A cross-industry review of B2B critical success factors

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Keywords

International marketing, Success, Business-to-business marketing, Internet

Abstract

Business-to-business international Internet marketing (B2B IIM) has emerged as one of the key drivers in sustaining an organisation's competitive advantage. However, market entry and communication via the Internet have affected the dynamics and traditional process in B2B commerce. Difficulties resulting from these new trends have been cited in the literature. Research into identifying what are the critical success factors for global market entry is rare. This research presents a comprehensive review in this field. The study identified 21 critical success factors applicable to most of the B2B IIM. These factors were classified into five categories: marketing strategy, Web site, global, internal and external related factors. The significance, importance and implications for each category are discussed and then recommendations are made.

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Introduction

In recent years business-to-business international Internet marketing (B2B IIM) has received widespread attention. Avlonitis and Karayanni (2000), Hamill and Gregory (1997), Hoffman *et al.* (1999), Porter (2001) and Quelch and Klein (1996) conducted in-depth studies to understand those factors that are needed to enhance B2B IIM implementation.

Various articles, empirical research, and secondary case studies on B2B, Internet, international marketing, and information technology were studied. The findings of these studies identified 21 factors that have a direct impact on successful implementation of the B2B IIM. These factors were classified into five categories: marketing strategy, web site, global dimension, internal and external related factors. Definitions, techniques and discussion on these factors are described in the following sections. Further discussion on each category is also underpinned.

Critical success factors definitions

Digman (1990), Butler and Fitzgerald (1999) and Guynes and Vanecek (1996) defined critical factors for success as the areas or functions where things must go right to ensure successful competitive performance for an organisation. Oakland (1995) links these factors to what an organisation must accomplish to achieve its mission. Kanji and Tambi (1999) stated that for these factors to be more effective, they have to represent managerial areas, which require continual attention to lead to high performance. This research attempts to identify and discuss in the following sections those areas or functions through the secondary case studies and reviewing literature. This will guide an organisation while implementing B2B IIM.

Available techniques

Leidecker and Bruno (1984) proposed several techniques for identifying the critical success factors (CSFs). These included environment scanning, industry structure analysis, industrial expert's opinions, competitors' analysis, best practice analysis, assessment of the company's internal feeling or judgement, and gathered data of profit impact of market strategy (PIMS):

- *Environmental scanning.* This technique is used to identify the economical, political and social forces that surround an organisation and influence its performance. Companies often link environmental scanning technique to the threats and opportunities evaluation. The only problem attached to this technique is the difficulty of operating it into a specific industry or to an organisation's CSFs.
- *Industry structure analysis.* This type of analysis is based on five components: barriers to entry, substitutable products, suppliers, buyers and inter-firm competition. Evaluating each component and the interrelationships between them leads to gathering considerable data that assist in identifying the critical factors for success. The technique is used only industry wide, which makes its application for individual firms inappropriate.
- *Industrial expert's opinions.* This technique depends on people who have an excellent working knowledge of the industry/business. This technique depends more on subjective opinions. However, the intuitive feel of an industry insider often is an excellent source of CSFs and, coupled with more objective techniques, provides the analyst with rich data.
- *Competitors' analysis.* This technique focuses on the competitive environment. It concentrates analysis on competition, how firms compete, one does not dilute efforts. But it cannot provide CSFs not linked to the analysis of how firms compete.
- *Best practice analysis.* This technique is very useful in industries dominated by one or a few firms, such as Dell, in the computer industry. The logic behind this technique understands what the firm does successfully in determining the CSFs. But this technique of narrow focus analysis might limit inputs of more CSFs.
- *Internal assessment.* This technique identifies the CSFs for a particular firm. The focus here is to explore what the company does well and not so well. The technique again narrows the focus of analysis and cannot provide more CSFs.
- *Intuitive factors.* This technique depends on the intuition and insight of individuals who are familiar with the firm and leads to identification of important short run CSFs that may be unclear in more formal reviews, but it depends on subjective opinions.
- *PIMS results.* PIMS identifies the key determinants of profitability that provide inputs for CSFs analysis. The advantage of this technique is the empirical basis of the project results. But this technique may lead to general nature of the factors.

Proposed factors

A number of studies were carried out to identify those factors most critical to B2B IIM success. Avlonitis and Karayanni (2000) noted that the sales force has a central role to play in the Internet marketing strategies implementation if the appropriate training is provided. However, top management team's support is one of the keys to integrate the Internet effectively with the strategic marketing plan. Bremer (1996) agreed that correct planning for training sessions, management support and staff awareness programmes are important to B2B IIM implementation.

Chan and Swatman (2000) pointed out other factors such as supplier and customer involvement, culture and the use of both the traditional and online marketing. Cronin (1996) added the security factor to the marketing strategy and culture. Damanpour (2001) showed the importance of meeting client demand as necessary to fulfilling obligations in Internet-based marketing. Being flexible when collaborating with the trading community, identifying potential valuable partners, thinking globally and doing business in the Internet time (speed) are critical factors for B2B IIM successful implementation.

