need a technological infrastructure and skilled personnel to implement online marketing (Dlodlo & Dhurup, 2013). Companies that have Internet access, computers, and technology-savvy employees have higher chances of making a decision to use Internet marketing. Lin, Huang, and Stockdale (2011) identified that adoption readiness and ability to evaluate IT investment positively affected business-to-business

(B2B) perceptions of website benefits and increased satisfaction with the site. Moreover, Dlodlo and Dhurup (2013) identified a perceived ease of use of Internet marketing technologies as a driver of Internet marketing adoption. Researchers noted that ease of use was an important factor (Alam et al., 2011; Omar et al., 2011). Omar et al. (2011) explained, however, that ease of use was not significant because small businesses that perceived Internet marketing as a complex endeavor had an ability to outsource it to a web agency. Moreover, researchers found that advertising agencies had an effect on SMEs' decisions to adopt online advertising (Hanafizadeh et al., 2012). Business owners who do not understand the benefits of Internet marketing may not adopt the process even if they think it is easy to implement (Omar et al., 2011).

#### **Internet Marketing Adoption by Small Businesses**

Although a review of the literature indicates that Internet marketing offers numerous benefits, researchers found that small businesses lagged behind in adoption (Mohamad & Ismail, 2013; Omar et al., 2011). For example, Jarvinen et al. (2012) and Omar et al. (2011) showed that the use of Internet marketing among SMEs was limited to e-mail, newsletters, and websites. Some SMEs had a website, but they had limited knowledge of how to use it for marketing (Kriechbaumer & Christodoulidou, 2014; Resnick et al., 2011). Furthermore, Notta and Vlachvei (2012) determined that Greek wine SMEs had limited web marketing strategies and low e-commerce adoption rates. Researchers emphasized the importance of social networking in a small firm's marketing strategy (Jones, Suoranta, & Rowley, 2013; Nobre & Silva, 2014), but Pentina et al. (2012) found that SMEs had minimal desires to adopt or continue using social networks

marketing. The findings of an independent research company, eMarketer (2013), suggested that Internet marketing adoption is gaining momentum among small firms, but the adoption rate is much lower than that of larger organizations (Kim et al., 2013).

Some researchers focused on assessing whether small firms adopted or did not adopt Internet marketing (Mohamad & Ismail, 2013; Omar et al., 2011). Moreover, some studies evaluated adoption of specific Internet marketing tools and platforms by small businesses (Kim et al., 2013; Notta & Vlachvei, 2012). It is important to know the rate of Internet marketing adoption among small businesses; understanding the extent and effectiveness of Internet marketing tools utilization is critical. In general, there is a gap in academic research related to how small businesses utilize Internet marketing channels and tools.

#### **Barriers to Successful Internet Marketing Adoption by Small Businesses**

The use of Internet marketing by small firms is in its infancy. It is important to explore the reasons behind the lagging adoption to understand why small businesses have low Internet marketing usage rates. The review of the relevant literature showed that the barriers inhibiting Internet marketing are lack of time, expertise, and financial resources (Hanafizadeh et al., 2012; Omar et al., 2011; Resnick et al., 2012).

The main factor cited in literature inhibiting Internet marketing adoption by small firms was the lack of Internet knowledge and expertise. Researchers acknowledged small business decision makers missed opportunities due to a lack of online marketing knowledge (Boyles, 2011; Hanafizadeh et al., 2012; Omar et al., 2011). Some small business owners do not understand the benefits of online marketing nor how they can use

Internet marketing to improve a company's bottom line (Hanafizadeh et al., 2012). Lack of knowledge may limit small business owners from implementing Internet marketing strategies and hiring experienced staff.

A successful implementation of Internet marketing strategies requires specialized knowledge (Jarvinen et al., 2012). Online marketing channels are evolving and becoming fragmented. Due to this complexity, small business owners may not be capable of keeping up with the fast-changing technologies and need help managing online marketing activities (Chaffey & Patron, 2012; Jarvinen et al., 2012). Due to the generalist nature of some business owners, they may benefit from outsourcing e-marketing to a web agency unless they can afford to hire in-house specialists.

Information technology (IT) is an essential part of contemporary marketing practices. IT is critical to the successful implementation of electronic marketing (Hamidi & Safabakhsh, 2011; Trainor, Rapp, Beitelspacher, & Schillewaert, 2011; Wiersema, 2013). IT components are the foundation of all e-marketing tools, from Internet and e-mail to CRM software and websites (Trainor et al., 2011). IT is a core component of online marketing, and small business owners need to understand not only online marketing, but also possess the technical knowledge to benefit from e-marketing (Omar et al., 2011). Researchers found that some small business owners are not prepared to use IT effectively and may lack clear strategic vision for adopting IT (Spinelli, Dyerson, & Harindranath, 2013).

Internet marketing is not a stand-alone activity. To benefit from Internet marketing, businesses should integrate it with other processes and systems (Fan & Tsai,

2014). Harrigan et al. (2011) found that SMEs were struggling to integrate online advertising with existing relationship management processes. The successful integration of Internet marketing into a firm's operations requires not only the knowledge of online marketing, but also adequate IT infrastructure and the experience to know how the two work together.

### **Resource-Based View of the Firm**

An RBV theory comprised the conceptual framework for my study. The underlying assumption of the RBV is that resources and capabilities possessed by firms are heterogeneous and imperfectly transferable (Wernerelt, 1984). Assets, capabilities, processes, and knowledge must be valuable, rare, imperfectly imitable, and nonsubstitutable in order to serve as a source of sustainable advantage (Barney, 1991; Reteraf, 1993).

The classification of resources and capabilities in the literature varies. Grant (1991) identified six resource categories such as financial resources, physical resources, human resources, technological resources, reputation, and organizational resources.

Barney (1991) classified resources into three groups: physical capital (e.g., equipment and location), human capital (e.g., knowledge and experience), and organizational capital (e.g., planning and organizational structure). Hall (1993) argued that the economic value of an organization is more than the value of its tangible assets (physical, financial, human resources); it also includes intangible capabilities and resources such as reputation, supplier relationships, culture, and employee expertise. Researchers referred to intangible assets as competencies and capabilities (Grant, 1991; Hall, 1993; Prahalad & Hamel,

1989). Capabilities can be functional such as skills and experiences, as well as cultural such as attitudes, beliefs, and values (Hall 1993).

Firms can possess a wide range or resources, but RBV focuses on internal strategic resources that align with the company's strategic intent and serve as the basis of competitive advantage. Wernerfelt (1984) argued that the RBV provides a valuable strategic guidance by understanding which resources the companies should seek to strengthen their position or which resources already at their disposal they should prioritize as more valuable. Rangone (1999) added that to achieve competitive advantage, strategic resources have to align with the organizational goals. In relation to my study, resources needed to implement Internet marketing are strategic if the small business owner views them as an opportunity to differentiate his firm in the marketplace and serve as a competitive advantage.

RBV and marketing resources. Some small business owners have a narrow view of marketing and equate it to sales management (Moller & Anttila, 1987). Failure to understand the scope of marketing makes it a key management problem in small companies. Internet marketing resources represent a complex combination of human, market, and organizational assets (Moller & Anttila, 1987). Human assets reflect the number of people and their marketing abilities (Moller & Anttila, 1987). Market assets represent a company's position in the market such as distribution channels, market share, brand awareness, and customer base (Moller & Anttila, 1987). Organizational assets refer to the marketing planning, operations, and strategy development capabilities (Moller & Anttila, 1987). Virhies and Morgan (2005) identified eight measurable marketing

capabilities: (a) product development; (b) pricing; (c) channel management; (d) marketing communications; (e) selling; (f) market information management; (g) marketing planning; and (h) marketing implementation.

Marketing resources and performance. Empirical research has emphasized the importance of marketing capabilities in improving a firm's performance, and studies have employed RBV as a theoretical backdrop to demonstrate the relationship between marketing resources and performance. Ahmed, Kristal, and Pagell (2014) found that both marketing and operational capabilities have a positive impact on a firm's performance and can provide competitive advantage during changing economic conditions. Morgan (2012) developed a conceptual framework that demonstrated a link between marketing resources and capabilities and business performance. Merrilees, Rundle-Thiele, and Lye (2011) analyzed the impact of marketing capabilities on marketing performance. By surveying top marketing executives of U.S. firms, Virhies and Morgan (2005) found a positive relationship between marketing capabilities and the firm's performance. They also found that the top eight marketing capabilities were interdependent and as a set had a higher impact on firms' performances (Virhies & Morgan, 2005). Moreover, the interdependency of marketing capabilities may increase inimitability and make a set of marketing capabilities a potential source of competitive advantage.

Scholars identified RBV as a theory that fits well the needs of small business owners and executives (Halabí & Lussier, 2014; Rangone, 1999). Rangone (1999) used RBV to develop a model for evaluating SMEs' performance through the prism of three capabilities: innovation, production, and market management. Halabi and Lussier (2014)

found that marketing efforts could increase the probability of higher performance in small firms in Chile. Sok, O'Cass, and Sok (2013) found that innovation capability, marketing capability, and learning capability together and individually have a positive effect on the financial performance of manufacturing SMEs in Cambodia. Furthermore, scholars have used RBV to explore the impact of Internet and web technologies on business performance. Ramanathan, Ramanathan, and Hsiao (2012) explored the impact of ecommerce adoption on SMEs' operations and marketing performance as well as the way e-commerce can help develop inimitable resources that contribute to competitive advantage. Therefore, RBV was a suitable theoretical framework for exploring the impact of internal resources on the performance of small businesses.

Firms need both resources and capabilities to develop and implement Internet marketing strategies. Resources can include computers, Internet, e-mail marketing platform, analytics tools, and social media platforms (El-Gohary, 2012). Some Internet marketing resources are available and may not create a sustainable competitive advantage for small firms (Kim et al., 2013). Employee skills and experience along with the way a firm utilizes Internet marketing resources may increase inimitability and make a set of Internet marketing capabilities a potential source of competitive advantage (Trainor et al., 2011).

## **Rival Theories of the Conceptual Framework**

Previous studies applied several diverse conceptual and theoretical frameworks in the domains of marketing, technology, and small businesses. In addition to RBV (Ahmed et al., 2014; Ismail, Mokhtar, Ali, & Rahman, 2014; O'Donell, 2014; Ramanathan et al.,

2012; Sinkovics & Jean, 2012; Sok et al., 2013), the most commonly used theories included the theory of planned behavior (TPB; Alam & Sayuti, 2011; Grandon, Nasco, & Mykytyn, 2011), dynamic capabilities theory (DCT; Nedzinskas, Pundziene, Buoziute-Rafanaviciene, & Pilkiene, 2013; Trainor et al., 2011; Wang, Hu, & Hu, 2013), technology acceptance model (TAM; Omar et al., 2011; Pentina et al., 2012), and innovation diffusion theory (IDT; Alam et al., 2011; El-Gohary, 2012). In this section of the literature review, I provide an overview of these theories and evaluate their ability to provide a lens for explaining implementation of Internet marketing strategies by small business owners.

Theory of planned behavior. TPB is an extension of the theory of reasoned action (TRA; Ajzen, 1991). TRA provides a model that helps predict people's intentions to perform the behavior based on their attitude towards the outcome of the behavior and perceptions of what others believe they should do (Ajzen, 1991). In addition to the attitude and subjective norm, TPB takes into account people's perceptions of their control to perform an action (Ajzen, 1991). According to TPB, attitude toward the behavior involves the person's feelings about the likely outcome of the behavior (Ajzen, 1991). Subjective norm refers to normative expectations of others to engage in behavior (Ajzen, 1991). Perceived behavioral control is a person's belief in his or her ability to engage in a certain behavior (Ajzen, 1991). In combination, subjective norm, attitude toward the behavior, and perception of behavioral control can explain behavioral intentions.

Researchers can use TPB in a variety of situations to explain different behaviors and motivations. Examples of TPB studies include e-commerce adoption among 210

SME managers/owners in Chile (Grandon et al., 2011) and buyer's attitude towards halal food purchasing (Alam & Sayuti, 2011). In exploring the use of Internet marketing by small business owners, TPB could help predict the owners' intentions to adopt online marketing. TPB could aid in predicting small business executives' decisions to adopt Internet marketing to achieve a competitive advantage by examining the relationship between the independent variables (small business owner's attitude, subjective norm, and perceived behavior control) and the dependent variable (behavioral intention to adopt Internet marketing). The objective of my study was to understand how small business owners developed and implemented Internet marketing strategy rather than predict their intention to adopt online marketing technologies. Due to that reason, I rejected TPB theory in favor of RBV.

Theory of dynamic capabilities. Dynamic capabilities theory examines a firm's ability to achieve and sustain a competitive advantage in a changing environment through reconfiguration and integration of its resources and capabilities (Teece, Pisano, & Shuen, 1997). DCT assumes that organizations with greater dynamic capabilities will outperform firms with fewer dynamic capabilities. The dynamic capabilities can lead to better organizational performance; however, companies achieve competitive advantage, not through the existence of dynamic capabilities but their application and usage (Nedzinskas et al., 2013).

Helfat and Winter (2011) and Protogerou, Caloghirou, and Lioukas (2011) explained the difference between dynamic and ordinary capabilities. According to Helfat and Winter (2011), capabilities that enable significant change in a short period are

dynamic while capabilities that support the firm's ability to perform day-to-day functions are operational. Protogerou et al. (2011) defined dynamic capabilities as the transformation and reconfiguration of operational capabilities. Dynamic capabilities enable firms to renew their operational capabilities constantly and, therefore, achieve long-term competitive advantage (Teece et al., 1997). Product development procedures, resource allocation methods, acquisition capabilities, and knowledge creation processes are examples of dynamic capabilities (Kozlenkova, Samaha, & Palmatier, 2013).

Teece et al. (1997) proposed DCT to address the gap in the RBV. DCT emphasizes that firms can achieve competitive advantage not only through valuable, rare, inimitable, and nonsubstitutable resources, but also through reconfiguration of the firm's internal and external skills, resources, and competencies. Teece et al. (1997) proposed DCT as a stand-alone theory; however, a disagreement exists on whether DCT should be an independent theory since dynamic capabilities are consistent with RBV (Kozlenkova et al., 2013).

Several considerations prevented me from selecting this theory as a foundation for my study. First, there is no clear consensus among the researchers on whether DCT is an independent theory or part of RBV (Kozlenkova et al., 2013). Second, by reviewing the literature, I noticed a very limited number of studies that applied DCT in the field of Internet marketing. The research of Trainor et al. (2011) where they used DCT in combination with RBV to explore how firms develop e-marketing capabilities is an example of one study.

Technology acceptance model. TAM is the adaptation of the TRA applied to technology acceptance (Davis, 1989). TAM helps predicts a decision maker's intentions to adopt new technology based on perceived usefulness and ease of use (Davis, 1989). Researchers have applied this theory to a variety of domains and technologies (Abbasi, Chandio, Soomro, & Shah, 2011; Melas, Zampetakis, Dimopoulou, & Moustakis, 2011; Stoel Tsai, Wang, & Lu, 2011; Wu, Li, & Fu, 2011), including Internet marketing (Omar et al., 2011; Pentina et al., 2012). Pentina et al. (2012) chose TAM as a theoretical framework to explore SMEs' social network marketing technology adoption. Omar et al. (2011) used TAM, TRA, and e-commerce assimilation models to define the factors that impact the adoption of Internet marketing by SMEs in Malaysia.

TAM is similar to TPB in that it also aims to predict behavior intentions. If the goal of my study were to measure and predict small business actions to adopt Internet marketing, then TAM would be a feasible theory to use. Furthermore, to understand the complexity of small business owners' decisions to implement Internet marketing, an explanatory theory rather than predictive theories such as TAM and TPB was more suitable.

Innovation diffusion theory. IDT predicts and explains the diffusion of innovation in a social system (Rogers, 1995). In this theory, Rogers (1995) looked at five factors that influence the adoption rate of innovations by organizations. These factors include (a) relative advantage, (b) compatibility, (c) complexity, (d) trial ability, and (e) observability (Rogers, 1995). A number of studies used TAM and IDT as a combined tool to investigate the factors affecting the adoption of new technologies. For example,

Alam et al. (2011) combined IDT and TAM to explore factors that influence e-commerce adoption in SMEs. El-Gohary (2012) used TAM and IDT models to explain e-marketing adoption, while Wang, Wu, Lin, Wang, and He (2011) applied these models to understand determinants of user adoption of web ATM.

