

# Investigating the uncertainty of new international ventures via micro marketing discourse research: a case of mixed e-commerce and physical channels

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Title: Investigating the uncertainty of new international ventures via micro marketing discourse research: A case of mixed e-commerce and physical channels

Short Running Title: Micro discourse research and uncertainty

Abstract

In this article we demonstrate the value of studying organisational contexts, which are

characterised by uncertainty, via the micro discourse approach to research. By adopting the

approach, we study a business to business case of internationalisation via the mixed channels

of a physical office in the new territory supported by the parent company's domestic website.

We describe and problematise some of the foundational theories that have been applied

through survey research in the macro level study of such phenomena. We then show how the

micro discourse approach can help to develop rich insights into specific situated contexts

where local uncertainty impinges on management decisions. The findings, which are

grounded in a period of ethnography at the firm in question and developed through a thematic

analysis, show how management dilemmas might develop in local contexts. The value of the

work lies in the thick description of a firm's culture which might inform practice and further

study.

Key Words: Micro discourse research, E-commerce, Internationalisation, Uncertainty

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#### Introduction

In recent years internet technologies have disrupted markets (Prasad, et al., 2001; Karavdic & Gregory, 2005), leading to new market structures and exchange contexts (Senn, 2000; Ordanini, 2011), that present new challenges and opportunities for both large and small firms (Teissen, et al., 2001). The circumstances are typical of those which have prompted the focus on uncertainty at EURAM 2015. Consequently, practitioners and policymakers are faced with evolving managerial and policy dilemmas and researchers are faced with the need to make sense of this emergent context. Circumstances are further complicated in the international business context where simply establishing a website makes a firm international (Quelch & Klein, 1996; Petersen et al., 2002; Lord & Collins, 2002), perhaps accelerating unplanned foreign market expansion (Petersen et al., 2002). Indeed, firms which adopt e-commerce must accept some notion of globalisation (Zhou & Cavusgil, 1996).

To help address and make sense of the international e-commerce context, researchers have to date adopted a range of theoretical perspectives including; transaction cost economics, the resource based view and the learning organisation perspective. However, as widely acknowledged by those who have contributed to the field, these foundational theories can be difficult to apply in such an emergent and fluid set of circumstances. Consequently, a wide range of limitations to our knowledge of new international ventures which adopt e-commerce have been identified which are exacerbated in today's uncertain environment. In this article, therefore, we draw on the alternative micro marketing discourse approach to research (Ardley & Quinn, 2014) where the goal is the construction of thick descriptions of situated cultural contexts (Geertz, 1973), that are nevertheless assumed to be embedded in wider management and other social discourses. To do so we draw on a period of ethnography conducted at an

internationalising firm, operating in the business to business sector, which adopted a mix of wholly owned physical presence in the new territory supported by the parent country website. The study contributes a detailed account of the situated context and reveals the management dilemmas which occur in the new territory for the manager responsible for the local venture. Consequently, we provide a prompt for reflective practice on behalf of practitioners embedded in similar contexts and a critical review of the extant theory related to the topic.

The paper is organised as follows. First we present the various theoretical perspectives that have been adopted for the study of internationalisation via e-commerce. We conclude this section by problematising the literature and proposing the micro marketing discourse approach as an avenue which can illuminate the topic. Then, through a thematic analysis of the case study firm, we provide a thick description of the local manager's experiences and dilemmas that are associated with the international strategy. Therefore, the article not only provides a detailed description of one particular cultural context which might support practitioners, it also provides a methodological account of how such a result might be achieved. The article concludes by summarising how the findings provide a rich empirical context against which the value of foundational theory might be judged and developed.