Duggan and Devenery (2000) indicated that the integration between off and on-line marketing efforts, as well as customer acceptance and the language used, were also critical success factors. Furnell and Karweni (1999) agreed that the development of successful inter-organisational relationships is another critical factor, which is based primarily on the quality and quantity of exchanged information over the Internet.

Gogan (1997) cited that selecting the appropriate technologies infrastructure is a key factor for Internet marketing. Hamill and Gregory (1997) suggested that well designed Web sites provide an organisation with a leading edge in the global market. Herbig and Hale (1997) emphasise that customer needs must be identified.

Poon and Jevons (1997), Hoffman *et al.* (1999) and Zairi (2001a, b) all agreed that trust and confidence between vendor and potential customer is another critical factor. E-commerce is not a technology play! It is a relationship; partnership, organisational and communications play made possible by new technology.

Case studies

Table I illustrates a brief summary of various secondary case studies which have been published in the field of B2B IIM. The table includes a description of the companies' names, activities, nationalities and references source.

Figure 1 shows that 62 per cent of the companies involved in the published case studies illustrated in Table I were USA based. This indicates the leading role US companies are taking towards B2B IIM implementation. It can be seen also that a wide range of industries from perishable goods (cheese), to domestic goods, high technology, and machinery have adopted the Internet.

Consequently, the previous cases covered manufacturing equipment; telecommunications, hardware equipment, textile industry, home equipment, scientific and medical equipment, management consulting, and software development adopted the Internet in their marketing purposes.

Factors categorization

The 21 critical factors for B2B IIM successful implementation have been grouped into five related factors, categories A, B, C, D and E as shown in Figure 2. Each category is discussed in more detail in the following sub-sections.

Category A: marketing strategy related factors

Chaffy *et al.* (2000) argued that the Internet is an integral part which supports business-marketing strategies and should be treated as a separate plan. Avlonitis and Karayanni (2000), Chaffy *et al.* (2000), Chan and Swatman (2000), Cronin (1996), Damanpour (2001), Duggan and Devenery (2000), Hofacker (2001), Honeycutt *et al.* (1998), Naude and Holland (1996), Porter (2001) and Quelch and Klein (1996) all agreed that factors related to marketing strategy are vital to the success of B2B IIM implementation. Those factors related to marketing strategy include:

- *Top management support and commitment.* Avlonitis and Karayanni (2000), Chaffy *et al.* (2000) and Chan and Swatman (2000) identified top management support and commitment as key factors for successful implementation of innovation processes for an organisation. This requires personal and managerial knowledge of Internet marketing potential and is proactively involved in its internal diffusion. Chaffy *et al.* (2000) cited that management commitment to the Internet medium helps to promote implementation across the company, but this will require financial support. In their study, Chaffy *et al.* included the 1998 report which was produced by KPMG group of consultants. This report indicates that there is a correlation between the investment on the Internet and the revenue received by a company. Chan and Swatman (2000) emphasised that management at the supervisory level plays the most critical role in implementing B2B IIM successfully.
- *Setting strategic goals.* Successful implementation of the B2B IIM depends on how clearly defined the strategic goals are for an organisation. Chaffy *et al.* (2000) pointed out that Internet marketing must

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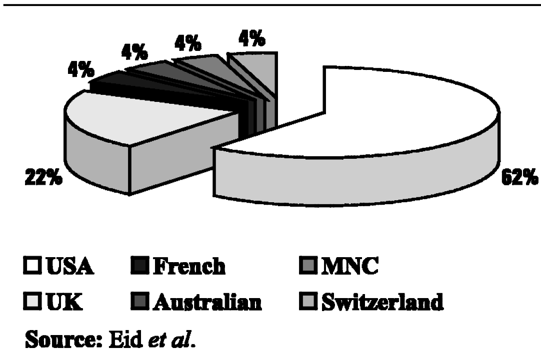
Table I A list of published secondary case studies