IDT theory offers a useful framework for explaining small business owners' Internet marketing adoption. The main limitation of IDT is its static nature and inability to capture the constant development of technologies during and after adoption (Pentina et al., 2012). The model also overlooks some important internal and external factors that could be important when studying the adoption of Internet marketing in SMEs (El-Gohary, 2012). According to Pentina et al. (2012), other factors could include cost, the size of the firm, social and competitive pressures.

## **Transition and Summary**

Consumers' methods of finding information and leveraging technology do not mirror traditional methods of customers of the past. Small business owners may use Internet marketing to reach consumers and meet their needs and expectations (Stone & Woodcock, 2014). Some large organizations realize the benefits of marketing online, but small business owners are lagging behind in adopting new web technologies due to resource constraints. My qualitative, multiple case study investigated how small business owners developed and implemented Internet marketing strategies. RBV served as a conceptual framework for evaluating this phenomenon.

Section 1 introduced the existing business problem and the method I used to conduct the research. A review of the literature confirmed the need for new research

related to the use of the Internet in achieving business objectives (Pomirleanu, Schibrowsky, Peltier, & Nill, 2013). Section 2 provides a detailed overview of the qualitative multiple case study design along with the data collection steps I used to conduct my study. In Section 3, I will present my study findings and recommendations.

## Section 2: The Project

In this section, I provide a detailed explanation of the steps I took to explore how small business owners pursued an Internet marketing strategy and the rationale for using the selected methodology. Moreover, I discuss an approach to ensure the quality of the findings. This section includes the following subsections (a) purpose statement, (b) role of the researcher, (c) participants, (d) research method, (e) research design, (f) population and sampling, (g) ethical research, (h) data collection, (i) data analysis, and (j) reliability and validity.

## **Purpose Statement**

The intent of my qualitative, multiple case study was to explore how an Internet marketing strategy was developed and implemented in small firms. The purposeful sample for my study included five participants, small business owners of Maryland firms with fewer than 20 employees, who participated in semi-structured interviews. This population represents 86% of all businesses in the United States (U.S. Department of Commerce, 2012). The findings of my study may help small business owners enhance their marketing practices and contribute to positive social change in small firms, their communities, and the economy as a whole.

#### Role of the Researcher

My role as the researcher was to design my study, collect data, and report the findings. I used purposeful sampling process to identify five small firms for my study. I followed the interview protocol to learn about small business owners' use of Internet marketing to promote their products and services. For triangulation purposes, Perry

(1998) suggested supplementing interviews with relevant documents, reports, and articles. In addition to conducting semi-structured interviews with business owners, I analyzed the performance of their current Internet marketing strategies through evaluation of their web analytics, web properties, social media presence, and online advertising.

Researcher bias may taint the phases of research, including research design, data collection, data analysis, and findings. Identification of personal experiences, assumptions, and attitudes prior to starting my study was essential to limiting researcher bias (Yin, 2014). I am proficient in the area of Internet marketing and am able to assess the current state of Internet marketing activities and performance for a business. I have been helping companies develop effective marketing strategies to improve organizational performance since 2005. My Internet marketing experience was beneficial for my study, but it may have made me prone to preconceptions and assumptions. To avoid forcing research findings to align with my personal beliefs, I was mindful of my personal and professional background when designing my study, crafting research questions, and analyzing results.

To refrain from introducing researcher bias, I used bracketing methods: (a) wrote notes during data collection and analysis; (b) asked open-ended questions that invited interviewees to tell the story about their experience; (c) asked study participants to review my interpretations for accuracy; and (d) followed rather than led during the interview process, as recommended by Perry (1998) and Thomas and Magilvy (2011). Bracketing

can increase the rigor of a study and enhance data analysis and findings (Chan et al., 2013).

I followed ethical principles and research guidelines outlined in *The Belmont Report*, including key aspects such as respect for persons, beneficence, and justice (U.S. Department of Health & Human Services [USDHHS], 1979). According to the first principle, individuals should consent to participate in research, and those who are not able to consent such as children and people with diminished abilities have the right to protection (USDHHS, 1979). According to the second principle, the researcher should not harm study participants and should focus on maximizing their benefits and minimizing the risks (USDHHS, 1979). Finally, the researcher has to treat study participants fairly (USDHHS, 1979). To assure the safety and rights of participants, I submitted my study proposal for Walden University Institutional Review Board (IRB) approval. Walden University's IRB approval number is 01-02-15-0401364 and it expires on expires on January 1, 2016. In addition to the IRB review, I completed the National Institutes of Health (NIH) Office of Extramural Research web-based training course titled *Protecting Human Research Participants* (see Appendix C).

### **Participants**

To explore my specific business problem, I identified a population to study, sampling method, and appropriate sample size. The population of my study included five small business owners from five different firms located in the Maryland area. To explore the contemporary phenomenon of Internet marketing among small firms, I used a qualitative method and a multiple case study design. For this research approach, the

accepted number of cases seems to fall between two to four as the minimum and 10, 12, or 15 as the maximum (Perry, 1998). Perry (1998) recommended using more than one case in order to allow for cross-case analysis.

To obtain data, I used a purposeful sampling strategy of personal and professional contacts to select five small business owners to participate in my study. This strategy, according to Perry (1998), helps promote the richness of findings and choose participants based on the predefined criteria. Cronin-Gilmore (2012) used purposeful sampling during the conduct of a qualitative case study that explored the actions of small business owners related to the marketing strategy. Small business owners from different organizations contributed experiences and thoughts related to strategies they employed to promote their business. I did not interview small business owners that I had personal relationships with or had consulted in the past.

To build trust and establish a working relationship with my study participants, I provided full disclosure of the research intent and process, as recommended by Rubin and Rubin (2012). I guaranteed small business owners participating in my study complete confidentiality and privacy, and I masked the names of participants and the research organizations to maintain confidentiality. I will store data records in a password-protected Dropbox folder and destroy them after a period of 5 years. All study participants had the opportunity to review the interview interpretations for accuracy and received the summary of the findings. The process of following up with study participants for clarifications is also known as member checking (Thomas & Magilvy, 2011). To obtain

consent from research participants, I asked them to read and sign a participant research consent form (see Appendix B).

### **Research Method and Design**

#### Method

I determined that qualitative research was the appropriate method for gaining an in-depth understanding of small business owners' decision-making and processes used for online marketing strategies. Qualitative research methods enable researchers to develop a deeper understanding of experiences, processes, problems, and events (Bluhm, Harman, Lee, & Mitchell, 2011). Furthermore, qualitative research is critical for gaining an understanding both of complex topics and of a new phenomenon (Bluhm et al., 2011). The qualitative research method was appropriate for my study because the objective was to gain a deep understanding of a contemporary phenomenon.

Researchers agreed that the qualitative method is suitable for understanding the business activities in SMEs because it helps explain rather than predict or measure the phenomena (Bettiol, Di Maria, & Finotto, 2012; O'Donnell et al., 2011). O'Donnell (2011) used a qualitative method to investigate how small firms engage in marketing of their products and services. Likewise, Bettiol et al. (2012) employed a qualitative technique to explore marketing in SMEs and its relationship to the entrepreneurial nature of SMEs.

Quantitative and mixed research methodologies did not meet the objective of my study. The goal of the quantitative research is to achieve the objective and precise results using standardized data collection instruments and statistical methods. According to

Thomas and Magilvy (2011), numerical data generated through quantitative research are ideal for validating existing hypothesis and generalizing outcomes across a large number of subjects, which was not the intent of my study. Moreover, the quantitative method may not allow researchers to ask deep and probing questions to understand the experiences or the processes (Yin, 2014). Furthermore, because mixed method includes quantitative research, it was not appropriate for addressing my study's research question.

## Research Design

I employed a qualitative method and multiple case study design to gather information from a purposeful sample of five small business owners located in the Maryland area. The case study was the preferred method for this research as it allowed for an in-depth exploration of process, activity, and the events of several individuals (Yin, 2014). Multiple case study is a variant that includes two or more cases of the same phenomenon (Yin, 2014). The case illustrated small business owners' use of Internet marketing. I was able to uncover complementary and contrasting aspects of the phenomenon by evaluating online marketing strategies of five different companies.

The qualitative research method includes five approaches: (a) phenomenology, (b) case study, (c) ethnography, (d) narrative, and (e) grounded theory. The evaluation of available designs supported my decision to proceed with the case study approach. The phenomenology design is ideal for understanding experiences of a group of people with a shared phenomenon (Reiter, Stewart, & Bruce, 2011). The goal of phenomenology is to gain understanding of lived experiences and perceptions rather than processes and practices; therefore, this design could not help me produce relevant results. Ethnography

can help researchers understand behaviors, beliefs, and issues of a culture-sharing group (Watson, 2011). Ethnography research uses in-depth interviewing, archival research, and continuous observations to collect data (Sangasubana, 2011). The goal of my research was to develop an in-depth understanding of the business processes and not cultural beliefs, so ethnography did not meet my study's objective. Narrative research is suitable for describing an experience or life of one or several individuals in a chronological order (Beattie, 2014). Narrative research focuses on the telling of the story rather than on gaining an in-depth understanding of the problem, thus, it was not suitable for my study. Grounded theory design develops and builds a new theory (Timmermans & Tavory, 2012). A grounded theory design was not applicable because the objective of my study was to explore the phenomenon using existing RBV rather than develop a new theory.

The case study design is appropriate for exploring a new phenomenon and examining how something works. The case study design is suitable for studying contemporary topics about which little research existed (Perry, 1998). Marketing on the Internet is an example of a contemporary phenomenon, so I used a case study design to analyze it. Case study research allowed me to gain the deepest and richest insight of an underresearched phenomenon.

Perry (1998) described a case study as a rigorous and suitable design for conducting marketing research. One benefit of the case study design is it enables the researcher to get a holistic view of the process as opposed to a fragmented evaluation (Yin, 2014). Triangulation or the use of several data collection methods such as interviews, observations, archives, and questionnaires enables researchers to gain a

holistic understanding of a complex phenomenon (Ali & Yusof, 2011). To ensure the quality of the findings, I gathered information using various data collection techniques. I interviewed five small business owners, and if data saturation were not attained by that time, the interviews would have continued until saturation was reached.

Researchers use case study design to explore dynamic business environments and to understand complexities. Bettiol et al. (2012) employed a qualitative approach and conducted four case studies to understand how small firms engaged in successful marketing activities without following traditional marketing approaches. In a case study of 14 United Kingdom small and medium-sized fashion e-retailers, Ashworth (2011) explored how retailers used a six-staged approach to developing and sustaining their online business. Similarly, O'Donnell (2011) used a case study design to investigate marketing decisions in small firms. In particular, O'Donnell (2011) examined the use of networking practices by business owners. Thus, I used the qualitative multiple case study approach to explore how small business owners developed and implemented an online marketing strategy.

## **Population and Sampling**

The scope of this multiple case study included five small businesses located in the Maryland area with fewer than 20 employees. Findings coming from two or more cases are more substantial and powerful than a single case (Yin, 2014). The recommendations in the literature for the number of cases varied, but an accepted number of cases seemed to fall between two to four as the minimum and 10, 12, or 15 as the maximum (Perry, 1998). To understand how marketing executives adjusted their strategies during the Great

Recession in 2008–2009, Rollins et al. (2013) conducted four case studies. Five cases was an appropriate size for my study. By interviewing five small business owners and analyzing data on their Internet marketing strategies, I developed information-rich cases that allow for future replication.

To identify my study participants, I used a purposeful sampling strategy. Perry (1998) recommended using purposeful sampling to ensure the richness of findings.

Participants' qualifying criteria included: (a) be at least 18 years old; (b) currently owned and ran a U.S.-based business with fewer than 20 employees; (c) acted as the chief decision maker; and (d) used Internet marketing to promote products or services. Small businesses are heterogeneous, with diversity in activities and operations (Valadez, 2011). To gain a broader view of the state of online marketing, I selected different firms that operated in different industries.

The objective of qualitative research is to collect sufficient data to allow for rich and complete description of the phenomenon under investigation (O'Reilly & Parker, 2013). After interviewing five small business owners, I collected enough data to analyze and achieved data saturation. The researcher achieves data saturation when the same patterns keep appearing and new information is not emerging (Rubin & Rubin, 2012). Furthermore, following the transcription, I conducted member checking so that each participant could acknowledge the accuracy and completeness of the transcript.

#### **Ethical Research**

I followed ethical practices and guidelines when collecting data from participants.

Individuals who are in a protected class or under 18 years of age were not invited to

participate in my study. I conducted my study after the IRB approval from Walden University.

To build trust with the participants, I treated them with respect at all times and provided them an opportunity to review the interview transcripts, as recommended by Rubin and Rubin (2012). After the completion of my study, I sent the small business owners a summary of the findings. This practice helped ensure the accuracy of my interpretations and solidified the trust of my study participants (Thomas & Magilvy, 2011).

Prior to partaking in my study, participants received an overview of the consent form and had an opportunity to ask any questions they may have had about the terms of my study. The consent form contained information about my study, the purpose of the research, and the characteristics of the target participants (see Appendix B). Moreover, the consent form listed my contact information and a Walden University representative's phone number. Participation in my study was on a voluntary basis with no compensation awarded. Participants had the right to withdraw from my study at any time without any consequences. If the participant elected to withdraw from my study, I would have provided the participant with the interview notes and the audio recording to destroy. All participants received a hard copy of the signed consent form, and I encouraged them to save it for future reference.

I guaranteed small business owners participating in my study complete confidentiality. I coded all files, interview recordings and transcribed interviews to secure

the identity of business owners. I will store the data records for a period of 5 years in a password protected Dropbox folder.

#### **Data Collection**

The data collection for a case study is extensive and draws from multiple sources. Yin (2014) defined the six main sources for collecting case study evidence as documents, archival records, interviews, direct observation, participant-observation, and physical artifacts. To increase the quality of a case study, Yin (2014) encouraged the use of several different sources to support the same facts or findings. The researcher should spend time on the site interacting with my study participants and observing their behavior. The case study data came from a variety of complementary sources to ensure I had confirmatory evidence for my main topics. This section includes detailed description of the instruments and techniques I employed to collect data

### **Instruments**

In a qualitative study, the researcher serves as the main data collection instrument (Pezalla, Pettigrew, & Miller-Day, 2012). For my study, I collected data through face-to-face interviews, observations, and evaluation of archival data and physical artifacts. I used qualitative interviews as the secondary data collection instrument. According to Rubin and Rubin (2012), there are four main types of qualitative interviews: (a) Internet interviews, (b) unstructured or semi-structured interviews, (c) group interviews, and (d) casual conversations. Structured interviews follow a strict script or survey and do not allow for improvisation. Group interviews can be either structured or unstructured, but two or more people participate at once. Unstructured or semi-structured interviews allow

researchers to ask questions prepared beforehand and to ask additional probing and clarifying questions to garner additional data. The goal of my study was to develop an indepth understanding of the ways small business owners developed and implemented online marketing strategies, so I used semi-structured interviews. Semi-structured interviews allowed me to inquire about decision-making processes and opinions of participants, as well as the ability to ask probing questions when necessary. I conducted face-to-face, semi-structured interviews with each participant.

Semi-structured, face-to-face interviews are an effective method to collect data from the owners and managers of small enterprises. Some researchers used semi-structured interviews to collect data from small business owners or marketing professionals. Rollins et al. (2013) interviewed six business-to-business marketing executives from four different industries to learn how they adjusted marketing strategies during the Great Recession in 2008–2009. Similarly, Cronin-Gilmore (2012) used semi-structured interviews to understand small business owners' decisions and actions related to marketing strategy. Therefore, for my study, I used semi-structured interviews to understand how small business owners pursued online marketing strategies.

During the interviews, I adhered to the following protocol. The first step included contacting and screening participants. I contacted participants by phone to qualify participants for my study. Prior to the start of the interviews, I explained to the participants the purpose of my study and thoroughly reviewed the consent form. Once small business owners agreed to participate in my study and signed the consent form, I set appointments for the interviews. I asked for 1 hour of the participants' time to conduct

the interviews, and I obtained access to additional online marketing materials, analytics data, budgets, and reports. The context and circumstances are integral to the understanding of the phenomenon, so I interviewed and observed participants in their work environment. When the interview started, I reminded participants of their rights, and that I was recording our conversations. During the interview, I asked open-ended questions and encouraged participants to provide detailed descriptions of their experiences. After the interviews concluded, I transcribe all interviews. I offered all participants an opportunity to review the summary of my interpretations to confirm the accuracy.