# **Theoretical Background**

Much theory related to the choice of international channels is based on contingency theory (Teissen et al., 2001; Whitelock, 2002; Morgan et al., 2004; Karavdic & Gregory, 2005; Javalgi et al., 2010), although often this is assumption is not overtly recognised (Asmussen et al., 2009). In the subsequent set of associated antecedents and outcomes, contingencies which are categorised in broad terms as those relating to degree of management

control, the level of available resources, the likely risks (Anderson & Coughlan, 1987; Hill, et al., 1990) and factors related to country heterogeneity (Herrmann & Datta, 2006) lead to management, firm resource allocation, country choice and business success outcomes (Hill et al., 1990; Cavusgil, 1984; Aaby & Slater, 1989; Herrmann & Datta, 2006; He & Cui, 2012). For example, multiple channels are likely to be adopted in instances of high risks (Coelho & Easingwood, 2004).

In assessing the manner in which certain factors determine certain outcomes, the rationality of the transaction cost view is often used to explain market entry (Anderson & Coughlan, 1987; Hennart, 2010; Petrakis & Valsamis, 2013). However, it has been recognised that foreign market entry is not neatly described by traditional contingencies such as ownership, resources and control (Brown et al., 2003). Of course, it is accepted that the problem of bounded rationality will lead to increased transaction costs (Williamson, 1979; 1983) and this is likely to be magnified in international business (Hill et al., 1990; Amit & Zott, 2001; Asmussen et al., 2009) because a number of factors might impinge on rational choices which are country specific (Anderson & Coughlan, 1987; Hennart, 2010; Petrakis & Valsamis, 2013). However, e-commerce solutions further disrupt the nature of transaction costs related to vertical integration and, therefore, firms are experimenting with their strategies and structures (Lajili & Mahoney, 2006).

The acknowledgement of a lack of perfect knowledge, which means that managers make decisions based on their perceptions gained through previous experience (Whitelock & Jobber, 2004), shifts attention from the perfect market assumed for transaction cost theory (Coelho & Easingwood, 2004) and indicates the validity of the resource based view. Indeed, there are e-commerce specific competencies and those firms which resource such

competencies will generate a competitive advantage (Morgan et al., 2004; Karavdic & Gregory, 2005).

Therefore, taking the resource based view indicates that there is a value to organisational learning which might lead to more valuable competencies as firms learn about their chosen mode of operation (Asmussen et al., 2009). For example, experience of managing the use of the internet increases the likely adoption and success of international ecommerce (Wenninger, 1999; Morgan-Thomas & Bridgewater, 2004; Ordanini, 2011). However, it is the management skills related to information technology rather than the information technology skills themselves which enable competitive advantage (Prasad et al., 2001; Morgan-Thomas & Bridgewater, 2004). For example, a skilfully constructed website might nevertheless include irrelevant content for customers (Lord & Collins, 2002). Consequently, the value of international e-commerce will be affected by the organisation's ability to capitalise on the internet (Morgan-Thomas & Bridgewater, 2004) and, therefore, companies must propose a learning model that contributes to the development of essential capabilities (Soriano et al., 2014). However, firms tend to vary in their level of commitment to such actions due to their differences in technical ability and cultural capabilities rather than the overall level of available resources (Teissen et al., 2001).

Therefore, empirical knowledge gained from single export ventures should be used to improve the firm's learning process and subsequently the firm's performance (Prasad et al., 2001), particularly in instances where local knowledge can indicate opportunities to gain from adapting the offer (Zahra et al., 2001). Consequently, although the internet brings a risk of information overload, an inability to learn through experience will constrain the rate of a firm's expansion (Petersen et al., 2002). However, often companies do not do a good job in

retaining the learning that results from their different entrepreneurial activities because executives focus on exploiting opportunities arising from internationalisation while ignoring knowledge integration (Zahra et al., 2001). Consequently, the resource based view and the knowledge based view do not necessarily take into account learning processes and capacities.

Of course it is possible view management competencies from a contingency theory perspective. Executive experiences, as proxies for their skills and knowledge, can be seen as valuable contingencies for their strategic choices (Herrmann & Datta, 2006) and firms' knowledge can be seen as a key resource leading to reduced transaction costs (Hennart, 2010). Consequently, where it is assumed that the skills and capabilities of employees condition their responses, managers should ensure that they are able to acquire the enabling technical and cultural skills associated with e-commerce (Teissen et al.,, 2001; Ordanini, 2011; Soriano et al., 2014) because where there is low readiness and weak co-operation, a shift to e-commerce may hurt a firm's performance (Ordanini, 2011). Consequently, it has been proposed that the complexity of international business in the age of e-commerce justifies the use of a range of theories originating in economics, strategic management, and international business (Karavdic & Gregory, 2005; Webb & Lamb, 2007; Samiee & Chabowski, 2012).