Company	Activity/industry	Nationality	Source
BHP Steel	Steel	Australian	Chan and Swatman (2000)
VF Playwear	Clothes	USA	Angeles (2001)
Fromages	Cheese	French	www.fromages.com
Toyota	Car	UK	Chaffy *et al.* (2000)
Millipore	High technology	USA	Anderson (1996)
Furniture.com	Furniture	USA	www.nua.ie
Dell	Computer	UK	Kalakota and Robinson (1999)
Delap and Waller	Design, production and customer service	UK	www.ukonlineforbusiness.gov.uk/
Nabisco	Snack food	USA	Allen and Fjermestad (2001)
MMM.Com	Variety of products	USA	www.Zdnet.com
ETA SA	Swatch	Switzerland	Osterle *et al.* (2001)
Encyclopaedia Britannica	Leather	USA	www.cio.com
Welding firm	Welding	USA	Honeycutt *et al.* (1998)
KDM International	Agriculture	UK	www.ukonlineforbusiness.gov.uk/
IBM	Computer	USA	Naude and Holland (1996)
Sun Microsoft	Computer	USA	www. newsfactor.com
Grey Matter	Software and electronics equipment	UK	www.ukonlineforbusiness.gov.uk/
EDS: part of General Motors	Car	USA	Naude and Holland (1996)
W.W.Grainger	Maintenance products	USA	Porter (2001)
Cisco	Computer and internetworking	MNC	Kalakota and Robinson (1999)
Digital Equipment Corporation	Network computer system, Software and services	USA	Jones (1996)
Garden	Garden products	USA	www.cio.com
Flooring Company	Flooring products	USA	Honeycutt *et al.* (1998)

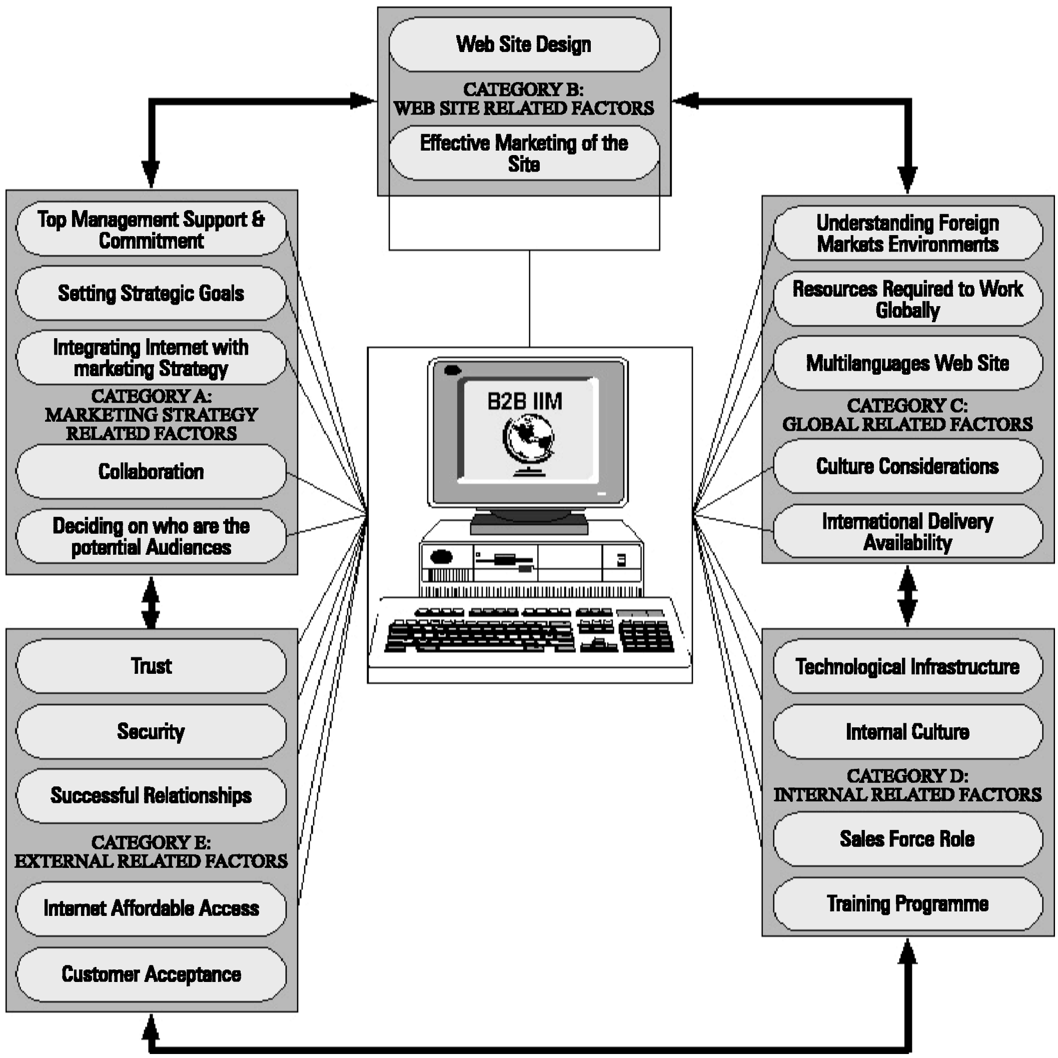
be consistent with business objectives. Naude and Holland (1996) provided an example of Ford in implementing its global marketing strategy that addresses homogenisation across national markets in terms of realising the cost savings through internal rationalisation. Ford's global marketing strategy is identical to its IT strategy, which includes both the internal reorganisation that centres on shared worldwide databases and relationships with customers and suppliers.