## **Data Collection Technique**

The data collection process will include several data collection techniques. The primary source of data for my study will come from interviews, and the secondary sources of data will include documents, observations, and archival evidence. According to Yin (2014), interviews are the most important case study information source, and integration of supplemental materials and evidence allows for triangulation. I asked small business owners open-ended interview questions (see Appendix A), since this was a tactic recommended by Yin (2014) to give participants the freedom of expression and opportunities to share their views and experiences. During the interview, I took notes of my observations, feelings, and thoughts as well as the facial expressions of participants and their voice tones. I kept detailed notes, and then transferred them to the Microsoft Excel and Microsoft Word. To ensure an accurate rendition, I recorded all interviews.

The second source of data was documents related to the firm's online marketing practices including, but not limited to, marketing plans, e-mails, progress reports, search engine rankings, and other internal records. The third source included archival records such as budgets, personnel records, and web analytics. Some documents and archival records were developed for a certain purpose or audience, so I considered these conditions when assessing the value of these sources to my study. Direct observations of working conditions and technology used by the firms served as a fourth source of data. Direct observations helped me understand how my study participants used online marketing technology and what problems they encountered during the development and implementation of Internet marketing strategies. The fifth source of evidence was physical artifacts; company websites, online advertisements, social media posts, e-mail templates, and other creative materials related to online marketing. To explore marketing practices in SMEs, Bettiol et al. (2012) conducted four case studies and used company documents, website, and articles as the secondary source of data. Combining in-depth interviews and direct observations with information gleaned from secondary sources allowed Bettiol et al. (2012) to gain a complete understanding of the phenomenon. I developed a broader perspective of the application of online marketing strategies by small business owners by examining the physical artifacts.

Researchers conduct a pilot study with members of the population to determine the appropriateness of the interview questions and to establish the time, cost, and feasibility of a new or created data collection instrument (Gehlbach & Brinkworth, 2011). I did not conduct a pilot study because during the semi-structured interviews with small

business owners I was able to ask probing questions to get an expanded answer. In addition, if my study participants did not understand the question, I was able to rephrase it to ensure clarity.

### **Data Organization Techniques**

The case study project should have a formal database to increase the reliability of the study and allow other investigators to review collected evidence (Amerson, 2011). The database that contains data collected from notes, documents, tabular materials, and narratives may help demonstrate evidence and increase transparency (Beverland & Lindgreen, 2010). I stored the data I collected for my study in an organized, categorized, complete, and available for later access.

To convert to text all the recorded interviews with my study participants, I contracted a transcription service. The transcription firm signed a confidentiality agreement (see Appendix D) prior to receiving the recordings, acknowledging that the transcriber would not share the information gained during the transcription process with another individual, corporation, or organization. After I had conducted the interviews, the transcriber prepared a typed document and delivered it to my e-mail account. Once I verified the accuracy of the transcripts by comparing them to the interview recordings and saved the file in a secure location, I requested that the contracted firm deleted and destroyed all files related to my study. I will store interview transcripts for a period of 5 years in a password-protected Dropbox folder, and I informed the research participants about this process.

I organized and categorized the raw data, documents, and reports with the field notes after each interview. I used Microsoft Word and Microsoft Excel to help me organize the data. During the data organization process, I used NVivo to assist me with identifying themes, patterns, trends, and dominant topics. Furthermore, I noted conflicting participant interpretations, alternative perspectives, and critiques as suggested by Yin (2014).

I was the only person who analyzed and had access to all raw data collection files. I asked all study participants to sign an informed consent form. I will save and store the data in the password-protected Dropbox folder for 5 years after concluding the approved study. After 5 years, I will delete all electronic files associated with my study.

### **Data Analysis Technique**

The analyses of the transcribed interview recordings, along with the supplemental documents, reports, and data, are the key steps in an effort to answer the research question. Unlike quantitative research, there is no one prescribed way for analyzing case study evidence. Yin (2014) four general strategies for analyzing case study evidence; (a) relying on theoretical propositions, (b) developing a case description, (c) thinking about rival explanations, and (d) using both qualitative and quantitative data. A researcher can implement these strategies using any of the following five tactics; pattern matching, explanation building, time-series analysis, logic models, and cross-case synthesis (Yin, 2014). I relied on the theoretical proposition and rival explanations in my data analysis strategy. My goal was to address the research questions while examining conflicting

explanations discovered during the literature review. To analyze whether the five cases in my study shared any similarities, I used the technique of cross-case synthesis.

I used an inductive data analysis to explore the participants' experiences with online marketing. The data analysis involved coding of the interview transcripts and looking for common patterns, themes, and categories that relate to the research question (Yin, 2014). I created descriptive categories and subcategories, which I used to group data with similar words, phrases, events, and meanings. As the analysis of cases evolves, so did the categories. I used the coding process to help analyze the data and develop a rich report. To supplement the findings, I used visuals such as comparison tables and figures where appropriate (Elo et al., 2014).

To help facilitate thematic coding and categorization of collected data, I used NVivo 10, a computer-assisted qualitative data analysis (CAQDAS) software. NVivo software is a tool that can assist researchers in coding and categorization of large volumes of narrative text (Yin, 2014). The software enables the user to upload and organize transcripts, uncover themes and trends, search for the exact query, organize data in categories, and display data using visualization tools such as charts, graphs, and maps (Edwards-Jones, 2014). I was able to manipulate the data to derive meaningful patterns and themes by using this software.

RBV served as the conceptual framework for my study. According to the RBV, the distinct set of a firm's resources and capabilities may serve as a basis for competitive advantage (Barney, 1991). I used the RBV theory to guide the development of interview questions. I explored a variety of resource and capabilities that small firms possess

related to online marketing. The data I collected through the semi-structured interview questions and secondary data helped me assess the quality and importance of these resources in helping firms compete in the marketplace.

Prior to conducting interviews with study participants, I conducted online research to assess the online marketing strategies that firms employed. The Internet provides a wealth of information, so instead of collecting facts that I could find online I asked interview questions to gain a deeper understanding of the decision-making processes and day-to-day marketing operations. The interview questions explored the following resources and capabilities; (a) owner experience and education, (b) online marketing strategy, (c) marketing budget, (d) in-house versus outsourcing, and (e) number and qualifications of employees. The owner is an asset and the person responsible for the organizational decisions, so I strove to understand whether he or she had specific online marketing knowledge or background. Furthermore, I explored characteristics of the owner as a resource and his or her ability to make the right decisions related to online marketing. Firms need to possess the technology, financial resources, and expertise to develop and implement a successful marketing strategy. I aimed to understand what resources small business owners use when developing and implementing online marketing and whether these resources were internal or external. Moreover, the interview questions addressed a firm's marketing mix and budget allocation towards online marketing.

Triangulation of data sources will be a component of my study. Triangulation is a method of integrating multiple data sources to help understand the results (Denzin, 2012).

The four types of triangulation include data triangulation, investigator triangulation, theory triangulation, and methodological triangulation (Denzin, 1978). To enhance transferability and robustness of the findings, I employed methodological triangulation, which involves the use of different data collection methods. In addition to conducting interviews with small business owners, I also gathered data using documents, observations, and archival evidence.

# Reliability and Validity

This section includes a description of my plan to establish reliability and validity in my study. Reliability and validity in qualitative research help establish trust and confidence in the results of my study (Thomas & Magilvy, 2011). To address the quality of my study, I used several tactics.

## Reliability

Reliability ensures consistency of the results and repeatability of measures (Yin, 2014). A study is reliable when a later researcher can produce the same results under the same conditions. To ensure reliability of my study, I used the following tactics suggested by Yin (2014), and Thomas and Magilvy (2011), (a) kept detailed descriptions of the research process and procedures, (b) developed a case study database, and (c) facilitated member checking. To allow other investigators to repeat my study, I provided a systematic explanation of the research collection methods. I explained how I designed my study, selected the participants, collected, and analyzed data, and ensured the quality of the findings. During the data collection and analysis stages of the research, I kept a journal. I was able to retrace my thinking and discover connections among categories and

emerging themes by relying on memos and written ideas. A formal case study database increases the reliability of my study and allows other researchers to review collected evidence directly (Yin, 2014). I developed a case study database that contained all data collected through notes, documents, physical artifacts, and narratives. To address dependability, I followed Thomas and Magilvy's (2011) recommendation and ask study participants to review interview transcripts to ensure the accuracy of my interpretations of small business owners' experiences with online marketing. I also considered scheduling a second interview with all or some of the participants in order to fill in missing pieces of information.

### Validity

Validity concerns the trustworthiness of the qualitative research and consists of four components: (a) credibility, (b) transferability, and (c) conformability (Thomas & Magilvy, 2011). To ensure the validity of my study, I will follow steps suggested by Yin (2014), and Thomas and Magilvy (2011) including (a) using multiple sources of evidence, (b) ensuring data saturation, and (c) describing the limitations of my study. The use of multiple sources of evidence will allow for triangulation (Denzin, 2012). I used an array of sources of evidence—review of documents, archival records, and physical artifacts along with conducting five interviews with small business owners, and field observations—all corroborating on the same set of research questions. Triangulation of data sources helped address the construct validity because it provided multiple measures of the same phenomenon (Beverland & Lindgreen, 2010). Moreover, triangulation can help reduce respondent bias and provide support of a researcher's conclusions (Barratt,

Choi, & Li, 2011). Ensuring data saturation through member checking of interview transcripts and lack of new emerging data enhanced credibility (Houghton, Casey, Shaw, & Murphy, 2013). I helped establish the transferability of findings or methods by describing the limitations of my study and the demographics (Thomas & Magilvy, 2011). To ensure transferability of my study, I provided a detailed description of the limitations of the results.

## **Transition and Summary**

The objective of Section 2 was to explain the plan for conducting my study. To explore how small business leaders engaged in successful Internet marketing strategies, I conducted a qualitative multiple case study. The population of my study will include five small business owners of Maryland companies with fewer than 20 employees. I collected data from six different sources including documents, archival evidence, semi-structured interviews, direct observation, participant-observation, and physical artifacts. I used Microsoft Word and Microsoft Excel to organize the collected data. Data analysis consisted of coding of the interview transcripts and looking for common patterns, themes, and categories that relate to the research question. In this section, I also outlined a plan for establishing reliability and validity in my study. Section 3 will provide an overview and analysis of the data collected and critical findings.

Section 3: Application to Professional Practice and Implications for Change

Section 3 provides the findings of the research study. In addition, this section
includes an (a) overview of the study, (b) presentation of the findings, (c) application to
professional practice, (d) implications for social change, (e) recommendation for actions,
(f) recommendations for further study, (g) reflections, and (h) summary and study
conclusions. I present the findings of the study by main themes.

## **Overview of the Study**

The purpose of this qualitative multiple case study was to explore how small business owners developed and implemented their Internet marketing strategy. I conducted semi-structured interviews with five business owners of companies with a maximum of 20 employees in Maryland, United States to obtain data and to answer the following research question: How can small business owners develop and implement a successful Internet marketing strategy? I qualified each participant based on the following criteria: (a) be at least 18 years old; (b) currently own and run a U.S.-based business with fewer than 20 employees; (c) act as the chief decision-maker; and (d) use Internet marketing to promote products or services. Interviews took place in an environment where participants could feel comfortable with providing detailed responses to answer each semi-structured interview question. Participants responded to 12 interview questions (see Appendix A) that indicated the process and resources they used to create and implement an online marketing strategy. A review of company documents and their online marketing presence associated with data obtained from interviews.

As I described in Section 2, I used the Yin approach (Yin, 2014) to analyze the collected data. After transcribing the five interviews and gathering company records, I imported data from semi-structured interviews and the review of company documents into NVivo 10 qualitative analysis software for coding. I analyzed the data and identified five core emergent themes. The first theme was unstructured planning, which was a way small business owners developed an online marketing strategy, and identified resources need for implementation. The second was business owners' limited Internet marketing knowledge and expertise. The third theme that emerged was the use of Internet marketing channels and tools by small business owners to implement their strategy. The fourth was lack of systematic approach to the management of Internet marketing, which showed how business owners conducted day-to-day marketing operations. The fifth emerging theme was inadequate measurement of Internet marketing efforts and the extent to which small business owners evaluated the performance of their Internet marketing strategy.

## **Presentation of the Findings**

The main research question that guided the study was as follows: How can small business owners develop and implement a successful Internet marketing strategy? I used semi-structured interviews to gain an understanding of how small business owners developed and implemented an Internet marketing strategy. In addition to semi-structured interviews, I reviewed companies' online marketing presence such as social media pages, company website and search engine rankings. I also evaluated their online marketing materials such as ads and email templates as well as web analytics. I scheduled the

interviews in participants' places of business in a private meeting room. Interviews lasted approximately 60 minutes.

Following the compilation and analysis of data collected through semi-structured interviews and a review of company documents, five themes emerged. The five main themes encompassed, (a) unstructured planning, (b) limited Internet marketing knowledge and expertise, (c) use of Internet marketing channels and tools, (d) lack of systematic approach to the management of Internet marketing, and (e) inadequate measurement of Internet marketing efforts. I will provide an overview of each case before describing the five themes. Each small business evaluated in this study operated in a different industry, had varied Internet marketing goals, and possessed distinct resources. The case overviews include description of the business, owner's experience, target audience, Internet marketing goal, marketing budget, channel mix, management of online marketing, Internet marketing tools, and Internet marketing performance.

The conceptual framework of this research project was RBV. RBV helps to understand how firms leverage their investments in online marketing to develop capabilities that are valued, rare, inimitable and non-substitutable (Barney, 1991). Internet marketing capabilities and resources can provide a competitive advantage to the firm and positively influence the firm's performance. I will discuss the findings as they relate to the conceptual framework and the presentation of the emergent themes.

### **Overview of Study Participants' Internet Marketing Activities**

To protect the confidentiality of the study participants, I replaced their real names with pseudonyms: Kelly, Riley, Erica, Scott, and Mary. Kelly, Erica, and Mary were

female business owners and Scott and Riley were male. All study participants had an opportunity to review my interpretations and provide feedback. Company names received codes of Company A, Company B, Company C, Company D, and Company E.

Participant 1 – Kelly. The first study participant was Kelly, the founder and owner of Company A, a local educational program for kids and adults. Company A offered foreign language tutoring services and classes. Kelly started her company in 2007, and in 2015 had seven employees. Kelly earned an MBA with specialization in marketing and prior to starting her company she worked in the finance industry. Although Kelly took several marketing classes during her MBA, she did not have any formal online marketing experience.

*Target audience.* Kelly's target audience includes parents and families. Her target audience is interests in exposing their children to foreign languages in school or after-school programs. Kelly's prospective customers live in Maryland.

*Internet marketing strategy.* Kelly's Internet marketing strategy revolved around new customer acquisition. She focused most of her efforts on acquiring new leads and converting them into customers.

*Marketing budget.* Kelly's total yearly marketing budget was \$1000.

Approximatelly 5-10% of her marketing budget goes towards marketing online. The remaining funds go towards traditional media.

*Channel mix.* Kelly's marketing mix consisted of referrals, events marketing, social media, and email marketing. Word of mouth and referrals were a big part of Kelly's marketing mix. She gave \$25.00 referral credits for families. To increase

Company A's visibility and to meet new families, Kelly hosted local MeetUps. Table 2 provides the details of Company A's online marketing channel mix. Through social media, Kelly tried to reach new customers by boosting ads, sharing schedule for upcoming classes, and providing educational and fun content. Kelly used email marketing to keep her list subscribers up-to-date and shared some fun tips about different cultures. Every once in a while, Kelly did promotions with Living Social and Certified Kid to acquire new customers by offering a discount to new families who wanted to try her services. Kelly also used basic SEO techniques to optimize her website, so it showed up in search results for her targeted keywords.

Table 2

Details of Company A's Online Marketing Channel Mix

Channels Used	In-house/Outsourced	Measuring Results
Search Engine Optimization	In-house	Yes
Email Marketing		
Email Newsletter	In-house	Yes
Brand building emails	In-house	Yes
Conversion-focused emails	In-house	Yes
Social Media Marketing		
Facebook	In-house	Yes
Twitter	In-house	Yes
LinkedIn	In-house	No
Events		
MeetUp	In-house	Yes
Online Public Relations	N/A	N/A
Coupon Sites	In-house	Yes

*Management of online marketing.* Kelly was very involved in managing day-to-day Internet marketing activities. Her Assistant Director was responsible for monitoring

Google Analytics and providing an update. Kelly also worked with the local university to get two interns every semester to help with the implementation of marketing strategies.