## **E-Commerce and the Marketing Perspective**

The circumstances of internationalisation have become complicated by the disruptive impact of internet technologies (Prasad et al., 2001; Karavdic & Gregory, 2005), leading to new market structures and exchange contexts (Senn, 2000; Ordanini, 2011) such as electronic exchange platforms (Boeck et al., 2009). We are reminded of the speed at which e-commerce has emerged by considering that, as recently as the turn of the millennium, the extent to which

the internet might have a significant impact on business was still a point for debate (Wenninger, 1999; Petersen et al., 2002). Indeed, scholars at that time still felt the need to define what are now taken for granted terms, such as the Internet and the World Wide Web (Hamil & Gregory, 1997; Bennett, 1997; Senn, 2000; Madavan, 2000; Prasad et al., 2001). Today, in many commercial contexts, the impact of geographic distance has been reduced to insignificant levels (Bennett, 1997; Quelch & Klein, 1996; Senn, 2000; Prasad et al., 2001; Amit & Zott, 2001), the internet facilitates mass customisation and also the ability for customers to self-organise and demonstrate a market (Elofson & Robinson, 1998; Javalgi & Ramsey, 2001). Internationalising firms now compete with 'born globals' (Knight & Cavusgil, 1996; Efrat & Shoham, 2013).

Although these factors might be described by the foundational theory, the picture remains fragmented. For example, productivity gains which lead to new forms of firms and markets potentially act as the contingencies that imply greater vertical integration and disintermediation (Quelch & Klein, 1996; Mahadevan, 2000; Prasad et al., 2001; Lucking-Reiley & Spulber, 2001; Javalgi & Ramsey, 2001; Karavdic & Gregory, 2005), leading to a reduction of transaction costs (Senn, 2000; Mahadevan, 2000; Petersen et al., 2002). However, re-intermediation might occur in new ways (Quelch & Klein, 1996; Amit & Zott, 2001) as, for example, firms outsource the management of their websites or because the transaction costs of dealing with other firms via the internet drop (Lucking-Reiley & Spulber, 2001). In business marketing contexts large customers are imposing their e-commerce requirements on smaller suppliers but some suppliers are gaining a competitive response by reacting quickly to the demands (Boeck et al., 2009) and efficiently providing highly technical information via the internet (Osmonbekov et al., 2002).

Bearing this complexity and the resultant uncertainty in mind, one could expect that the marketing view might usefully help to navigate the international e-commerce landscape. In the circumstances brought about by e-commerce, firms can increase their success in foreign markets by behaving entrepreneurially (Zahra et al., 2001). Therefore, organisational competencies such as an ability to network and scan the environment assume importance (Zahra et al., 2001) as supportive elements to effective marketing decisions which provide customer value (Leonidou et al., 2002). Competitive advantage in e-commerce depends on complementary assortment, distribution efficiency and effective communication of the offer, to supply local customers in foreign markets what is not available to them locally (Lord & Collins, 2002). Most offers can benefit from some local adaptation (Zahra et al., 2001; Petersen et al., 2002) and local relationships (Boeck et al., 2009). For example, having an export sales force can support the success of an e-commerce channel (Leonidou et al., 2002; Morgan-Thomas & Bridgewater, 2004). Consequently, the marketing function can assume a more central role in international e-business strategy decisions if marketers remain updated on developments in other fields (Samiee & Chabowski, 2012).

However, as Leonidou et al., (2002) have previously recognised, marketing does not make a contribution to wider theory much beyond the 'standardize or adapt' topic. Rather, marketing competencies tend to be seen as intervening factors between what are regarded as a more fundamental range of antecedents to internationalising performance (Prasad et al., 2001). Therefore, international marketers should be concerned about their role in organisations because internal conflict over channel strategy may occur in respect of the goals, resources or perceptions related to marketing strategies (Webb & Lamb, 2007). Consequently, developments in marketing theory should make connections with other

activities such as research and development, and manufacturing (Samiee & Chabowski, 2012).