Figure 1 Distribution of companies by nationality



Anderson (1996) and Honeycutt *et al.* (1998) provided another example of Millipore flooring company, who decided on two strategic goals for its Web site to increase international business opportunities. First, to enable the existing and potential customers to interact directly with the company's information on various technical, application, product, news and ordering aspects. Second, to enable Millipore's marketers to deal with strategic partners, regulatory agencies and external data bases. The majority of companies in the secondary case studies mentioned in the previous sections have agreed that setting strategic goals is a critical factor to B2B IIM success.

Figure 2 Critical success factors categorisation



Source: Eid *et al.*

- *Integrating the Internet with marketing strategy.* Avlonitis and Karayanni (2000), Chan and Swatman (2000), Cronin (1996), Duggan and Devenery (2000), Honeycutt *et al.* (1998), Porter (2001) and Quelch and Klein (1996) argued that integrating the Internet with a business marketing strategy is an important component for successful implementation of B2B IIM. However, executives and entrepreneurs alike need to change their point of view on how to capitalise on the Internet's strategic potential. Chan and Swatman (2000) showed that successful Internet marketers are those who build systems that can integrate with existing applications and serve the needs of trading partners at either end of the value chain.

Porter (2001) stated, "... It has been widely accepted that the Internet is cannibalistic, that it will replace all conventional ways of doing business and overturn all traditional advantages. That is a vast exaggeration. While the Internet will replace certain elements, the complete cannibalisation will be exceedingly rare". Companies such as Toyota, Dell, 3M, Nabisco, and Sun Microsystems in the secondary case studies considered integrating the Internet with their marketing strategy as a critical factor for B2B IIM success.

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Allen and Fjermestad (2001) provided three examples of companies rejecting the idea of using Internet marketing. First, Nabisco's marketing manager stated "the company could work with bricks and mortar retailers to try to preserve the current way of doing business". Second, the Sun Microsystems Company, which does not consider the Web to be an individual channel or an alternative vehicle of their customer to deal with the company. Third, Grainger, which rejected the assumption that the Internet would undermine its strategy, instead it tightly co-ordinated its aggressive on-line efforts with traditional business and the results so far are revealing.

Porter (2001) indicated that customers who purchase on-line also continue to purchase through other means. Honeycutt *et al.* (1998) cited that companies must consider Internet marketing as a complement to, rather than a replacement for, other marketing programmes already in place. This means customers might evaluate the product online or in the real world. They then have two options, either to purchase online (if the Web site has various facilities) or to order in the real world approaches, such as using personal appearance, telephone or fax machines.

- *Collaboration (deciding on the strategic partners).* Collaboration emphasises clear partnership between the trading community and other stakeholders. Poon and Jevons (1997) indicated that collaboration should include appropriate utilisation of the resources needed for the Internet implementation. Damanpour (2001) added that an organization only succeeds when top management develops dynamic and just-in-time collaborations attitude and responsiveness. Chan and Swatman (2000) provided another dimension to collaboration when they mentioned trading partners' relationships as the critical issue that faces a company's attempt to achieve its objectives to getting closer to customers. Organizations can by-pass the traditional interaction patterns and form virtual value chains. Bremer (1996) pointed out that if a company lacks technical resources to manage the Internet connection and enable security technology, it must sub-contract other service providers for managing connectivity.
- *Deciding on who are the potential audiences.* Hollensen (2001) divided Internet audiences into internal and external. Internal audiences include marketing, sales, channel sales, finance and information technology (IT). External audiences include external customers, suppliers, vendors, resellers and other business partners. Defining who are the Internet audiences to be targeted is one of the primary tasks for the Web designers because it determines how and when both the internal and external actors should be involved. Hofacker (2001) pointed out that the nature of the Internet is that the Web site is automatically an international marketing tool. White (1997) stated that companies that are prepared to make international sales should indicate that on their World Wide Web (WWW) pages.

Category B: Web site related factors

Hofacker (2001) defined the Web as a tool that companies employ to convey promotional messages, interesting or informative information to their consumers. Also, it is used to sell products directly to the customer or to provide consumers with various computing or communication services.

Anderson (1996), Hamill and Gregory (1997), Herbig and Hale (1997), Hofacker (2001), Kotab and Helsen (2000), Quelch and Klein (1996) and Samiee (1998) identified the well-designed corporate Web site as the company's marketing showpiece and the crucial component that contributes to the success for any of the B2B IIM efforts.