Internet marketing tools. The three main tools that Kelly used included a website, blog, and Campaigner, an email marketing and customer list management tool. Table 3 provides the details of Company A's online marketing tools. For the website, Kelly purchased a predesigned template and customized it herself. The website provided information about the services, course schedule, and staff. Website users could also sign up to receive the newsletter and view photo gallery. Kelly tried to keep her blog current and populated with fun, educational articles that both kids and parents could enjoy.

Kelly used Campaigner tool to store her clients' information and send the newsletter. The information of users who subscribed to receive Company A's quarterly newsletter got automatically populated into the Campaigner contact management tool.

Table 3

Details of Company A's Online Marketing Tools

Tools Used	In-house/Outsourced
Customer Relationships Management	In-house
Blog	In-house
Website	In-house
Web Analytics	In-house

*Internet marketing performance.* Kelly relied on Google Analytics and Campaigner reporting to evaluate online marketing performance. She also asked all of her new clients how they heard about her company.

Participant 2 – Riley. The second participant was Riley, the owner of Company B, the emergency plumbing franchise. Riley purchased this franchise in 2013 and in 2015 had 13 employees. Before opening the emergency plumbing business Riley worked as a Certified Public Accountant for 13 years and later worked in rental real estate for 6 years. As a former accountant, Riley was numbers driven. While Riley did not have any Internet marketing education or experience prior to starting his business, he knew how to calculate return on investment and how to optimize the marketing spend to achieve the marketing spend.

Target audience. The target audience included homeowners with plumbing issues. The clients were looking for a reliable plumbing service company that could fix their problems in the most time efficient manner possible. Most of the clients has plumbing emergencies issues and were looking for a professional company to fix the problem the same day.

Internet marketing strategy. Riley's Internet marketing strategy was targeted towards lead acquisition and brand awareness. Riley relied on branding to ensure that customers in his area are aware of the services he offered. Internet marketing also helped him to get in front of his customers when they were looking for a service provider online.

*Marketing budget.* Riley's marketing budget was \$120,000 a year. He allocated 70% of the total marketing budget for online marketing. Other 30% he spent to branding and traditional media.

*Channel mix.* The channel mix included Google pay per click advertising, email marketing, social media marketing, video marketing, online public relations, mobile

marketing and lead aggregators. Table 4 provides the details of Company B's online marketing channel mix. Company B had a good online presence and high visibility in Google search results for the brand name and targeted keywords.

Table 4

Details of Company B's Online Marketing Channel Mix

Channels Used	In-house/Outsourced	Measuring Results		
Pay Per Click Advertising	Outsourced	Yes		
Email Marketing				
Email Newsletter	In-house	Yes		
Brand building emails	In-house	Yes		
Conversion-focused emails	In-house	Yes		
Social Media Marketing				
Facebook	In-house	Yes		
Google +	In-house	Yes		
Pinterest	In-house	Yes		
Yelp	In-house	Yes		
Video Marketing				
YouTube	In-house	Yes		
Online Public Relations	In-house	Yes		
Lead Aggregators	In-house	Yes		
Display Advertising				
Banner ads	In-house	Yes		
Mobile Marketing	In-house	Yes		

Management of online marketing. Riley spent most of his time managing online marketing activities. He was able to optimize his operations and customer support to allow him the time to focus on marketing. Riley outsourced pay per click to an outside vendor but paid very close attention to the campaign performance and results that the vendor generated. The franchise corporate provided monthly marketing suggestions and

creative materials for promotions to all franchisees. Riley reviewed corporate recommendations and incorporated their recommendations into his online strategy.

Internet marketing tools. Riley had a dedicated section on the franchise's website for his local business. The website provided information about services, special offers, media coverage, customer testimonials, areas served, FAQs and blog. While the website had a blog, it was underutilized and included only three blog articles. On the website, users could also book their appointment. The website had Google Analytics installed and linked out to different social media profile pages. To send email blasts, Riley used MailChimp, email marketing application. Table 5 provides the details of Company B's online marketing tools.

Table 5

Details of Company B's Online Marketing Tools

Tools Used	In-house/Outsourced
Customer Relationships Management	In-house
Blog	In-house
Website	In-house
Web Analytics	In-house

Internet marketing performance. Riley was very analytical and spent a significant amount of time analyzing the performance of his marketing efforts. He reviewed pay per click performance in Google Adwords account on a daily basis. He looked at Google Analytics to understand his website's performance. Riley also used tracking phone numbers for different channels so he could understand which channels

generated the most calls. In addition, Riley looked at the number of appointments booked, social media statistics, MailChimp email marketing analytics, and revenue generated.

Participant 3 – Erica. Erica, Participant 3, was the youngest of all business owners. After dropping out of college in 2007, after the freshman year, Erica started Company C, a hair salon in the hippest neighborhoods in Baltimore. Erica had one employee, and she worked full time as a hairstylist as well and managed business operations. Erica was a digital native without any formal business or Internet marketing training. She claimed to have learned everything from her entrepreneurial mother.

Company 3 offered a wide variety of services including fantasy hair coloring, customized cuts for women and men, a wide variety of hair extensions, smoothing treatments, facial waxing, and bridal services. Supplemental revenue came from selling professional hair care products. Erica focused on customer service and creating an intimate experience for her clients, different from the bigger salons.

Target audience. Erica's target audience included both male and female clients. Erica's clients wanted edgy, stylish, and professional hair care. If the clients liked their first visit, they often become repeat customers and recommended the place to their friends and family.

*Internet marketing strategy.* Erica's Internet marketing strategy focused on reputation management and thought leadership. Through her marketing efforts, she aimed to position Company 3 as a leader in hair care services that kept a pulse on current trends,

fashion, and products. Online reputation management was an important part of her strategy since most customer are reading online reviews before choosing a hairdresser.

*Marketing budget.* Erica's marketing budget was \$0. Erica did not have marketing expenses budgeted. However, if she saw a good opportunity she was willing to pay for it on as needed basis.

Table 6

Details of Company C's Online Marketing Channel Mix

Channels Used	In-house/Outsourced	Measuring Results
Email Marketing		
Conversion-focused emails	In-house	No
Social Media Marketing		
Facebook	In-house	Yes
Twitter	In-house	No
Instagram	In-house	No
Yelp	In-house	Yes

Channel mix. The two main marketing channels that Erica used included social media and email marketing. Table 6 provides the details of Company C's online marketing channel mix. Erica tried to stay active on Facebook, Twitter, Instagram, and Yelp. She used social media to monitor customer feedback, inform clients about openings and current happenings, as well as to educate them on the latest styles and best products. Erica used email marketing primarily for announcements.

*Management of online marketing.* Erica managed all of the Internet marketing activities herself. She recently asked her friend to help her launch a new website. Due to

Erica's limited marketing budget she did not consider hiring an Internet marketing consultant or agency.

Internet marketing tools. The two main web-marketing tools that Erica employed included a website and Booker, an online appointment making application. The website included information about the salon, services, and products. The site also included links to Company 3's social media accounts. The website included a gallery page and blog, but Erica did not start using this functionality yet. Erica's website did not have analytics installed. Table 7 provides the details of Company C's online marketing tools.

Table 7

Details of Company C's Online Marketing Tools

Tools	Use	In-house/Outsourced
Customer Relationships Management	Yes	In-house
Website	Yes	In-house

Internet marketing performance. To evaluate her online marketing performance, Erica reviewed her engagement and analytics data on social media sites. She also looked at the number of appointments that came in through her online booking system. While Erica had a website, she did not have any web analytics installed to measure its performance.

Participant 4 – Scott. The fourth participant was Scott, the owner of Company 4, the massage therapy franchise. Scott and his wife bought the franchise in 2013 and in 2015 had 15 employees. As a former engineer, Scott held a Master in Engineering Management with a concentration in marketing. While Scott did not have any Internet

marketing education or experience before venturing into the massage business, he was technically savvy and understood Internet technology well.

*Target audience*. Scott's target audience included customers who were seeking professional massage services. His target audience was interested in massage for medical reasons such as pain relief and rejuvenating benefits such as stress reduction. The massage industry was very competitive, and customers were price sensitive.

Internet marketing strategy. The Internet marketing strategy was lead generation, new customer acquisition, and retention. Scott's goal was to get 100 new clients every month. Of those 100 clients, he aimed to convert at least 25 in their membership program.

*Marketing budget.* As a franchise, Scott was required to have a minimum spend in marketing. Company 4's annual marketing budget was \$36,000. Scott allocated approximately 50% of his total budget towards online marketing.

Channel Mix. Scott's marketing mix included both traditional and online marketing. On the traditional marketing side, he spent on print advertising in local magazines. Networking and community involvement were the integral part of Scott's marketing strategy.

The online channel mix included pay per click advertising, social media marketing, coupon sites, and email marketing. Table 8 provides the details of Company D's online marketing channel mix. Pay per click advertising was Company 4's primary Internet marketing channel that helped Scott drive new traffic and leads. On a monthly basis, Scott sent on average six newsletters to his contact list educating them about

massage benefits and new happenings in the studio. Scott often advertised on coupon sites such as Living Social, Groupon, and Amazon Local. These sites helped him increase visibility and gain new customers. Scott also tried to keep his social media profiles up-to-date by including promotional offers around holidays.

Table 8

Details of Company D's Online Marketing Channel Mix

Marketing Channel	In-house/Outsourced	Measuring Results
Pay Per Click (PPC) Advertising	Outsources	Yes
Email Marketing		
Email Newsletter	In-house	Yes
Conversion-focused emails	In-house	Yes
Social Media Marketing		
Facebook	In-house	Yes
Twitter	In-house	Yes
Google +	In-house	Yes
Pinterest	In-house	Yes
Yelp	In-house	Yes
Coupon Sites		
Groupon	In-house	Yes
Amazon Local	In-house	Yes

Management of online marketing. Scott and his wife, Kate, who was the coowner of the business, were managing day-to-day Internet marketing operations. Kate was a former public relations professional with significant marketing experience in events, marketing communications, and advertising. Kate was responsible for monitoring incoming customer calls and working with the front desk staff as well as developing email communications. Scott maintained customer database and managed outside marketing vendors.

The franchise corporate provided marketing guidance for the month and suggested schedule that Scott tried to follow. Scott also had access to ready-to-use, periodically updated promotional material for magazines, pay-per-click, signage, imagery, branding and email.

After 6 months of managing pay per click account himself and realizing the amount of time it took, Scott decided to outsource it to an agency. He first worked with Hibu but after they did not meet their targets, Scott switched to ReachLocal.

Internet Marketing Tools. Since Scott was operating a franchise, the corporate provided a ready-to-use web pages on their subdomain. Because the site was managed by corporate, franchisees had limited customization capability but could update specials, offers, staff, and location.

To better manage customers and prospects as well as automate email marketing, Scott switched from Constant Contact to Infusionsoft. Infusionsoft was a powerful sales and marketing software that Scott was learning. Table 9 provides the details of Company D's online marketing tools.

Table 9

Details of Company D's Online Marketing Tools

Tools Used	In-house/Outsourced
Customer Relationships Management	In-house
Blog	In-house
Website	In-house
Web Analytics	In-house

Internet Marketing Performance. Scott was intimately involved with monitoring the results of his online marketing efforts. First he reviewed pay per click reports available through his Google Adwords account and analyzed how many new leads and sales the campaign produced. Scott also used Google Analytics to understand his website performance, from the number of clicks from different sources, number of calls and booked online appointments.

Participant 5 – Mary. The fifth participant was Mary, the owner of Company E, a small local boutique gift shop. Mary had worked in the education industry for 30 years as a principal, teacher, and instructional specialist before she decided to open a retail store. Mary had a master's degree in education and did not have any Internet marketing or business experience before starting her own business. Mary's store had been open for 2 years and in 2015 she employed a staff of five. The goods Mary sold in her store were higher end products that could not be found in nearby stores but could be purchased online from other retailers. The store was located in a small village plaza on the main road.

Target audience. Her target audience included middle and upper-class middle-aged female who lived in the area and were looking for unique gifts, home decorations, and jewelry. Mary would like to expand her target clientele to include younger generation consumers. She tried reaching the yonger audience but had not been successful yet.

*Internet marketing strategy.* As a new business, Mary's main marketing objective was to increase awareness of her gift shop in the community. By increasing brand

awareness she hoped to encourage patronage and sales. Mary focused on developing sale promotions to drive foot traffic.

*Marketing budget.* Mary's total marketing budget was \$5000 a year. Seventy-five percent of the budget, she spent on direct mail. Twenty-five percent she allocated towards online marketing.

Channel mix. When the store just opened to get the word out Mary advertised in local magazines and newspapers. To reach her target audience, she sent an annual postcard to the residents in her area. In additional to direct mail, Mary relied on email and Facebook marketing. The conversion-focused newsletters highlighted new products, upcoming events and included a coupon that customers could redeem in store. Mary tried to keep her Facebook page up-to-date so she could keep her more Internet-savvy customers informed about the happenings in the store. Table 10 provides the details of Company E's online marketing channel mix.

Table 10

Details of Company E's Online Marketing Channel Mix

Channels Used	In-house/Outsourced	Measuring Results	
Email Marketing			
Email Newsletter	In-house	Yes	
Conversion-focused emails	In-house	Yes	
Social Media Marketing			
Facebook	In-house	Yes	
Twitter	In-house	No	
Yelp	In-house	No	

Management of online marketing. Mary and one of her employees, Dina, were in charge of managing day-to-day Internet marketing activities. While Mary oversaw the process, Dina was responsible for putting together and distributing the monthly newsletter. Dina also updated company's Facebook page and website. A web agency built Mary's website. While Dina did not have any Internet marketing experience, she took several marketing courses when she was in college.

Internet marketing tools. The two primary marketing tools that Mary used included company's website and Constant Contact tool for email marketing. Brochureware style website that was not optimized for the mobile experience provided basic information about the store, products, upcoming events and linked out to the monthly newsletters and Facebook page. Mary used Constant Contact was to send emails and manage the customer list of 5000 names. Table 11 provides the details of Company A's online marketing tools.

Table 11

Details of Company E's Online Marketing Tools

Tools Used	In-house/Outsourced
Customer Relationships Management	In-house
Website	In-house

Internet marketing performance. Mary did not have a clear understanding of how well her online marketing efforts performed. Mary used Constant Contact to send emails and relied on the analytics the tool provided to evaluate the effectiveness of the email campaign. Since most of her newsletters included a coupon, Mary measured the

response by counting the number of coupons redeemed. While she managed the website in-house, Mary did not know how it performed as the site did not have web analytics installed.

Emergent Theme 1: Unstructured planning. The first theme that emerged from the data analysis was unstructured planning. Study participants did not have a short-term or long-terms Internet marketing plan, nor did they have a well-defined Internet marketing strategy. The participants' transcript excerpts about online marketing planning and execution were as follows: "My Internet marketing activities are not organized." (Erica). "It is not structured as I think it should be... So, right now with online strategy, there isn't something systematic, and so the thing with marketing is it is systematic, and I would say that our strategy is not" (Kelly). Internet marketing activities for the most part tended to be unplanned and informal. This finding is in alignment with the academic literature, where researchers identified unstructured planning as one of the unique characteristics of small companies (Resnick et al., 2012).

Internet marketing activities of Riley and Scott, the franchise business owners, were significantly more organized than other study participants. Part of this could be attributed to the help they received from the franchise's national office. Scott described the support his corporate office provided as follows:

The corporation provides marketing guidance for the month, for the period. Here is promotional material for magazines, here is promotional material for pay-per-click, here is promotional material for signage. We look through that; we use what we think is best going to help us with that. They put together a calendar of

recommended times to promote this, to promote that. We try to follow that [suggested schedule].

Riley also agreed that the support his corporate office offered made planning and execution of online marketing strategy more manageable. Riley elaborated on this idea by stating:

Our national office now something new they added in the fourth quarter last year was an automatic way for them to do [social media] posts for us that we approve, yay or nay, I want it on my page or not and I do that. I look at them as they bring the draft, they email it to me, and I say yes or no and then it automatically posts and then we go in and do local things ourselves.

By having direct access to the corporate office's graphic designers, web programmers, and Internet marketing specialists put franchise owners at a significant advantage over regular small business owners who did have these resources readily available.