# **Knowledge Gaps and Calls for Future Research**

Perhaps unsurprisingly, in circumstances where a range of distinct but potentially complementary theoretical perspectives have been applied, the extant literature points to a range of gaps in our current knowledge of e-commerce in new international ventures. Subsequently, the literature does not provide a realistic presentation of how firms organise their foreign activities (Asmussen, et al., 2009). The normative view that market entry is dependent on the analysis of objective information is not supported in practice. Rather, firms make their choices on ad hoc procedures (Whitelock & Jobber, 2004).

The identified gaps in the literature include a lack of research into the link between resources such as executives' experiences and competencies, and their strategic choices (Herrmann & Datta, 2006; Asmussen et al., 2009; Soriano et al., 2014) and a lack of research on the impact of the internet on multi-channel arrangements, in particular the synchronising of multiple channels (Coelho & Easingwood, 2004; Webb & Lamb, 2007). Indeed inferring causal connections from the largely cross sectional survey research that has been undertaken to date embeds an inherent methodological weakness (Aaby & Slater, 1989).

Research on international marketing remains descriptive (Samiee & Chabowski, 2012) and limited to the macro level (Prasad et al., 2001). Indeed, there is a paucity of theory in international marketing specific to non-domestic market entry (Whitelock & Jobber, 2004). Extant research has tended to focus on the standardise/adapt debate in distribution and

production, neglecting local marketing operations (Brown et al., 2003). In terms of e-commerce specifically, little academic research has focused on business organisation via electronic integration (Lajili & Mahoney, 2006). Similarly, much market entry theory considers only one entry at a time. However, e-commerce not only enables, but implies immediate access to numerous markets (Karavdic & Gregory, 2005). Therefore, theories applied to e-commerce ought to be integrated with broader based theory (Amit & Zott, 2001).

Although the macro level research, which might usefully draw on foundational perspectives such as contingency theory, transaction cost economics or the resource based view, can usefully inform e-commerce infrastructure policy (Hamil & Gregory, 1997; Teissen et al., 2001; Prasad et al., 2001; Karavdic & Gregory, 2005) more context sensitive situated insights can more usefully inform individual managers in their practice (Prasad et al., 2001). Future research, therefore, should explore the situated contingencies in specific firms (Hill et al., 1990) and address the relationship between market orientation and international business decisions (Samiee & Chabowski, 2012). After all, experiential learning is personal (Whitelock, 2002).

Indeed, based on the notion that no single entrepreneurship concept can fully explain the value creation of e-business, Amit and Zott (2001) propose the 'business model' as the unit of analysis most suitable for studying e-businesses. They define business models as descriptions of "... the content, structure and governance of transactions designed so as to create value through the exploitation of business opportunities" (Amit & Zott, 2001, p511) and suggest that this conceptualisation can both accommodate all the other theoretical perspectives, such as the resource based view and transaction costs theory, and span industry and firm boundaries. However, Mahadevan (2000) suggests that pre e-commerce notions of

business models do not account for the new forms of business model employed by firms using e-commerce. He proposes that a deeper empirical understanding of the choice of business model can be investigated via specific case studies.

The degree to which the extant literature presents knowledge gaps coupled with the call for context sensitive, case study orientated research which can illuminate the validity of the business models adopted by firms, indicates the value of applying the micro marketing discourse approach to the topic. Ardley and Quinn (2014) show how a polyphonic range of micro discourses of management, that each promote their situated context, might inform a discipline in ways that applying foundational theory to specific instances of practice cannot. Consequently, the approach is amenable to much of the learning orientated literature which stresses the importance of the tacit know how of individuals. Consequently, we draw on data collected at a firm which has adopted e-commerce as part of its recent internationalising activities to explore the micro marketing discourse approach to the organisation in question.