Web site design

Hamill and Gregory (1997), Herbig and Hale (1997), Hofacker (2001), Kotab and Helsen (2000), Quelch and Klein (1996) and Samiee (1998) agreed that an effective Web site depends on its design. Quelch and Klein (1996) pointed out that the creation of a Web site is not a one-time effort and considered the need for internationalisation of Websites. They stated, "International marketers should achieve a balance between the new medium's ability to be customised and the desire to retain coherence, control, and consistency as they go to market worldwide". Herbig and Hale (1997) added that current speed of technological innovation in Web site design, and the increasing competitiveness of the medium, requires global marketers to continue assessing their Internet sites' perceived value among target groups across countries. Web sites must provide valuable, accurate content that is continually maintained if they are to attract new customers, from many countries as well as encourage them to return. Consequently, the homepage must be kept up to date to make available the most recent information. Cronin (1996) demonstrated the example of Millipore Corporation on how companies can attract customers and potential buyers to their Web sites by offering a well-designed and comprehensive value to the pharmaceutical and microelectronics industries. Honeycutt *et al.* (1998) reported that a flooring firm previously experienced dissatisfaction with designing agencies, which produced a disorganised Web site with little logic, unattractively coloured backgrounds, and numerous spelling errors. However, the company changed the Web advertising agency quickly, this led to several international transactions and an increased number of enquiries from customers globally.

There are a number of well-designed Web site characteristics. Honeycutt *et al.* (1998) highlighted that industry experts suggest that a Web site must have clear and consistent information. Like all other marketing media, customers compare the value of information they get and its helpfulness in aiding them in decision making. The majority of on-line users come to the Internet for information, so organisations that provide more data on their company and products are more likely to succeed in implementing Internet marketing. Anderson (1996) noted that in Millipore Corporation, the key to successful implementation of their B2B IIM was the relational database of its product catalogues developed prior to the Web site designing process. Chaffy *et al.* (2001) stated that the basic quality of good information is be accessed rapidly, easy to find, and relevant to users.

Hamill and Gregory (1997) added regular updating to encourage repeat visits, clear navigation paths to allow smooth movement around the site; interactivity and responsiveness to user feedback; allowing information gathering about users; and integrating the Web site with other marketing channels be used.

The majority of the secondary case studies agreed upon these factors as critical to B2B IIM successful implementation. For example, Fromages manager said, "Web site must not only serve as an electronic order-taking interface but also have high value added informational content". Allen and Fjermestad (2001) noted that the manager of Nabisco indicated that information on the Web site must include products, delivery, price and services support.

Effective marketing of the site (online and offline promotion)

Chaffy *et al.* (2000) cascaded the importance of promoting the Web site for two reasons. First, an organisation must distinguish its Web site from those of its competitors. Hamill and Gregory (1997) supported this view by stating that the Web site needs to be marketed in an appropriate manner to ensure high accessibility. This can be done in various ways including registering the site with all of the online search engines, establishing reciprocal cross-linkages to other sites, and ensuring that the URL address is used in all company correspondence. Second, promoting a Web site differs from any other media promotion. It requires expertise and technical knowledge of how customers can easily find information on the Internet.

Category C: global related factors

Chaffy *et al.* (2000), Chan and Swatman (2000), Duggan and Devenery (2000), Gogan (1997), Hamill and Gregory (1997), Herbig and Hale (1997), Hofacker (2001), Kotab and Helsen (2000), Quelch and Klein (1996), Samiee (1998) and White (1997) described the Internet ability in making sales to overseas markets as depending on a number of global related factors. These include:

- *Understanding foreign marketing environment.* Marketing environments vary from one country to another. Hofacker (2001), Quelch and Klein (1996), Samiee (1998)

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and Wood and Roberson (2000) agree that Web site design should reflect the country's environment requirements. Wood and Roberson (2000) stated that while the political climate in one country or region could be perceived as a key dimension to an international venture's success (or failure), the level of economic development might be the key in another. Likewise, while an advanced infrastructure may place one foreign market more favourably ahead of another for one industry, the existence of a stable and transparent legal system might do the same for another industry.

Hofacker (2001) emphasised that companies have to study the foreign marketing environments, including trade regulations and package delivery options, to assess the advantages of their own products and services. Quelch and Klein (1996) noted that companies who want to use the Internet to do business internationally have to revise their operations, strategies, and business models if they want to exploit the opportunities offered by the Internet. Samiee (1998) pointed that international marketing involves many macro and micro planning and management considerations, including meeting local product standards, target market pricing and competitive factors, export currency and payment issues, customer support and service requirements, legal and regulatory considerations. None of these issues will be solely derived from access to the Internet or developing Web site.

- *Resources required for working globally.* Chaffy *et al.* (2000), Hofacker (2001), Kotab and Helsen (2001) and Quelch and Klein (1996) identified resources as one of the global related factors which play an important role in facilitating B2B IIM implementation. Chaffy *et al.* (2000) indicated that while the Internet increases the potential market size, many companies might not have the resources required to deal with international markets. Therefore, a company must have a 24-hour order taking, customer service response capability and regulatory and custom-handling experience to ship internationally.