### **Emergent Theme 2: Limited Internet marketing knowledge and expertise.**

The second theme that emerged from the data was Internet marketing knowledge and expertise. Participants' responses showed that most small business owners had insufficient Internet marketing knowledge and expertise. This finding was consistent with the previous research on the barriers to successful Internet marketing adoption by small businesses (Hanafizadeh et al., 2012; Omar et al., 2011). Moreover, 100% of study participants had no formal Internet marketing training prior to starting their business. A successful development and implementation of online marketing strategies require

specialized knowledge (Jarvinen et al., 2012). All small business owners agreed that additional training on the best practices of Internet marketing could help them be more successful in development and execution of Internet marketing strategy.

Most small business owners lacked specialized Internet marketing knowledge, but they were all aware of the benefits of marketing online. This finding is consistent with the study conducted by Hanafizadeh (2012) that showed that SMEs that lacked knowledge of online advertising benefits were not likely to adopt Internet advertising. This study participant had a high awareness of Internet marketing benefits, and, therefore, they had high motivation to try it. Some of the common benefits that study participants identified included: cost-efficiency, precise targeting and ability to reach large number of customers, ease of use, and ability to measure effectiveness.

Most of what small business owners learned about marketing online was from doing it themselves and reading about it. The participants' transcript excerpts about learning were as follows, "It is reading and it is just from doing it - jumping in and looking in the software and looking at this and clicking on the little question mark, hovering over to see what is that?" (Riley). "I know that there is so much even more to learn, but everything I have learned thus far has been on my own." (Kelly). Erica added:

I did not realize I was doing online marketing until it started to become a bigger deal, like Yelp, Facebook, Instagram and then people were really using their businesses to market and I had already been doing that so it was kind of like I hit a goldmine in my opinion.

Study participants felt overwhelmed with the pace of change in online marketing and emergence of new technologies and tools. As Scott mentioned, "It is so evolving, I think that is the biggest challenge is that it is constantly being updated, new techniques. It is very complicated and constantly changing." Riley supported this idea:

The world is changing so quickly. So does all of the online marketing. It is a constant struggle. Every expert is trying to figure out what does Google want next? What do they want now? When they change everything, how does it impact everything and no one quite has a handle on it because each firm does not have someone spending 100% of their time watching Google and what's going on. It is impossible to do.

In addition, with the number of new companies emerging that offer online marketing services, small business owners had difficulty figuring out which ones could work for their business. As Scott put it:

How do you know what tool is right for you? Some of which [services] are good, some of which aren't worth a darn, and trying to figure out which ones you should go on, and then just trying to stay current, so you are beating out your competition.

The small business owners actively sought out information and knowledge to help them be more competitive on a continuous basis.

Small business owners believed that education was important and having more knowledge could help them be more successful in marketing online, but they also

realized that due to fast-changing technologies they might not be able to keep up with the latest developments due lack of time and other business obligations. Scott said:

There are lots – you can Google anything – like developing these APIs, it takes time, but there is all kinds of information that I know if I could sit down for a day and go through it I could probably figure it out, but it is finding the time to do it.

Study participants identified a shortage of time as the biggest deterrent from gaining more knowledge. Small business owners, who hired people to take care of day-to-day operations, were able to free up their time and immerse into understanding online marketing and educating themselves. Others mentioned that they were not able to find training that could meet their needs. Riley described his search for Internet marketing training:

I have been looking for some sort of training as a small business owner where I do not want to provide Ad Words for other people, I want a course that helps me just understand what I need to look for and what I need to watch and I haven't found anything yet like that. I only find things to train you to be a certified Google Ad Words provider, which I think I am going to need to do because it's a little more detailed than I need, but I think I am just going to have to do it to get what I want.

To stay current with the latest developments in the Internet marketing field study participants employed the following strategies: taking classes, speaking to other business owners, reading online, attending webinars. "I did some classes through SBA, Small Business Development Office, so they talked a little bit about the social media marketing and a little bit about online marketing as well" (Kelly). "I talked to other people, always

talking to different shop or store owners, especially when I go to shows and everything" (Mary). "I attend many webinars. Some of them are good, some of them are a waste of time" (Scott). Riley added, "Right now I am looking for training on Google Ad Words. I want to learn more on Google Ad Words and Analytics, which is all over the place of trying to understand what all that means".

Emergent Theme 3: Use of Internet marketing channels and tools. The third theme that emerged from the data analysis was Internet marketing channels and tools. Content analysis of the interview discussions and analysis of companies' web presence revealed 11 Internet marketing channels and four different tools used by study participants. The Internet marketing channels included: search engine optimization, pay per click advertising, email marketing, social media marketing, online events, video marketing, online public relations, coupon sites, lead aggregators, display advertising, and mobile marketing. The Internet marketing tools included: website, blog, customer relationship management system, and web analytics. Table 12 shows a summary of the online marketing channels used by each study participant.

Table 12

Online Marketing Channels Used by Study Participants

	Study Participants				
Channels	Kelly	Riley	Erica	Scott	Mary
Search Engine Optimization	X	-	-	-	-
Pay Per Click Advertising	-	X	-	X	-
Email Marketing					
Email Newsletter	X	X	-	X	X
	(table continues)				ontinues)

	Study Participants				
Channels	Kelly	Riley	Erica	Scott	Mary
Brand building emails	X	X	-	X	X
Conversion-focused emails	X	X	X	X	X
Social Media Marketing					
Facebook	X	X	X	X	X
Twitter	X	-	X	X	X
Google +	-	X	-	X	-
Instagram	-	-	X	-	-
Pinterest	-	X	-	X	-
Yelp	-	X	X	X	X
LinkedIn	X	-	-	-	-
Events					
MeetUp	X	-	-	-	-
Video Marketing					
YouTube	-	X	-	-	-
Online Public Relations	X	X	-	-	-
Coupon Sites					
Living Social	X	-	-	-	-
Groupon/Amazon Local	-	-	-	X	-
Lead Aggregators	-	X	-	-	-
Display Advertising	-	X	-	-	-
Mobile Marketing	-	X			

*Note:* "X"= online marketing channel small business owner used; "-" = online marketing channel small business owner did not use.

The analysis indicated that 100% of study participants used email marketing and Facebook as online marketing channels. All small business owners had a company website and a system for managing customer relationships. These findings are consistent with the studies by Harrigan et al. (2012), Jarvinen et al. (2012), and Omar et al. (2011). Jarvinen et al. (2012) and Omar et al. (2011) found that Internet marketing among SMEs revolved around email marketing and website. Harrigan et al. (2012) found that SMEs

had a system for managing customer data and communications. The analysis showed that the extent and effectiveness of Internet marketing channels and tools utilization by small businesses varied but was still limited in scope and not as robust as it could be. Table 13 shows a summary of the online marketing tools used by each study participants.

Table 13

Online Marketing Tools Used by Study Participants

	Study Participants				
Tools	Kelly	Riley	Erica	Scott	Mary
Customer Relationship Management	X	X	X	X	X
Blog	X	X	-	X	-
Website	X	X	X	X	X
Web Analytics	X	X	-	X	-

*Note.* "X"= online marketing channel small business owner used; "-" = online marketing channel small business owner did not use.

All business owners were familiar with the different channels and tools they could use to get their message across to customers or generate new leads online. Most study participants felt that they could be doing more with their online marketing. The participants' transcript excerpts about channels and tools they would like to add to their Internet marketing mix were as follows: "I feel like I could maybe do more like Pinterest and take more videos and stuff like that, but then I keep going back to the thought of well, I am booked solid" (Erica). Kelly said:

We have a website, but what can we do to make things better? The one thing I have learned from the Analytics is that people are looking at us from their smartphones, and so our website right now is not optimized for mobile searching.

Scott added, "We need to do a whole lot more on that [social media marketing].

We need to do more frequent postings and provide more informational material because people like to look at that stuff and read". "That whole Facebook page, how I can try to use that more effectively and I am not satisfied now that I do not have a blog and then I do not have my Instagram" (Mary).

Company website. Study participants saw their website as one of the main marketing tools and often the first thing they did when they started marketing online. Kelly described the important of the website to her business as follows:

Without a website, I would not have as many kids [customers] as we have now. It would be impossible. People expect to be able to go and find the information themselves, find what they need, and make the determination before someone having to call them and solicit. So, it is essential.

Mary said, "I knew as soon as I opened [business] I had to have a website." Two out of three non-franchise business owners enlisted help with website creation in a form of a friend or web agency. Kelly purchased a website template and customized it herself. Franchise owners, on the other hand, were provided a website template by the corporate office. Riley and Scott both had the ability to customize the content on the site but were limited with the look and feel and functionality changes.

**Blog.** Study participants felt that the blog could be a very effective tool for educating customers, keeping them up-to-date as well as attracting new audiences. Three out of five small business owners had active blogs. For others starting a blog was a high priority for this year.

Search engine optimization. The search engine is the first place people go to for information. Companies that do not appear in search results are at a disadvantage (Kritzinger & Weideman, 2011). Firms that want to increase or maintain their current website rankings in search engines rely on search engine optimization (SEO), the practice of ranking websites in organic search results. SEO is a very specialized skill and time-consuming process. All of the study participants did not utilize SEO to its full potential. Only Riley and Kelly identified improvement of SEO as their top priority.

Social media and Facebook. Study participants recognized that social media was becoming a strategic necessary and that they had to utilize it to stay competitive. Similarly, Marshall et al. (2012) and Rollins et al. (2013) found that focus on social media in many organizations continued to grow. Organizations that used social media in an effective and innovative way had a positive impact on organizational performance and could develop a competitive advantage (Parveen, Jaafar, & Ainin, 2015). While study participants utilized social media, their usage was limited in scope. Small business owners did not implement some of the more advanced tactics such as social lead generation, advertising, targeting and focused primarily on information sharing. This finding correlated with Boling's (2014) conclusion that small businesses only used a small portion of what social networking sites had to offer.

Facebook was the main tool that all business owners used. Study participants found Facebook marketing attractive, as it was free to start, easy to use, and allowed to engage existing and prospective customers. Additionally, Facebook marketing can help increase a company's brand awareness, gain new fans, and convert them into customer (Yousif, 2012). Three out of five business owners experimented with ad boosting and targeting capabilities of Facebook. "So, I am getting more familiar with the boosting of the ads, because that to me, if I have something like really cool and interesting that I want to post, I will boost it" (Kelly). Riley also understood the connection between social media engagement and SEO, here how he described it:

We put a lot of content on here and photos and things happening locally and videos and different things going up just to try to get engaged, but also the hope is that somehow Google, it still all comes down to Google - "likes" it and sees a link, and it gets our rankings higher if they use it in the algorithm.

Email marketing. All study participants utilized email marketing in their business. From sending brand building emails and newsletters, to conversion-focused emails small business owners used different strategies to keep their customers informed. Database segmentation and email automation were the two areas that needed the most improvement. Most of the email marketing communications were developed and distributed manually, which took business owners a considerable amount of time and effort.

Emergent theme 4: Lack of systematic approach to the management of Internet marketing. The fourth theme that emerged from the data analysis was the management of Internet marketing. The business owners were very involved in the development and execution of online marketing strategy. In most cases, business owners were responsible for the day-to-day Internet marketing activities. Centeno and Hart (2013) denoted a similar finding and showed that the owner played a central role in brand communication activities. Cronin-Gilmore (2012) and Resnick et al. (2011) also discussed the critical role of the business owner in the marketing activities of the firm. Study participants confirmed that they were the main decision makers in regard to Internet marketing.

Small business owners identified lack of time and staffing as the main challenges of managing Internet marketing. Riley described the challenges he faced as follows:

In a small business, it is the owner. It is generally all you have for a typical small business. That has always been my biggest challenge, so if I do not have the time, it gets neglected, and so it is finding the time.

Study participants were looking for help with Internet marketing: "I need help probably now because I'm so much busier than I was, so it's kind of going down a little bit because I can't devote all of my time to it" (Erica). Kelly, for example, recruited two interns from the local university every semester to help her with different aspects of Internet marketing. She also appointed her Assistant Director to be responsible for monitoring their Google Analytics account on a regular basis and reporting back results. Erica asked her friend to help her create a new website. Mary allocated newsletter development and social media management to one of her store employees. Both Riley and Scott outsourced paid search advertising to a vendor.

Outsourcing Internet marketing to a vendor was an important discussion topic that small business owners had mixed feelings about. Small business owners who never worked with an agency either felt excited about the prospect of hiring professional help but were limited by the budget or hesitant about the amount of work outsourcing could entail. Kelly expressed her opinion about working with an agency:

Never worked with an outside agency and part of the reason, the main reason is the costs of working with an outside agency. I have had plenty of people do presentations on different advertising tools that we could use that were, a lot of them were outside of our budget, but I have never worked with a professional agency. It would be great, but it would be way out of our budget for us to be able to do it.

Erica described her concern about outsourcing some of the Internet marketing tasks:

It is probably my personality type - that I want to be in control, and I feel - not that I do not trust someone, but that to me it looks like more work to talk to someone else, tell them what I am looking for and have it done in a way that I need it done, on time. To me, it seems like more work.

After spending 6 months on running paid search himself and realizing the amount of time it took, Scott decided to enlist a professional agency. Scott said:

I am one of those who thinks that I can do everything myself, but I found out over several months that I could get a better pay-per-click service by letting others do it, and it did not cost me any more, so I am looking to get that same type of advice elsewhere.

Of all study participants, Riley had the most experience recruiting and managing outside agencies. Riley acknowledged that in order to get a return on investment, it was important to manage the agency closely and monitor the results. According to Riley, there was a lack of competent vendors to manage online marketing for a small business, and the process of recruiting and managing an agency took a considerable amount of time. Riley said:

Over the past year, I am on my third pay-per-click vendor now officially over 12 months. I had one last year that I got rid of in February, started with another one, and now I have a third one, so from going through and seeing that they do not seem to have a good handle on it, I have reigned it back and brought it more under my control so that I see every day what is going on and I have my screen of constantly watching what's happening with Google Ad Words.

### **Emergent theme 5: Inadequate measurement of Internet marketing strategy.**

The fifth theme that emerged from the data analysis was the measurement of Internet marketing strategy. Measuring the impact of marketing strategies is essential to improving marketing performance (Mintz & Currim, 2013). All study participants understood the importance of measuring online marketing implementation, however, not all of them had the knowledge and tools to setup proper tracking, interpret and translate performance data into actions. Only three out of five study participants used Google Analytics to measure their online marketing performance. The other two business owners

relied primarily on client feedback, foot traffic, and data in different web tools such as email marketing, and booking systems. Resnick et al. (2011) found that SMEs did not perform the analysis of marketing activities and relied on their intuition. The findings of this study showed that most small business owners measured their Internet marketing activities, even if it was not to its fullest potential.

Study participants acknowledged that measurement of Internet marketing tactics and strategies was a complicated process that required time and integration of multiple metrics. The participants' transcript excerpts about online marketing planning and execution were as follows: "A part of it is making an educated decision, testing, response rates and tweaking it and constantly trying different ideas to see what works and what doesn't, making sure to be able to measure it is the biggest piece" (Riley). Scott added:

It is kind of hard to make sure each one is being as effective as they can.

Sometimes they are easy, but it requires a lot of study to look at it and see if it is really working the best, optimizing it. It is time-consuming.

To accurately measure the effectiveness of online marketing efforts small business owners need to account for the interaction and impact of different marketing channels on conversion. Before making a purchase decision consumers often interact with multiple channels such as reading an email, clicking on the banner ad, visiting company's Facebook page or searching for reviews online (Mulpuru, Evens, & Roberge, 2011). Attribution of conversion to the last click does not accurately reflect the incremental value of each marketing channel (Li & Kannan, 2014). Study participants that did track online marketing results did not evaluate the impact of different touch

points on conversion. Tracking individual channels does not always accurately reflect the cross-channel effect and could have negative implications for online marketing budget allocation and targeted strategies creation (Dinner, 2014; Li & Kannan, 2014).

Understanding cross-channel interaction is critical to making educated marketing decisions, however, the problem of measuring the impact of different marketing channels on consumer behavior and decision-making process is not unique to small businesses.