# **Methods and Analysis**

An ethnographic project might include a range of data collection and analytical methods (Hammersley & Atkinson, 1983; Davies, 1999; Gill & Johnson, 2002), thereby supporting the development of a thick description of a research context (Geertz, 1973; Johnson & Duberley, 2000). We have identified such an outcome as the goal of this article. In this section, therefore, we present the elements of the ethnographic project, undertaken by the first author, on which we have drawn to support our analysis of internationalisation via ecommerce in an industrial setting. These include personal conversations regarded as informal interviews (Hammersley & Atkinson, 1983; Chang, 2008), pieces of market research

conducted at the firm (Mintzberg, 1970) and, in particular, an interview (Hammersley & Atkinson, 1983; Schwartsman, 1993; Davies, 1999; Chang, 2008) with the manager of the new local office set up as part of the mixed internationalisation channel strategy.

# The Organisational Setting

To ensure anonymity for those involved we refer to the case study firm's domestic operation in the USA as USACo and the new international venture in the UK as EngCo. UsaCo was founded in 1995 and operates in the business to business sector, specialising in the design and build of cutting machines that are customised to meet the demands of their buyers. Following success in their domestic market, the firm decided to expand into new overseas territories and, subsequently, in 2011 the first international office opened in the UK. In adopting the experimental approach to internationalisation (Lajili & Mahoney, 2006) the venture was planned as a pilot strategy to test if enquiries and sales might be achieved in an international context before further international markets were targeted. The customer offers provided by the UK site are; selling customised machines, associated spare parts and after sales service, and the in-house manufacture of products. USACo 'head-hunted' an industry person based in the UK and employed them as the manager who would lead the new venture. The manager's skills are primarily related to mechanical engineering but he also has some business management education. The manager is one of a three person workforce in the UK which also includes a secretary and a technician. However, EngCo would be aided, in terms of marketing support, by the USACo website.

Of course, the strategic choices of the firm can be justified by the foundational theory which we have reviewed above. The venture can be explained as the efficient deployment of

USACo's current internet presence, whilst focusing new resource allocation in the recruitment of people who have the technical knowledge related to the industry, an appropriate action in terms of transaction cost logic. It might be assumed that the internet presence has already made the firm international, thereby dissolving the problems of geography so further investment in the e-commerce element would be superfluous. Such an approach seems to be appropriate in terms of reacting to the antecedent contingencies, the resource based concerns and elements surrounding organisational learning.

However, EngCo has struggled in its local competitive environment in the UK and it has become acknowledged that the firm faces a marketing challenge in terms of demonstrating its value to potential customers. The venture has not succeeded in the basic promotional objectives of gaining attention and understanding amongst its new geographically defined target market because it seems that the US website has failed to serve as a successful communication channel. A review of the firm's internet presence compared to the competitor offers demonstrates some of the problems. Table 1 shows an application of the Web Marketing Association's (2014) website assessment criteria, undertaken by the first author during their period of ethnographic participant observation. The analysis shows that EngCo has a range of international competitors against which its website compares unfavourably.

#### PUT TABLE 1 ABOUT HERE

Consequently, the manager at EngCo, whose skills and competencies lie largely in engineering, has realised that to adapt the failing strategy the marketing elements of the firm's e-commerce ought to be addressed locally in the UK. Consequently, we have deepened our

micro discourse insights by analysing the manager's perception of this context via a semi-structured interview. The approach is well suited to raising the points that the manager feels to be important about the context at the firm (Bryman & Bell, 2011). The interview data was recorded and later transcribed to facilitate a detailed review of the nuanced meaning of the interviewee's account (Richards, 2015). We adopted a thematic analytical approach to take advantage of the flexibility it affords and the richness it facilitates when tackling qualitative data (Braun & Clark, 2006).

# **Interview Analysis and Findings**

The analysis of the interview data provided by the manager of EngCo moved through three stages of coding, as shown in table 2. By 'coding on' from the first round of analysis the initial codes were either fractured or merged to build rich themes. This second stage of analysis enabled the broad classification of themes relating to either market or technology dilemmas faced by the manager at EngCo.