Companies in the secondary case studies discovered that they had to be prepared to deal with an entirely new customer segment once they were established on the Internet. Honeycutt *et al.* (1998) provided an example of a welding firm faced with dealing with new customers on both levels, the national and international. However, Kotab and Helsen (2001) state that claims that the Internet provides a level playing field to small and large global players alike are somewhat exaggerated. Undoubtedly, large firms still enjoy competitive advantage because of larger resources and more visibility among prospective customers worldwide. Companies with large resources will be able to hire the best talent and buy the latest technologies in the area.

- *Multilanguage Web site.* One of the biggest issues around global communication is language. Consequently, for companies who want to use the Internet internationally, language communication is the challenge. Hofacker (2001) stated companies who want to use the Internet for international marketing must translate their Web sites into a number of languages, or at least should try minimising the difficulties for non-native readers of their languages.

Kotab and Helsen (2000) suggest that by the year 2005, 57 per cent of the Internet audience will speak a language other than English. Consequently, a company that plans to become a global e-business player might need to localise its Web sites in order to deal with target customers in their native tongue. Undoubtedly, language barriers have launched a new Web-oriented translation industry. For instance, World Point (www.worldpoint.com), as mentioned by Kotab and Helsen (2000), offers a Web-based "localisation" service that translates and edits documents such as annual reports, manuals, and marketing materials into 18 languages – not just text, but also currencies, dates, and even colour conventions.

Quelch and Klein (1996) note that the growth of the use of the Internet for business will accelerate the trend for English to become the *lingua franca* of commerce. Kotab and Helsen (2000) indicated that companies who want to make their Web sites international by translating the content into other languages have three options. First is to hire a firm like World Point. This will be very time consuming and costly. Second is the use of software. Third is to pick a few key languages after studying the number of Internet users in these countries (Gillette used this option).

- *Culture Considerations.* Chan and Swatman (2000), Cronin (1996), Hofacker (2001), Kotab and Helsen (2000), Palumbo and Herbig (1998), Samiee (1998) and White (1997) suggested that cultures of different countries must be taken into account when marketing on the Internet. Building a global Internet marketing strategy which overcomes cultural barriers is considered a critical factor to B2B IIM implementation success. Herbig and Hale (1997) stated that providing information that will be desired by a variety of people with different needs and tastes will encourage a mix of nationalities and cultures. Kotab and Helsen (2000) provide an example of Dell, through its built-to-order system, being able to gain a foothold in markets like China and Hong Kong with its online business concept that considers the cultural dimension.

  According to Hofacker (2001), even nonverbal elements can cause cultural problems. For example, the use of white as a colour is more or less neutral in parts of the world, but in some countries in Asia it signifies death. Palumbo and Herbig (1998) have expanded the cultural differences, which along with languages include obstacles in translating images (symbols) that have different meanings across nations; and colours that have different symbolic values.
- *International delivery availability.* Palumbo and Herbig (1998) highlighted that when a firm uses the Internet, it receives orders from several places around the world. If it is not already selling internationally, this could be a problem. Thus, it is important to design a logistical system that allows a firm to deliver its products/services across nations efficiently before soliciting orders from abroad.

  White (1997) underpinned that shipping charges may be beyond a company's control, but it is a concern for international customers. At a minimum, Web sites should indicate shipment costs to each country to which delivery is available. Besides, companies should provide information about the time needed for international shipments.

Category D: internal related factors

Researchers and practitioners such as Avlonitis and Karayanni (2000), Chan and Swatman (2000), Duggan and Devenery (2000), Gogan (1997), Quelch and Klein (1996) and Samiee (1998) have considered factors related to the internal environment as a critical component of successful B2B IIM efforts. Internal related factors include technological infrastructure, internal culture, the sales force role and the importance of training programmes:

- *Technological infrastructure.* Researchers such as Saieed (1998) and Naude and Holland (1996) considered an adequate IT infrastructure as a vital factor in successful B2B IIM implementation. Saieed (1998) pointed out two elements for technological infrastructure. The first element is computer literacy. For the Internet to serve as an effective tool, all parties in the relationship or the transaction must be familiar with PCs and appreciate the benefits and the potential applications of the Internet and WWW. The second element is the availability of equipment for access and services. However, the penetration of PCs in business is broad and increasing rapidly.

  Naude and Holland (1996) added the third element as the Internet-related software products to add value to raw data. The manager of KDM international said that (www.ukonlineforbusiness.gov.uk):

  > We have learnt the importance of the right choice of software platforms −which aspects of the e-Market should be developed in house and which should be left to others to develop thereby embracing the spirit of the virtual organisation. Skill shortages, scalability and large players in the market are factors that can influence the success of a company when expanding into e-commerce.
- *Internal culture.* Chan and Swatman (2000), Duggan and Devenery (2000), Samiee

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(1998) and White (1997) defined the internal culture as the extent to which an organisation is adaptable to change. This culture is based on old beliefs and corporate values that often are no longer appropriate or useful in the new environment of doing business. Therefore an organisation must understand and conform to the new values, management processes and communication styles that are being created by new methods of marketing. Jones (1996) supports the idea that doing business on the Internet is much like doing business in any foreign country: the key to success is understanding, appreciating and honouring the country's culture and protocol.