## **Internet Marketing Resources and Sustained Competitive Advantage**

I used RBV as a conceptual framework for evaluating Internet marketing use in small businesses. RBV is a strategic management theory that helps assess how a firm's resources affect its financial performance. According to RBV, a firm is a collection of different assets and capabilities both tangible and intangible. While the definition of resources varied in literature, researchers often defined them as physical, intangible, and organization. In this study, I explored a variety of resources and capabilities that small firms possessed related to online marketing. Small business owners often used the following physical resources to support the implementation of online marketing: computers and phone. Intangible resources included business reputation, brand names, technological skills, Internet marketing skills and knowledge, online marketing tools and channels. Organizational resources encompassed Internet marketing routines and processes. Only resources that are valuable, rare, imperfectly imitable, and nonsubstitutable can be strategic. Those companies that possess and effectively apply strategic resources can sustain long-term competitive advantage and above average returns (Schlemmer & Webb, 2009).

Some Internet marketing resources are available and may not create a sustainable competitive advantage for small firms. RBV suggests that companies do not achieve the competitive advantage using Internet marketing channels and tools since such resources are readily available to rival firms. Instead, firms can achieve the competitive advantage when they develop and leverage strategic assets that are complex and difficult to imitate in their Internet marketing efforts. Bundling of existing marketing and complementary resources can lead to a distinctive capability of Internet marketing (Trainor et al., 2011). Employee skills and experience along with the way a firm utilizes Internet marketing resources may increase inimitability and make a set of Internet marketing capabilities a potential source of competitive advantage. This distinct capability can ultimately help improve performance.

In this study, I assessed the quality and importance of Internet marketing resources in helping firms compete in the marketplace. The small business owner was the key decision maker and often took a very active role in the marketing function of the firm. Small business owner's knowledge, skills, and ability to make the right Internet marketing decisions were the key resources that could influence firm's performance. For example, one of Riley's key strategic assets was his management and analytical skills. Combinations of his skill to optimize the marketing spend, hire and effectively manage vendors, marketing budget, online marketing tools, and channels, enabled him to create a capability that was hard to imitate. Even if competitors were to use the same channels, vendors and had the same budget, they would most likely not be able to produce the same results as Riley. Similarly, Erica's reputation combined with her industry knowledge and

social media experience lead to a distinct bundle of resources that added value and was hard to imitate. The results suggested that researchers and practitioners should pay special attention to the complementary resources that they need to implement Internet marketing initiatives successfully and that an emphasis on the tools and channels alone may not be sufficient. To create a long-term competitive advantage, small business owners should strive to leverage their resources to develop Internet marketing capabilities that are valuable, rare, imperfectly imitable, and nonsubstitutable.

# **Applications to Professional Practice**

The study adds to the existing body of knowledge on how small business owners develop and implement online marketing strategies. The results of this study inform best practices that business owners, consultants, entrepreneurs can apply to improve the small business performance. Small business owners can use the findings to inform both the planning and implementation stages of Internet marketing.

Planning. Engagement in short-term and long-term Internet marketing strategy planning can have a positive effect on small business owners' online marketing performance and marketing efficiency. According to researchers marketing planning had a positive impact on financial performance of the firm (Perez-Cabanero, Gonzalez-Cruz, & Cruz-Ros, 2012). A clear plan can help small business owners be more proactive and less reactive with online marketing. When developing Internet marketing strategies and identifying the necessary resources to implement them, small business owners need to put measuring mechanisms in place prior to launching (Pentina, Koh, & Le, 2012).

Since small business owners lack Internet marketing knowledge and often engage

in Internet marketing without a strategic plan, investing time and resources into the planning process, can be cost-effective in the end. At the planning stage, small business owners should consider involving an Internet marketing expert(s) that has significant knowledge of the Internet marketing channels, tools, and best practices. By working with a consultant to develop a comprehensive Internet marketing plan based on business goals and marketing budget, small business owners will be able to identify the right channel mix, the best tools to manage their marketing, as well as identify which activities should be performed in-house versus outsourced. By identifying Internet marketing goals, tactics, channels, resources, opportunities, and weaknesses can help small business owners better manage their time and resources and stay focused on implementing the predefined plan themselves or with the help of professionals.

Implementation. Proper implementation of Internet marketing strategy requires specialized knowledge and on-going measurement and performance evaluation. Staying up-to-date on the latest developments in the digital marketing space can also help SMEs make better decisions. Obtaining specialized training and working with Internet marketing vendors and consultants can help small business owners with their online marketing implementation efforts.

*Training.* Small business owners are the primary decision-makers and select how the Internet marketing strategy will be developed and implemented. A successful development and implementation of Internet marketing strategies require specialized knowledge and expertise (Jarvinen et al., 2012). Cronin-Gilmore (2012) showed that small business owners need additional marketing training. To enhance their online

marketing performance, small business owners need training that can help them (a) gain specialized online marketing skills and tactics, (b) make better decisions related to Internet marketing, and (c) stay up-to-date on the latest developments in the digital marketing space.

Small business owners are often responsible for managing their online marketing. In order to be effective, small business owners could benefit from short courses and tutorials that teach them specific online marketing skills or tactics that can be applied right away. While such courses might be available, identifying appropriate ones can be a time consuming task for small business owners.

Due to the small business owners' lack of online marketing knowledge they are missing out on many opportunities (Zhou & Feng, 2012). To benefit fully from online marketing small business owners need specialized training that can enable them to make better decisions related to online marketing. The training could include information on what to look for when hiring online marketing employees, what Internet marketing metrics to pay attention to, how to retain the right agency, and what questions to ask to identify the right vendor.

Small business owners also need to stay up-to-date on the latest technology trends and practices to meet their customers' needs and fully benefit from Internet marketing. Since small business owners do not have the time to sift through the large amount of information, there is a need for one source that can keep business owners abreast of the latest trends. This source could be a trusted marketing expert or consultant, or an online information website.

Outsourcing. Since small businesses have limited resources, partnering with companies to extend internal knowledge could lead to innovation and cost savings.

Outsourcing is a strategic instrument that can add significant value to SMEs by filling the resource gap (Abdul-Halim et al., 2012; Gilmore, 2011). Due to the generalist nature of most SMEs, they could benefit from outsourcing e-marketing to a web agency unless they can afford to hire in-house specialists or see Internet marketing as their core competency.

While there are many advantages of outsourcing, SMEs need to be aware of potential risks (Abdul-Halim et al., 2012). Sen and Haq (2011) found that compared to ten years ago outsourcing levels especially of non-core marketing activities increased from 3.7% in 1999 to 23.2% in 2009. The main driver of outsourcing was to contain cost (Sen & Haq, 2011). However, smaller firms did not realize the same savings as larger firms primarily due to lack of outsourcing knowledge (Sen & Haq, 2011). That is why it is important that small business owner possess the appropriate Internet marketing knowledge and expertise in order to be able to hire and manage outside vendors effectively.

## **Implications for Social Change**

Compared to traditional marketing, Internet marketing offers numerous benefits.

When implemented properly, Internet marketing strategies may improve customer relationships, operational efficiency, marketing effectiveness, and a firm's performance.

Internet marketing is growing in importance because it aligns with the way consumers make purchasing decisions. Small business owners and entrepreneurs who want to reach

their customers online, where they are searching for information on products and services, could benefit from the findings of this study. This study can be a blueprint to determine how small businesses should approach development and implementation of online marketing strategy. By following recommendations provided by this study small business owners can increase their competitiveness and survival rates.

Small businesses are critical to the vibrancy of U.S. and global economies. This study can also be beneficial to the U.S. economy as a whole, by helping improve the prosperity of small businesses. Small firms are responsible for creating the majority of new jobs and employing half of U.S. workers (SBA, 2014a). Small businesses play a vital role in the economic well-being and serve as the major drivers of employment creation, income generation, and poverty reduction. The findings of this study can contribute to more effective and efficient marketing practices in small firms that can lead to better financial performance and lower failure rates.

#### **Recommendations for Action**

Internet marketing aligns with the way consumers make purchasing decisions. Firms that implement Internet marketing strategies properly may improve customer relationships, operational efficiency, marketing effectiveness, and firm's performance (Dlodlo & Mafini, 2014; Eid & El-Kasswawy, 2012). Small businesses are lagging behind in Internet marketing adoption and are not very effective in developing and implementing online marketing strategies (Harrigan, Ramsey, & Ibbotson, 2012). To address these concerns, I recommend, based on the results of this study, that small

business owners and entrepreneurs, web marketing agencies, independent business consultants, and education services providers consider taking the following actions:

- 1. To help optimize Internet marketing effectiveness, small business owners need to invest in developing a short-term and long-term plan. This should be done in collaboration with Internet marketing experts that can advise small business experts on the best strategies, tactics, tools, channels, and a way to implement. Working with an expert on developing a plan can help small business owners to stay focused on their efforts and align their resources and budget with business goals. This can also help small business owners save a significant amount of time.
- 2. Small business owners need tailored Internet marketing training.
  Organizations that serve small businesses as well as education providers should consider developing training and courses that small business owners can use to gain specialized skills, stay up-to-date with the developments in digital marketing, and learn to make better decisions when working with vendors, hiring marketing professionals, planning resources, and implementing strategies.
- 3. Small business owners and entrepreneurs should seek additional training and ways to stay current with the new technologies.
- 4. Small business owners need to ensure that they have the right tracking mechanisms in place in order to measure Internet marketing performance.

5. Consultants and web agencies should focus on developing affordable and tailored products and services that meet the needs of small business owners.

They should also strive to educate their clients and keep them up-to-date.

The study applies to all small business owners and entrepreneurs and can assist them in understanding the process they should use to improve the effectiveness of their Internet marketing strategies. Those who advise small business owners can help them use suggested process and identify the necessary resources, tools, and channels.

Organizations and education providers should consider the needs of small business owners and develop appropriate training and courses.

I will explore opportunities to disseminate these research findings in academic research journals, practitioner publications, academic and professional conferences.

Meetings and presentations with local business organizations such as Chamber of Commerce and Small Business Administration will be an opportunity to present and share research findings. I will also share findings in my personal blog and through social media and integrate them into my consulting business practices.

## **Recommendations for Further Research**

In this research, I have attempted to explain how small business owners developed and implemented an online marketing strategy. Like other empirical studies, this study is not without limitations. The sample size was small, which makes generalization difficult. A larger sample could provide a more accurate representation of the whole population and improve the applicability of results.

The study was limited to the state of Maryland. Researchers could apply a similar study to other geographical areas to determine if there are factors that affect Maryland differently from other regions. Additionally, performing this study on the same population at a future point in time would show how Internet marketing practices have changed in Maryland businesses over time, providing even more valuable information.

As a qualitative study, this research was able to show the ways small business owners approach development and implementation of the online marketing strategy. However, a qualitative study is not ideal for finding the relationship between different variable. The variable could include small business owner Internet marketing level of education, business size, Internet marketing channels users, number of years in business, and number of employees. A quantitative study on the population concerning this topic would result in more detail on the factors that influence the success of Internet marketing tactics in small firms.

Further studies could include the exploration of Internet marketing practices of small business owners in different industries. Researchers could explore challenges and opportunities related to different types of ownership to extend the initial comparison of Internet marketing practices in small businesses versus franchise. The results of this study demonstrated that small business owners could benefit from tailored online marketing training; future research could evaluate available training options and develop recommendations for training providers. The Internet marketing tools, channels, and technologies are constantly changing therefore, implementation of Internet marketing

strategies is an important topic given the significance of small businesses to U.S. and global economies.

#### Reflections

During the research process, my perspective and understanding of doctoral-level research expanded. The level of thought, detail and alignment that this research required challenged me. At first, I felt overwhelmed by the data that emerged during the semi-structured interviews and from the review of company records. However, as I spent time analyzing information, I gained clarity and was able to organize the data and identify emerging themes. It was amazing to see how passionate were study participants were passionate about growing their business, and how interested they were about learning the Internet marketing best practices that can help them be more effective. Interacting with the small business participants involved in the study was an honor and an inspiration.

### **Summary and Study Conclusions**

The purpose of this qualitative multiple case study was to develop an understanding of how small business owners developed and implemented Internet marketing strategy to promote their products and services and to engage their target audience. I interviewed five small business owners in Maryland and evaluated their company's archival data and physical artifacts related to Internet marketing. The findings revealed that small business owners possessed inadequate expertise and resources in the areas of Internet marketing planning, management, implementation, and measurement.

Sufficient allocation of resources and access to knowledge and expertise is important for the successful development and implementation of Internet marketing

activities. The small business owners in this study often were responsible for creation and implementation of Internet marketing strategy and were the main decision makers. Since study participants did not have formal Internet training or experience, they lacked specialized digital marketing knowledge. Lack of Internet marketing expertise, time, and staffing contributed to unstructured planning and unsystematic implementation of activities. Small business owners employed a variety of different Internet marketing channels to reach and engage their target audience, however, the majority of their effort centered on email marketing, Facebook, and website. Additionally, not all small business owners had the knowledge and tools to track, interpret and translate Internet marketing performance data into actions. Due to the limited resources and capabilities, small business owners did not use Internet marketing channels to their full potential.

I identified four opportunity areas for small business owners and leaders interested in enhancing the success of their Internet marketing: developing a short-term and long-term Internet marketing plan, acquiring specialized Internet marketing knowledge on a continuous basis, improving the measurement of marketing performance, and extending their Internal marketing resources through outsourcing. Engaging a consultant knowledgeable in Internet marketing who can guide business owners during the planning process and keep them updated on the latest developments, tools, and channels could be a cost-effective strategy for small firms. These opportunities require an upfront investment, however, in the long-term they can help small business owners to be more effective and efficient in marketing online.

### References

- Abbasi, M. S., Chandio, F. H., Soomro, A. F., & Shah, F. (2011). Social influence, voluntariness, experience and the Internet acceptance: an extension of technology acceptance model within a south-Asian country context. *Journal of Enterprise Information Management*, 24(1), 30–52. doi:10.1108/17410391111097410
- Ahmed, M. U., Kristal, M. M., & Pagell, M. (2014). Impact of operational and marketing capabilities on firm performance: Evidence from economic growth and downturns. *International Journal of Production Economics*, *154*, 59–71. doi:10.1016/j.ijpe.2014.03.025
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50, 179–211. doi:10.1016/0749-5978(91)90020-T
- Alam, S. S., Ali, M. Y., & Jani, M. F. M. (2011). An empirical study of factors affecting electronic commerce adoption among SMEs in Malaysia. *Journal of Business Economics and Management*, 12(2), 375–399.

  doi:10.3846/16111699.2011.576749
- Alam, S. S., & Sayuti, N. M. (2011). Applying the Theory of Planned Behavior (TPB) in halal food purchasing. *International Journal of Commerce and Management*, 21(1), 8–20. doi:10.1108/105692111111111676
- Ali, A. M., & Yusof, H. (2011). Quality in qualitative studies: The case of validity, reliability and generalizability. *Issues in Social and Environmental Accounting,* 5(1/2), 25–64. Retrieved from http://www.iiste.org/Journals/index.php/ISEA/article/view/952

- Amerson, R. (2011). Making a case for the case study method. *Journal of Nursing Education*, 50(8), 427–428. doi:10.3928.01484834-20110719-01
- Ashworth, C. J. (2011). Marketing and organizational development in e-SMEs:

  Understanding survival and sustainability in growth-oriented and comfort-zone pure-play enterprises in the fashion retail industry. *International Entrepreneurship and Management Journal*, 8, 165–201. doi:10.1007/s11365-011-0171-6
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99–120. doi:10.1177/014920639101700108
- Barratt, M., Choi, T. Y., & Li, M. (2011). Qualitative case studies in operations management: Trends, research outcomes, and future research implications.

  \*\*Journal of Operations Management, 29, 329–342. doi:10.1016/j.jom.2010.06.002
- Beattie, V. (2014). Accounting narratives and the narrative turn in accounting research: Issues, theory, methodology, methods and a research framework. *British*\*\*Accounting Review, 46(2), 111–134. doi:10.1016/j.bar.2014.05.001
- Bell, J., & Loane, S. (2010). 'New-wave' global firms: Web 2.0 and EMS internationalization. *Journal of Marketing Management*, 26(3–4), 213–229. doi:10.1080/02672571003594648
- Berman, S. J., & Kesterson-Townes, L. (2011). Connecting with the digital consumer of the future. *Strategy & Leadership*, 40(6), 29–35. doi:10.1108/10878571211278868

- Bettiol, M., Di Maria, E., & Finotto, V. (2012). Marketing in SMEs: The role of entrepreneurial sensemaking. *International Entrepreneurship Management Journal*, 8, 223–248. doi:10.1007/s11365-011-0174-3
- Bharati, P., & Chaudhury, A. (2012). Technology assimilation across the value chain: An empirical study of small and medium-sized enterprises. *Information Resources Management Journal*, 25(1), 38–60. Available from http://www.igi-global.com/journal/information-resources-management-journal-irmj/1073
- Bluhm, D. J., Harman, W., Lee, T. W., & Mitchell, T. R. (2011). Qualitative research in management: A decade of progress. *Journal of Management Studies*, 48, 665–695. doi:10.1111/j.1467-6486.2010.00972.x
- Boling, R. (2014). Social networking and small business: An exploratory study.