#### PUT TABLE 2 ABOUT HERE

## Summary of the Market Related Dilemmas

The market related dilemmas concern the external operating environment of EngCo which the manager characterises as global. He feels that despite having to depend on the standardised website provided by USACo, customer demands in the UK vary from those in the US because the company is new and long term relationships in the market have yet to be developed. However, he feels that the firms, against which he must compete in the UK, are

able to maintain competitiveness whilst based outside the UK. He draws a causal connection between the strength of the competitors' offers and the longevity of their business relationships. Consequently, he feels that EngCo's competiveness must be built over time through an investment in generating relationships.

#### Summary of the Technology Related Dilemmas

The technology related dilemmas concern the internal operating environment of EngCo which despite being planned as a UK venture must, as far as the manager is concerned, exist in a global context. This demanding global context, which is facilitated by e-commerce, leads to demands on EngCo for which the firm must have relevant skills with which to respond. Consequently, the manager feels threatened and worried about the further potential threats of developing the e-commerce element of the internationalisation strategy because the competition can monitor EngCo's operations and respond with competitive action. Indeed, he questions the inherent value of including an e-commerce element in the firm's strategy due to what he perceives as its incompatibility with the firm's products.

#### **Discussion and Conclusions**

We have investigated the business model of EngCo (Amit and Zott, 2001) to operationalise the micro marketing discourse approach to research (Ardley and Quinn, 2014). Our micro analysis has enabled the construction of a thick description of the situated context at EngCo as the firm tackled the uncertainty associated with internationalising via mixed channels including e-commerce. The analysis provides insights into how one firm has undertaken its first planned international venture as a conservative experiment which might

usefully inform, through organisational learning, further internationalisation by USACo (Amussen et al., 2009; Soriano et al., 2014). Such a tentative approach seems valid in light of the uncertain context of international e-commerce orientated strategy in the business to business sector. Indeed, the venture can draw support from the foundational theories which have been adopted to study the topic. The allocation of resources seems to be reasonably judged to suit the contingencies of the firm's circumstances so an appropriate level of transaction costs can be assumed.

However, the international channel mix chosen by USACo and implemented at EngCo has not proven to be successful. In fact, the strategy has resulted in a set of dilemmas, articulated by the manager of EngCo, with respect to how he makes sense of the firm's position in the market. Of course, the employment of the manager constitutes one of the major allocations of resources decided by USACo and yet it seems that his personal perceptions (Whitelock & Jobber, 2004) which are grounded in engineering know-how and personal relationship building have led to procrastination and stalled actions in the face of the market and technical dilemmas he faces.

Conversely, the competitor website analysis, shown in table 1, suggests that EngCo's competitors are able to better manage the technological dilemmas raised by e-commerce and therefore, the low level of readiness to adopt e-commerce is inhibiting the performance of both USACo and EngCo (Ordanini, 2011). It seems that, the notion that the internet dissolves international boundaries naturally leading to foreign market expansion (Petersen et al., 2002) is not ubiquitously valid. EngCo has raised important insights about how to compete internationally in the market in question but these lessons have not been acted upon at

USACo limiting the chances of improving performance (Petersen et al., 2002) through adapting the offer (Zahra et al. 2001).

Therefore, our micro marketing discourse analysis demonstrates how in situated contexts certain factors which might be classified as straightforward contingences, in actual fact, combine in complex ways. Therefore, the rationality which is assumed in transaction cost economics is not simply bounded but context specific. For marketers, in terms of the resource base view, the dilemmas we have identified in the manager of EngCo's interview data indicate that the internationalisation strategy is deficient in two areas. First, marketing related competences which might address issues in the market and, second, e-commerce related competencies, either at USACo or EngCo. Therefore, the findings indicate that marketing scholars, in terms of research, and marketing practitioners, in terms of management work, can develop their value by addressing this topic. The outcome being, the development of competencies related to tackling situated organisational contexts. Progress in this respect would help marketers to respond to calls to move the discipline beyond the standardise/adapt debate and synthesis marketing knowledge with developments in other fields (Samiee & Chabowski, 2012).