- *Sales force role.* Avlonitis and Karayanni (2000) noted that the sales force have a central role to play in implementing the Internet marketing strategies successfully for industrial organisations. Bondra and Davis (1996) pointed out that sales and marketing managers have an opportunity to reposition themselves. They may be able to enhance their standing and improve internal communication by helping others to introduce and integrate new information management tools. Kotab and Helsen (2001) stated that although technology matters, marketing skills will still play a major role in global marketing: a site with the latest technologies but one that does not meet customer expectations will not be successful.
- *Training programme.* Avlonitis and Karayanni (2000), Bennet (1997), Bremer (1996), Chan and Swatman (2000) and Hamill and Gregory (1997) highlighted that training and education is a determining factor to successful B2B IIM implementation. Hamill and Gregory (1997) reflected the importance of training programmes by stating that training in the use of the Internet to support international marketing should be an integral part of government export promotion and support.

  Bremer (1996) emphasised that the Internet brings with it an array of new equipment, software and sources of information that must be integrated into work processes and, therefore, must be learned and understood. Training about the Internet mixes aspects of management, technical, and basic end-user computer training. Internet implementation requires three principal training methods: awareness training (via lecture-demonstrations and case studies), technical training and hands-on end-user training. In the USA, companies are aware that their employees require continual training and retraining in the tools, resources, and processes that underpin their operations; 88 per cent of these companies sponsor training in computer skills compared with 75 per cent five years ago.

  Bennet (1997) stated that in the past IT training had not been common among managerial employees, and unfamiliarity with IT-based marketing and management systems could perhaps cause feelings of personal insecurity, fear of being seen to be ignorant of the latest techniques, and reluctance to confront the alterations in tasks and individual workloads that the introduction of new methods frequently necessitates. Chan and Swatman (2000) indicated that a training and awareness program run by a company to make staff conversant with new methods of doing business seemed to have a significant effect in improving understanding of new systems and technologies, which in turn led to greater acceptance of B2B IIM.

Category D: external related factors

Chan and Swatman (2000), Duggan and Devenery (2000), Furnell and Karweni (1999), Palumbo and Herbig (1998), Poon and Jevons (1997), Quelch and Klein (1996), Ratnasingham (1998), Urban *et al.* (2000) and Zairi (2001a, b) have considered factors related to external partners as a key component to successful Internet marketing implementation. This includes trust, security, successful relationship between customers and providers, easy and affordable access and customer acceptance of B2B strategies:

- *Trust.* Mayer *et al.* (1995) defined trust as the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustee irrespective of the agility to monitor or control the other party. Urban *et al.* (2000) stated that as consumers become more sophisticated about the Internet, Web site trust is going to become a key differentiator that will determine the success or failure of many companies. For the Internet, trust-based marketing is the key to success. Urban *et al.* (2000) divided the Internet trust into three stages; trust in the Internet and the specific Web site, trust in the information displayed, and trust in delivery fulfilment and service.

Furnell and Karweni (1999) and Ratnasingham (1998) agreed that trust is more important in the virtual world than it is in the real world. This is because the parties to a transaction are not in the same place and therefore cannot depend on things like physical proximity, handshakes and body-signals.

Swan *et al.* (1999) emphasised that trust has an influence on developing positive customer attitude, intention and purchasing.

- *Security.* According to Ratnasingham (1998), the two most important areas affecting the successful implementation of international marketing is Internet and transaction security. The former deals with the network, systems and applications components of the electronic commerce solution, while the latter addresses the requirements for secure transactions.

  Cronin (1996), Furnell and Karweni (1999), Honeycutt *et al.* (1998), Ratnasingham (1998) and Samiee (1998) identified that one of the most common worries which occurs over the network is the security of financial transactions. For this reason, some people use the Web to locate products but prefer to place their order via offline methods such as telephone or fax. Furnell and Karweni (1999) discussed the security requirements which have already been recognised within the Internet/e-commerce community and a number of technologies that exists and are used to satisfy different elements. For example, Secure Sockets Layer (SSL) protocol developed by Netscape, which allows encryption of messages, can be used to transfer all data in encrypted form. Electronic Publishing Resources (EPR) developed Virtual Distributed Environment (VDE) technology that encrypts secure information passing over the Internet.
- *Successful relationship.* Furnell and Karweni (1999) stated that inter-organisational relationships are critical in B2B marketing. Naude and Holland (1996) point out that changes in IT are shaping relationships in a fundamental way, to the extent that they are being formed on the basis of what information can be exchanged between companies, rather than the more traditional view which held that the relationships would be the result of such information exchange. Sparkes and Thomas (2001) indicated that the development of an interactive Web site involving real customer relationships requires contribution from the content, marketing and technology of an organisation. The combination of the above creates a shared vision for an operational Web site
- *Internet affordable access.* Saieed (1998) suggested that easy and affordable access to the Internet network in the international markets is essential if international marketers are to tap the full potential of the Internet. In the developed nations service providers offer access at reasonable rates. But on the other hand, firms in developing countries endure high access fees. Palumbo and Herbig (1998) pointed that this presents obstacles to global expansion initiative via the Internet. Companies will have to wait until these countries invest in better telecommunication infrastructures before they can take full advantage of the opportunities the Internet offers for global commerce.
- *Customer acceptance.* Cronin (1996) highlighted that companies should make special efforts to motivate customers to make the move to an online environment, otherwise they will be lost in a crowd of competitors and never connected with the electronic marketplace. Honeycutt *et al.* (1998) added that companies have to prepare an efficient internal system to respond quickly to customers' requests, questions and comments. According to Kalakota and Robinson (1999) the operational excellence model that delivers the highest customer satisfaction is built on