  \*Contemporary Readings in Law and Social Justice, 6(2), 122–129. Available from http://www.addletonacademicpublishers.com/about-crlsj
- Bordonaba-Juste, V., Lucia-Palacios, L., & Polo-Redondo, Y. (2012). The influence of organizational factors on e-business use: Analysis of firm size. *Marketing Intelligence and Planning*, 30(2), 212–229. doi:10.1108/02634501211211984
- Boyles, T. (2011). Small business and Web 2.0: Hope or hype? *Entrepreneurial Executive*, *16*, 81–96. Available from http://www.alliedacademies.org
- Centeno, E., & Hart, S. (2012). The use of communication activities in the development of small to medium-sized enterprise brands. *Marketing Intelligence & Planning*, 30(2), 250–265. doi:10.1108/02634501211212000

- Chaffey, D., & Patron, M. (2012). From web analytics to digital marketing optimization: Increasing the commercial value of digital analytics. *Journal of Direct, Data and Digital Marketing Practice, 14*(1), 30–45. Available from http://www.palgrave-journals.com/dddmp
- Chan, Z. C. Y., Fung, Y., & Chien, W. (2013). Bracketing in phenomenology: Only undertaken in the data collection and analysis process? *Qualitative Report*, 18(59), 1–9. Retrieved from http://www.nova.edu/ssss/QR/QR18/chan59.pdf
- Christiansen, L. (2011). Personal privacy and Internet marketing: An impossible conflict or a marriage made in heaven? *Business Horizons*, *54*(6), 509–514. doi:10.1016/j.bushor.2011.06.002
- Conner, K. R., & Prahalad, C. K. (1996). A resource-based theory of the firm:

  Knowledge versus opportunism. *Organization Science*, 7(5), 477–501. Available from http://pubsonline.informs.org/journal/orsc
- Cronin-Gilmore, J. (2012). Exploring marketing strategies in small businesses. *Journal of Marketing Development and Competitiveness*, 6(1), 96–107. Retrieved from http://www.na-businesspress.com/JMDC/Cronin-GilmoreJ\_Web6\_1\_.pdf
- Davis, F. D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, *13*(3), 319–340. doi:10.2307/249008
- Denzin, N. K. (1978). The research act: A theoretical introduction to sociological methods. New York, NY: McGraw-Hill.
- Denzin, N. K. (2012). Triangulation 2.0. *Journal of Mixed Methods Research*, 6(2), 80–88. doi:10.1177?1558689812437186

- Dinner, I. M., Van Heerde, H. J., & Neslin, S. A. (2014). Driving online and offline sales: The cross-channel effects of traditional, online display, and paid search advertising. *Journal of Marketing Research*, *51*(5), 527–545. doi:10.1509/jmr.11.0466
- Dlodlo, N., & Dhurup, M. (2013). Drivers of e-marketing adoption among small and medium enterprises (SMEs) and variations with age of business owners.

  \*Mediterranean Journal of Social Sciences, 4(14), 53–66. Retrieved from http://www.mcser.org/journal/index.php/mjss
- Dlodlo, N., & Mafini, C. (2014). The relationship between Internet marketing paybacks and firm productivity: Perspectives from Zimbabwean SMEs. *Mediterranean Journal of Social Sciences*, *5*(8), 21–31. doi:10.5901/mjss.2014.v5n8p21
- Durkin, M. (2013). Tweet me cruel: Perspectives on battling digital marketing myopia.

  Marketing Review, 13(1), 51–63. doi:10.1362/146934713X13590250137781
- Edwards-Jones, A. (2014). Qualitative data analysis with NVIVO. *Journal of Education* for Teaching: International Research and Pedagogy, 40(2), 193–195. doi:10.1080/02607476.2013.866724
- Eggers, F., Hansen, D. J., & Davis, A. M., (2012). Examining the relationship between customer and entrepreneurial orientation on nascent firm's marketing strategy.

  \*International Entrepreneurship and Management Journal\*, 8(2), 203–222.

  doi:10.1007/s11365-011-0173-4

- Eid, R., & El-Kassrawy, Y. (2012). The effect of the Internet use on consumer relations and targeting activities: An empirical study of UK companies. *International Journal of Online Marketing*, *2*(3), 39–51. doi:10.4018/ijom.2012070103
- Eida, R., & El-Goharyb, H. (2013). The impact of e-marketing use on small business enterprises' marketing success. *Service Industries Journal*, *33*(1), 31–50. doi:10.1080/02642069.2011.594878
- El-Gohary, H. (2012). Factors affecting E-Marketing adoption and implementation in tourism firms: An empirical investigation of Egyptian small tourism organizations. *Tourism Management, 33*, 1256–1269.

  doi:10.1016/j.tourman.2011.10.013
- Elo, S., Kaariainen, M., Kanste, O., Polkki, T., Utriainen, K., & Kyngas, H. (2014, January-March). Qualitative content analysis: A focus on trustworthiness. *SAGE Open*, 1-10. doi:10.1177/2158244014522633
- eMarketer. (2013, May 7). Small businesses devote more resources to websites, social.

  Retrieved from http://www.emarketer.com/Article/Small-Businesses-Devote-More-Resources-Websites-Social/1009713
- Fan, W., & Tsai, M. (2014). Factors driving website success the key role of Internet customization and the influence of website design quality and Internet marketing strategy. *Total Quality Management & Business Excellence, 21*(11), 1141–1159. doi:10.1080/14783363.2010.529335

- Gehlbach, H., & Brinkworth, M. E. (2011). Measure twice, cut down error: A process for enhancing the validity of survey scales. *Review of General Psychology*, *15*(4), 380–387. doi:10.1037/a0025704
- Grandon, E. E., Nasco, S. A., & Mykytyn, P. M. (2011). Comparing theories to explain e-commerce adoption. *Journal of Business Research*, 64, 292–298.
  doi:10.1016/j.jbusres.2009.11.015
- Grant, R. M. (2001). The resource-based theory of competitive advantage: Implications for strategy formulation. *California Management Review*, *33*(3), 114–135.

  Available from http://cmr.berkeley.edu
- Halabí, C. E., & Lussier, R. N. (2014). A model for predicting small firm performance:
   Increasing the probability of entrepreneurial success in Chile. *Journal of Small Business and Enterprise Development*, 21(1), 4–25. doi:10.1108/JSBED-10-2013-0141
- Hall, R. (1993). A framework linking intangible resources and capabilities to sustainable competitive advantage. *Strategic Management Journal*, 14(8), 607–618. doi:10.1002/smj.4250140804
- Hamidi, A., & Safabakhsh, M. (2011). The impact of information technology on E. marketing. *Procedia Computer Science*, 3, 365–368.
  doi:10.1016/j.procs.2010.12.061
- Hanafizadeh, P., Behboudi, M., Ahadi, F., & Varkani, F., G. (2012). Internet advertising adoption: A structural equation model for Iranian SMEs. *Internet Research*, 22(4), 499–526. doi:10.1108/10662241211251015

- Harrigan, P., Ramsey, E., & Ibbotson, P. (2011). Entrepreneurial marketing in SMEs:

  The key capabilities of e-CRM. *Journal of Research in Marketing and Entrepreneurship*, *14*(1), 40–64. doi:10.1108/14715201211246760
- Harrigan, P., Ramsey, E., & Ibbotson, P. (2012). Exploring and explaining SME marketing: investigating e-CRM using a mixed methods approach. *Journal of Strategic Marketing*, 20(2), 127–163. doi:10.1080/0965254X.2011.606911
- Helfat, C. E., & Winter, S. G. (2011). Untangling dynamic and ordinary capabilities: Strategy for the (n)ever-changing world. *Strategic Management Journal*, *32*, 1243–1250. doi:10.1002/smj.955
- Houghton, C., Casey, D., Shaw, D., & Murphy, K. (2013). Rigor in qualitative case-study research. *Nurse Researcher*, 20(4), 12–17. doi:10.7748/nr2013.03.20.4.12.e326
- Huang, Y.H., & Tsai, M.T. (2011). A study of service innovation in small and medium enterprises (SMEs): Evidence from e-commerce systems. *Research Journal of International Studies*, 18, 101–113.
- Ismail, W. N. S. W., Mokhtar, M. Z., Ali, A., & Rahman, M. S. A. (2014). Does it help SMEs gain getter performance: A conceptual analysis on RBV theory.

  \*International Journal of Management and Sustainability, 3(5), 307–320.

  \*Retrieved from http://www.pakinsight.com/?ic=journal&journal=11
- Jarvinen, J., Tollinen, A., Karjaluoto, H., & Jayawardhena, C. (2012). Digital and social media marketing usage in B2B industrial section. *Marketing Management Journal*, 22(2), 102–117.

- Jazra, J. M., Khan, M. A., Hunjra, A. I., Rana Aziz, U. R., & Rauf, I. A. (2011).
  Determinants of business success of small and medium enterprises. *International Journal of Business and Social Science*, 2(20), 274–280. Retrieved from <a href="http://ijbssnet.com/journals/Vol\_2\_No\_20\_November\_2011/30.pdf">http://ijbssnet.com/journals/Vol\_2\_No\_20\_November\_2011/30.pdf</a>
- Jimenez, F. R., & Mendoza, N. A. (2013). Too popular to ignore: The influence of online reviews on purchase intentions of search and experience products. *Journal of Interactive Marketing*, 1–10. doi:10.1016/j.intmar.2013.04.004
- Jones, R., Suoranta, M., & Rowley, J. (2013). Strategic network marketing in technology SMEs. *Journal of Marketing Management*, 29(5/6), 671–697. doi:10.1080/0267257X.2013.797920
- Kim H. D., Lee, I., & Lee C. K. (2013). Building Web 2.0 enterprises: A study of small and medium enterprises in the United States. *International Small Business Journal*, 31(2), 156–174. doi:10.1177/0266242611409785
- Kozlenkova, I. V., Samaha, S. A., & Palmatier, R. W. (2013). Resource-based theory in marketing. *Journal of the Academic Marketing Science*, 42(1), 1–21. doi:10.1007/s11747-013-0336-7
- Kriechbaumer, F., & Christodoulidou, N. (2014). SME website implementation factors in the hospitality industry. *Worldwide Hospitality and Tourism Themes*, *6*(4), 328–351. doi:10.1108/WHATT-01-2014-0006
- Leeflang, P. S. H., Verhoef, P. C., Dahlström, P., & Freundt, T. (2014). Challenges and solutions for marketing in a digital era. *European Management Journal*, *32*, 1–12. doi:10.1016/j.emj.2013.12.001

- Li, H., & Kannan, P.K. (2014). Attributing conversions in a multichannel online marketing environment: An empirical model and a field experiment. *Journal of Marketing Research*, *51*(1), 40–56. doi:10.1509/jmr.13.0050
- Li, S., Li, J. Z., He, H., Ward, P., & Davies, B. J. (2011). WebDigital: A Web-based hybrid intelligent knowledge automation system for developing digital marketing strategies. *Expert Systems with Applications*, *38*(8), 10606–10613. doi:10.1016/j.eswa.2011.02.128
- Lin, C., Huang, Y., & Stockdale, R. (2011). Developing B2B web site effectiveness model for SMEs. *Internet Research*, 21(3), 304–325. doi:10.1108/10662241111139327
- MarketLine. (2011). *Advertising: Global industry guide*. Retrieved from http://www.reportlinker.com/p0185023-summary/Advertising-Global-Industry-Guide.html
- Marshall, G.W., Moncrief, W. C., Rudd, J. M., & Lee, N. (2012). Revolution in sales:

  The impact of social media and related technology on the selling environment. *Journal of Personal Selling & Sales Management, 32*(3), 349–363.

  doi:10.2753/PSS0885-3134320305
- Martensen, A., & Mouritsen, J. (2013). Prioritizing investments in marketing activities to improve business performance. *Total Quality Management & Business*Excellence, 1–20. doi:10.1080/14783363.2013.799329
- Melas, C. D., Zampetakis, L. A., Dimopoulou, A., & Moustakis, V. (2011). Modeling the acceptance of clinical information systems among hospital medical staff: an

- extended TAM model. *Journal of Biomedical Informatics*, 44(4), 553–564. doi:10.1016/j.jbi.2011.01.009
- Merrilees, B., Rundle-Thiele, S., & Lye, A. (2011). Marketing capabilities: Antecedents and implications for B2B SME performance. *Industrial Marketing Management*, 40, 368–375. doi:10.1016/j.indmarman.2010.08.005
- Mintz, O., & Currim, I. S. (2013). What drives managerial use of marketing and financial metrics and does metric use affect performance of marketing-mix activities?

  \*\*Journal of Marketing, 77, 17–40. Available from https://www.ama.org/publications/JournalOfMarketing
- Mohamad, R., & Ismail, N. A. (2013). The extent of e-business usage and perceived cumulative benefits: A survey on small and medium-sized enterprises.

  \*Information Management and Business Review, 5(1), 13–19. Retrieved from http://www.ifrnd.org/Research%20Papers/I33.pdf
- Moller, K., & Anttila, M. (1987). Marketing capability a key success factor in small business? *Journal of Marketing Management, 3*(2), 185–203. Available from http://www.tandfonline.com/loi/rjmm20
- Morgan, N. (2012). Marketing and business performance. *Journal of the Academy of Marketing Science*, 40, 102–119. doi:10.1007/s11747-011-0279-9
- Morgan-Thomas, A., & Veloutsou, C. (2013). Beyond technology acceptance: Brand relationships and online brand experience. *Journal of Business Research*, 66, 21–27. doi:10.1016/j.jbusres.2011.07.019

- Mulpuru, S., Evans, P. F., & Roberge, D. (2012, September 24). The purchase path of online buyers in 2012. Retrieved from https://www.forrester.com/The+Purchase+Path+Of+Online+Buyers+In+2012/full text/-/E-RES82001
- Nedzinskas, S., Pundzien, A., Buoziute-Rafanaviciene, S., & Pilkiene, M. (2013). The impact of dynamic capabilities on SME performance in a volatile environment as moderated by organizational inertia. *Baltic Journal of Management*, 8(4), 376–396. doi:10.1108/BJM-01-2013-0003
- Nobre, H., & Silva, D. (2014). Social network marketing strategy and SME strategy benefits. *Journal of Transnational Management*, 19,138–151. doi:10.1080/15475778.2014.904658
- Notta, O., & Vlachvei, A. (2012). Web site utilization in SME business strategy: The case of Greek wine SMEs. *World Journal of Social Sciences*, *3*(5), 131–141. Retrieved from http://www.sciedu.ca/journal/index.php/wjss
- O'Donnell, A. (2011). Small firm marketing: Synthesizing and supporting received wisdom. *Journal of Small Business and Enterprise Development, 18*(4), 781–805. doi:10.1108/14626001111179802
- O'Donnell, A. (2014). The contribution of networking to small firm marketing. *Journal* of Small Business Management, 52(1), 164–187. doi:10.1111/jsbm.12038
- O'Reilly, M., & Parker, N. (2013). 'Unsatisfactory saturation': A critical exploration of the notion of saturated sample sizes in qualitative research. *Qualitative Research*, 13, 190–197. doi:10.1177/1468794112446106

- Omar, A., Ramayah, T., Lin, L. B., Mohamad, O., & Marimuthu, M. (2011). Determining factors of the usage of web-based marketing applications by small and medium enterprises (SMEs) in Malaysia. *Journal of Marketing Development and Competitiveness*, *5*(2), 70–86. Available from http://www.nabusinesspress.com/jmdcopen.html
- Parker, C. M., & Castleman, T. (2009). Small firm e-business adoption: a critical analysis of theory. *Journal of Enterprise Information Management*, 22(1/2), 167–182. doi:10.1108/17410390910932812
- Parveen, F., Jaafar, N. I., & Ainin, S. (2015). Social media usage and organizational performance: Reflections of Malaysian social media managers. *Telematics and Informatics*, 32, 67–78. doi:10.1016/j.tele.2014.03.001
- Pentina, I., Koh, A. C., & Le, T. T. (2012). Adoption of social networks marketing by SMEs: Exploring the role of social influences and experience in technology acceptance. *International Journal of Internet Marketing and Advertising*, 7(1), 65–82. doi:10.1504/IJIMA.2012.044959
- Perez-Cabanero, C., Gonzalez-Cruz, T., & Cruz-Ros, S. (2012). Do family SME managers value marketing capabilities' contribution to firm performance? *Marketing Intelligence & Planning, 30*(2), 116–142. doi:10.1108/02634501211211948
- Perry, C. (1998). Processes of a case study methodology for postgraduate research in marketing. *European Journal of Marketing*, *32*(9/10), 785–802. doi:10.1108/03090569810232237