We have shown how the micro marketing discourse approach to research can help to illuminate the circumstances of a case study firm operating in an environment characterised by uncertainty. However, although the reporting of findings based on a single case study has enabled our construction of a rich cultural description of EngCo, it is of course limited in terms of its empirical generalizability. However, such cases can facilitate theoretical generalisations (Davies, 1999; Dooley, 2002). Consequently, we suggest that the reflections we have provided about a single firm might be usefully developed in the design of further

work including surveys and meta-case study analysis (Hoon, 2013). In particular, however, we draw attention to the value which might be provided by a diverse polyphony of similar micro marketing discourse studies (Ardley and Quinn, 2014).

# **Table Captions**

Table 1. Review of website comepetitiveness, based on an adaptation of criteria proposed by the Web Marketing Association.

Table 2. Overview of thematic coding showing three stages of analysis and qualitative summaries.

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Table 1. Review of website comepetitiveness, based on an adaptation of criteria proposed by the Web Marketing Association.

Company	Structure of website	Textual elements	Technology	Summary
USACo/EngCo	Poor	average	poor	poor-average
Competitor 1 Switzerland	very good	very good	very good	very good
Competitor 2 USA	very good	very good	very good	very good
Competitor 3 Spain	Average	average	very good	average-very good
Competitor 4 USA	Average	very good	very good	average-very good
Competitor 5 Austria	Poor	average	average	poor-average
Competitor 6 Switzerland	very good	poor	poor	average
Competitor 7 UK	very good	very good	average	average-very good

# Category definitions adapted from the Web Marketing Association's criteria.

**Structure of website:** Customers have to find what they are looking for fast and easily. A simple but innovative design reflects a forward-thinking, well-structured business.

**Textual elements:** A customer searching for information about a product or service should get all the relevant information on the website to make a buying decision. The text therefore needs to be unique, has to highlight the unique selling point, benefits and should lead to sales.

**Technology:** Technology on a website should be used to show innovation and a company that knows how to use technology. It can be misused by overloading the website with technical and visual elements.

Table 2. Overview of thematic coding showing three stages of analysis and qualitative summaries.

3 <sup>rd</sup> Coding: Dilemmas	2 <sup>nd</sup> Coding: Themes and their Descriptions	1 <sup>st</sup> Coding
Market Dilemma	Customer Demands: The customer demands in the UK are different. A business in a niche market has to be established, search for new customers and development of strong and long-term relationships with current customers is necessary.	<ul><li>Market, customers and competitors</li><li>Globalisation</li></ul>
	Competitive market: A lot of strong, international competitors in the market that are well established for several years. Customers in the UK even consider buying from competitors in other countries.  Globalisation: By opening a physical business in the UK and planning to sell spare parts online, EngCo has entered the global market and need to deal with	<ul><li>Availability support and service</li><li>Confidentiality</li></ul>
	restrictions, challenges and international competitors.  Relationships: No mutual corporate aim leads to sensitive internal disagreements. EngCo needs to develop important relationships with partners for future business, which is a lot of hard work and time-consuming.	
Technology Dilemma	Availability & support: With customers from everywhere in the world, EngCo has to be aware of different time zones and be available for support and services. Some customers nowadays expect to get help or support 24/7.	<ul><li>Technology</li><li>Skills</li><li>Mobile devices</li></ul>
	<b>Skills:</b> To deal with technology successfully, the staff must have the relevant skill-set. Technology changes fast, EngCo has to adapt.	and changing technology
	Confidentially: An online presence also means that important data and information can be accessed by competitors. The competitors can learn from the mistakes of EngCo and develop an improved product or service. At the same time customers expect	<ul> <li>Skills of staff/employed and potential employees</li> </ul>
	transparency.  Suitability: The Internet can be an additional channel for generating sales and revenues, but the suitability for selling products and services over the Internet or the website has to be evaluated before.	<ul><li>Suitability of product range for internet</li><li>Social media</li></ul>
	Expensive machines with several people involved in the decision making process are not suitable for online selling.	