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an e-business infrastructure that has four characteristics: it is easy to use, has rich functionality, is reliable and delivers integrated performance.

These categories were plotted as shown in Figure 3 to measure the frequency level of each.

Conclusions

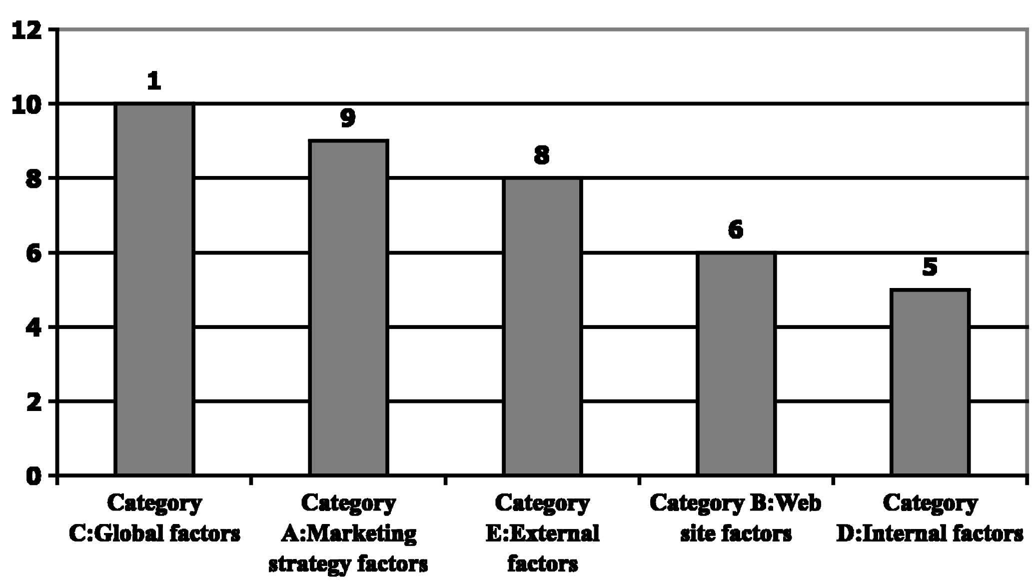
This research provided a comprehensive analysis of the CSFs for B2B international Internet marketing efforts in an organisation. In doing so, it has contributed to the cumulative body of research in both CSF concept and techniques and in research on using technology (i.e. Internet) for marketing purposes.

The Internet allows companies, regardless of size, to reach international markets at reasonable cost. It means that the Internet and its tools have eliminated the prohibitive barriers for many companies to work globally.

However, before going global by the Internet a company should make some marketing preparations and redefine its organisation, since the Internet environment has changed the rules of traditional business. These important marketing preparations are the critical factors for successful B2B IIM and include five basic dimensions: marketing strategy related factors, Web site related factors, global dimension related factors, Internal factors, and external factors. These factors are expected to have a great role in the perceived success of B2B IIM efforts. The reason for focusing on the perceived success of B2B IIM is that the behaviour of individuals is predicated by how they perceive the attributes of an innovation (i.e. the Internet) (Moore and Benbasat, 1991, p. 192).

Academic research on the use of the Internet in B2B international marketing is still at a developing stage. However, early evidence suggests that the Internet will have a great effect on the conduct of international trade in the new millennium. Consequently, there is a need for further research in this area to evaluate the degree of criticality and importance of the success factors identified in the B2B IIM literature and the secondary case studies. More research also needed to study how the perceived importance of these factors may differ across different industries such as manufacturing equipment, chemical and plastics, telecommunications, hardware equipment, textile industry, home equipment, scientific and medical equipment, management consulting, software development. With a better understanding of this issues involved in B2B IIM, management will be able to make critical decisions and allocate resources that are required to make B2B IIM implementation a success.

Figure 3 Frequency of the CSF in the five categories



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