- Peteraf, M. A., & Barney, J. B. (2003). Unraveling the resource-based tangle. *Managerial and Decision Economics*, 24, 309–323. doi:10.1002/mde.1126
- Pezalla, A. E., Pettigrew, J., & Miller-Day, M. (2012). Researching the researcher-as-instrument: An exercise in interviewer self-reflexivity. *Qualitative Research*, 12(2), 165–185. doi:10.1177/1468794111422107
- Pomirleanu, N., Schibrowsky, J. A., Peltier, J., & Nill, A. (2013). A review of Internet marketing research over the past 20 years and future research direction. *Journal of Research in Interactive Marketing*, 7(3), 166–181. doi:10.1108/JRIM-01-2013-0006
- Protogerou, A., Caloghirou, Y., & Lioukas, S. (2011). Dynamic capabilities and their indirect impact on firm performance. *Industrial and Corporate Change, 21*(3), 615–647. doi:10.1093/icc/dtr049
- Ramanathan, R., Ramanathan, U., & Hsiao, H. (2012). The impact of e-commerce on Taiwanese SMEs: Marketing and operations effects. *International Journal of Production Economics*, *140*, 934–943. doi:10.1016/j.ijpe.2012.07.017
- Rangone, A. (1999). A resource-based approach to strategy analysis in small-medium sized enterprises. *Small Business Economics*, *12*, 233–248. Available from http://link.springer.com/journal/11187
- Reiter, S., Stewart, G., & Bruce, C. (2011). A strategy for delayed research method selection: Deciding between grounded theory and phenomenology. *Electronic Journal of Business Research Methods*, *9*(1), 35–46. Retrieved from http://www.ejbrm.com

- Resnick, S., Cheng, R., Brindley, C., & Foster, C. (2011). Aligning teaching and practice:

  A study of SME marketing. *Journal of Research in Marketing and*Entrepreneurship, 13(1), 37–46. doi:10.1108/14715201111147932
- Reteraf, M. A. (1993). The cornerstones of competitive advantage: A resource-based view. *Strategic Management Journal*, *14*, 179–191. Retrieved from http://smj.strategicmanagement.net
- Rezvani, S., Salehi, M., Eghtebasi, S., Abadi, A. H., & Dehkordi, G. J. (2012). A conceptual analysis of the key success of business in terms of Internet marketing. 

  Interdisciplinary Journal of Contemporary Research in Business, 4(1), 811–816.

  Retrieved from ijcrb.webs.com
- Rogers, E. M. (1995). Diffusion of innovations. New York: The Free Press.
- Rollins, M., Nickell, D., & Ennis, J. (2013). The impact of economic downturns on marketing. *Journal of Business Research*, 1–5. doi:10.1016/j.jbusres.2013.03.022
- Rosen, P. A., & Phillips, M. H. (2011). Marketing and the rise of Web 2.0: Expanding opportunity, increasing challenge. *The Review of Business Information Systems*, 15(3), 35–42. Retrieved from http://www.cluteinstitute.com/journals/review-of-business-information-systems-rbis/
- RSW/US. (2012). 2009–2012 changes in digital and social media. Retrieved from http://www.rswus.com/survey/changes-in-social-digital-media-2009-2012
- Rubin, H. J., Rubin, I. S. (2012). *Qualitative interviewing: The art of hearing data*. (3rd ed.). Thousand Oaks, CA: Sage.

- Sangasubana, N. (2011). How to conduct ethnographic research. *The Qualitative Report*, *16*(2), 567–573. Retrieved from http://nova.edu/ssss/QR/QR16-2/sangasubana.pdf
- Savrul, M., & Kılıç, C. (2011). E-commerce as an alternative strategy in recovery from the recession. *Procedia Social and Behavioral Sciences*, *24*, 247–259. doi:10.1016/j.sbspro.2011.09.055
- Sen, A. K., & Haq, K. (2011). Product innovation by small and medium-sized firms through outsourcing collaboration. *International Journal of Management and Marketing Research*, *4*(1), 61–73. Retrieved from http://www.aabri.com/jmmr.html
- Sharma, A. (2011). Take-off of online marketing: Casting the next generation strategies.

  \*Business Strategy Series\*, 12(4), 202–208. doi:10.1108/17515631111155160
- Simmons, G., Armstrong, G. A., & Durkin, M. G. (2011). An exploration of small business website optimization: Enables, influencers and an assessment approach. *International Small Business Journal*, 29(5), 534–561.

  doi:10.1177/0266242610369945
- Sinkovics, N., Sinkovics, R. R., & Jen, R. (2012). The internet as an alternative path to internationalization? *International Marketing Review*, 30(2), 130–155. doi: 10.1108/02651331311314556
- Small Business Administration. (2014a). *Advocacy: The voice of small business in government*. Retrieved from http://www.sba.gov/sites/default/files/advocacy/FAQ March 2014 0.pdf

- Small Business Administration. (2014b). *Small business size standards*. Retrieved from http://www.sba.gov/content/what%27s-new-with-size-standards
- Sok, P., O'Cass, A., & Sok, K.M. (2013). Achieving superior SME performance:

  Overarching role of marketing, innovation, and learning capabilities. *Australasian Marketing Journal*, *21*, 161–167. doi:10.1016/j.ausmj.2013.04.001
- Spinelli, R., Dyerson, R., & Harindranath, G. (2013). IT readiness in small firms. *Journal of Small Business and Enterprise Development*, 20(4), 807–823. doi:10.1108/JSBED-01-2012-0012
- Stoel Tsai, C. Y., Wang, C. C., & Lu, M. T. (2011). Using the technology acceptance model to analyze the ease of use of a mobile communication system. *Social Behavior and Personality*, 39(1), 65–69. Retrieved from www.sbp-journal.com
- Stone, D. M., & Woodcock, N. D. (2014). Interactive, direct and digital marketing.

  \*Journal of Research in Interactive Marketing, 8(1), 2014, 4–17.

  doi:10.1108/JRIM-07-2013-0046
- Teece, D. J., Pisano, G. P., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, *18*, 509–533. Retrieved from smj.strategicmanagement.net
- Theodosiou, M., & Katsikea, E. (2012). Antecedents and performance of electronic business adoption in the hotel industry. *European Journal of Marketing*, 24(1/2). doi:10.1108/03090561211189329

- Thomas, E., & Magilvy, J. (2011). Qualitative rigor or research validity in qualitative research. *Journal for Specialists in Pediatric Nursing*, *16*, 151–155. doi:10.1111/j.1744-6155.2011.00283.x
- Thompson, P., Williams, R., & Thomas, B. (2013). Are UK SMEs with active web sites more likely to achieve both innovation and growth? *Journal of Small Business* and Enterprise Development, 20(4), 934–965. doi:10.1108/JSBED-05-2012-0067
- Timmermans, S., & Tavory, I. (2012). Theory construction in qualitative research: From grounded theory to abductive analysis. *Sociology Theory*, *30*(3), 167–186. doi:10.1177/0735275112457914
- 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. doi:10.1016/j.indmarman.2010.05.001
- U.S. Department of Commerce. (2012). Statistics about business size (including small business) from the U.S. Census Bureau. Retrieved from http://www.census.gov/econ/susb
- U.S. Department of Health & Human Services. (1979). The Belmont report: Ethical principles and guidelines for the protection of human subjects of research.
  Retrieved from http://www.hhs.gov/ohrp/humansubjects/guidance/belmont.html
- Valadez, R. M. (2011). The value proposition of small businesses: Economic engines for job creation. *Journal of Management and Marketing Research*, 9(8), 1–11.

  Retrieved from http://www.aabri.com/jmmr.html

- Virhies, D. W., Morgan, N. A. (2005). Benchmarking marketing capabilities for sustainable competitive advantage. *Journal of Marketing*, 69, 80–94. Available from https://www.ama.org/publications/JournalOfMarketing
- Wahyuni, D. (2012). The research design maze: Understanding paradigms, cases, methods and methodologies. *Journal of Applied Management Accounting*\*Research, 10(1), 69–80. Available from http://www.cmawebline.org/jamar
- Walsh, M. E., & Lipinski, J. (2009). The role of the marketing function in small and medium sized enterprises. *Journal of Small Business and Enterprise*Development, 16(4), 569–585. doi:10.1108/14626000911000929
- Wang, E. T. G., Hu, H., & Hu, P. J. (2013). Examining the role of information technology in cultivating firms' dynamic marketing capabilities. *Information & Management*, 50, 336–343. doi:10.1016/j.im.2013.04.007
- Wang, Y. S., Wu, S. C., Lin, H. H., Wang, Y. M., & He, T. R. (2011). Determinants of user adoption of web ATM: An integrated model of TCT and IDT. *Service Industries Journal*, *99*(1), 1–21. Retrieved from http://www.researchgate.net/journal/0264-2069 Service Industries Journal
- Watson, T. J. (2011). Ethnography, reality, and truth: The vital need for studies of 'how things work' in organizations and management. *Journal of Management Studies*, 48(1), 202–217. doi:10.1111/j.1467-6486.2010.00979
- Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal*, 5, 171-180. Available from http://smj.strategicmanagement.net

- Wesserman, A. (2011). How the Internet transformed the software industry. *Journal of Internet Services and Applications*, 2, 11–22. doi:10.1007/s13174-011-0019-x
- Wiersema, F. (2013). The B2B agenda: The current state of B2B marketing and a look ahead. *Industrial Marketing Management*, 42, 470–488. doi:10.1016/j.indmarman.2013.02.015
- Wu, I. L., Li, J. Y., & Fu, C. Y. (2011). The adoption of mobile healthcare by hospital's professionals: an integrative perspective. *Decision Support Systems*, *51*(3), 587–596. Retrieved from www.journals.elsevier.com/decision-support-systems
- Yin, R. K. (2014). *Case study research: designs and methods* (5th ed.). Thousand Oaks, CA: Sage.
- Yousif, R. (2012). The extent of Facebook users' interest in the advertising messages.

  \*International Journal of Marketing Studies, 4(3), 122–133. doi:10.5539

  /ijms.v4n3p122
- Zickuhr, K., & Smith, A. (2012). *Digital differences*. Retrieved from the Pew Research Center's Internet & American Life Project website:

  http://pewinternet.org/Reports/2012/Digital-differences.aspx

# Appendix A: Semi-structured Interview Questions

- What are your professional background and work experience?
- What prior education do you believe is helping you in creating and implementing online marketing strategy for your business?
- What decision-making process you follow to create and implement your online marketing strategy?
- How would you describe your marketing mix? How does online marketing fit into your marketing mix?
- How did your online marketing strategy evolve over time?
- What percent of your total marketing budget do you allocate to online marketing?
- What is your marketing budget?
- Who is handling your online marketing? What are the responsibilities of the person in charge of your online marketing?
- What is your on-going operational routine as it relates to online marketing?
- What challenges did you have when creating and implementing your online marketing strategy?
- What are the three specific things you are most satisfied with your online marketing efforts?
- What are the three specific things you are most unsatisfied with your online marketing efforts?

## Appendix B: Consent Form

You are invited to take part in a research study of the strategies small business owners use to pursue Internet marketing. The researcher is inviting small business owners of Maryland companies with fewer than 20 employees that use Internet marketing to be in my study. This form is part of a process called "informed consent" to allow you to understand my study before deciding whether to take part.

This study is being conducted by Maya Demishkevich, who is a doctoral student at Walden University.

## **Background Information:**

The purpose of my study is to explore how small business owners develop and implement online marketing strategies.

#### **Procedures:**

If you agree to be in my study, you will be asked to:

- Meet in your place of business, at your convenience, to participate in a one-on-one interview with questions about the strategies that you use or have used to promote your business on the Internet. The interview will last about 45 minutes.
- Share your employees' professional marketing experience. No personally identifiable information will be required.
- Provide read-only guest access to the web analytics data.
- Share creative materials related to online marketing such as online advertisements, social media posts, and e-mail templates.
- The interview will <u>not</u> involve questions about the confidential information about you or your business and will not include questions about trade secrets, or other sensitive information.
- The interview will be audio recorded.
- Review my interview interpretations for accuracy and make yourself available via email or phone to answer potential interview follow up questions that may be necessary to complete the research. These follow-up events that will take place following the interview and will take about 1 hour.

Here are some sample questions:

- How did your online marketing strategy evolve over time?
- What percent of your total marketing budget is allocated to online marketing?
- Who is handling your online marketing? What are the responsibilities of the person in charge of your online marketing?

### **Voluntary Nature of the Study:**

My study is voluntary and involves no penalty. Everyone will respect your decision of whether or not you choose to be in my study. If you decide to join my study now, you can still change your mind later. You may stop at any time.

## Risks and Benefits of Being in the Study:

Being in this type of study involves some risk of the minor discomforts that can be encountered in daily life, such as becoming tired or fatigue while sitting for 45 minutes. Being in my study would not pose a risk to your safety or wellbeing.

As a participant in my study, you will receive a copy of the research, when completed. The report may provide information that you can incorporate into your business to enhance your online marketing practices. The research may positively affect society by increasing the number of new businesses that survive and provide jobs.

### **Payment:**

The participants in my study will not be compensated for their participation in my study.

### **Privacy:**

Any information you provide will be kept <u>confidential</u>. The researcher will not use your personal information for any purposes outside of this research project. Also, the researcher will not include your name or anything else that could identify you in my study reports. Data will be kept secure by the researcher in a password-protected Dropbox folder. No one besides the researcher will have access to the file or the research data. Data will be kept for a period of at least 5 years, as required by the university.

#### **Contacts and Questions:**

You may ask any questions you have now. Or if you have questions later, you may contact the researcher via telephone (317-426-6292) or email (maya.demishkevich2@waldenu.edu). If you want to talk privately about your rights as a participant, you can call Dr. Leilani Endicott. She is the Walden University representative who can discuss this with you. Her phone number is 612-312-1210. Walden University's approval number for my study is <a href="IRB will enter approval">IRB will enter the expiration date</a>.

The researcher will give you a copy of this form to keep.

#### **Statement of Consent:**

I have read the above information, and I feel I understand the study well enough to make a decision about my involvement. By signing below, I understand that I agree to the terms described above.

Only include the signature section below if using paper con	sent forms.
Printed Name of Participant	
Date of consent	
Participant's Signature	
Researcher's Signature	

# Appendix C: Certificate of Ethical Compliance

# **Certificate of Completion**

The National Institutes of Health (NIH) Office of Extramural Research certifies that **Maya Demishkevich** successfully completed the NIH Web-based training course "Protecting Human Research Participants".

Date of completion: 03/16/2013

Certification Number: 1144380

## Appendix D: Confidentiality Agreement for Interview Transcriber

Name of Signer:

During the course of my activity in transcribing interviews for this research: "Small Business Use of Internet Marketing: Findings from Case Studies" I will have access to information, which is confidential and should not be disclosed. I acknowledge that the information must remain confidential and that improper disclosure of confidential information can be damaging to the participant.

By signing this confidentiality agreement, I acknowledge and agree that:

- 1. I will not disclose or discuss any confidential information with others, including friends or family.
- 2. I will not in any way divulge, copy, release, sell, loan, alter, or destroy any confidential information except as properly authorized.
- 3. I will not discuss confidential information where others can overhear the conversation. I understand that it is not acceptable to discuss confidential information even if the participant's name is not used.
- 4. I will not make any unauthorized transmissions, inquiries, modification, or purging of confidential information.
- 5. I agree that my obligations under this agreement will continue after termination of the job that I will perform.
- 6. I understand that a violation of this agreement will have legal implications.
- 7. I will only access or use systems or devices I am officially authorized to access, and I will not demonstrate the operation or function of systems or devices to unauthorized individuals.

Signing this document, l	acknowledge that	t I have read the	e agreement, a	and I agre	e to compl	y with
all the terms and conditi	ons stated above.					

Signature:	Date:
·	