

Internet Marketing Value Creation Framework: *A Conceptual View*

Abstract

The introduction of the Internet in the early 90s has opened tremendous opportunities for marketers and firms to improve their marketing strategy and benefit from the advantages that the Internet platform has before traditional marketing media. The most important change that the Internet and its major component, the World Wide Web, brought about is the principally new ways for value creation in a company. Internet marketing (IM) – a recently emerged body of knowledge dealing with marketing activities of firms in computer-mediated environment – offers a system of measures, using which companies can dramatically improve their appeal to consumer markets and benefit from value creation processes in virtual marketspace. Although, IM concept existed more than for a decade, the review of marketing literature reveals the lack of a systematic approach towards IM and its role for value creation processes in a firm. The present paper makes an attempt to fill this gap by proposing an Internet Marketing Value Creation Framework model, which suggests a system view on IM and how it can be used by companies to create value.

Keywords: Internet Marketing, Marketing Mix, Information-Based Value Creation, E-Commerce

1. Introduction

In the early 90s, firms began to acknowledge a new powerful marketing medium, the Internet¹ and its major component, the World Wide Web² (WWW), and quickly realised its strategic importance. With the impetuous development of information technologies³ (IT) and widespread of personal computers in the world, the Internet developed into a new effective electronic platform for business starting the era of electronic commerce⁴. Today, the Internet not only offers tremendous opportunities for marketers, it brings about a new in its essence way of conducting marketing and approaching consumer markets (Sterne, 1996; Hoffman & Novak, 1997; Peterson et al., 1997; Walsh & Godfrey, 2000; Rahman, 2003; Pitt et al., 1999a, b; Lichtenthal & Eliaz, 2003). There are many reasons why companies should adopt the Internet platform. In a computer-mediated environment, consumers become increasingly empowered by new technology and the ease of information access. As the information on competing products and prices is much easier to access now, consumers concentrate more power in their hands (Pitt et al., 2002). Buhalis (1998) writes: “On the demand side, the new, sophisticated, knowledgeable and demanding consumer increasingly becomes familiar with the emergent Its and requires flexible, specialised, accessible, interactive products and communication with principals” (p. 409). Clearly, modern consumers look for ways to increase their own value and expect companies to work hard to satisfy their continuously increasing demands and expectations.

¹ *Internet* is the system of linked computer networks, worldwide in scope.

² *The World Wide Web (WWW)* is a global hypertext system that uses the Internet as its transport mechanism.

³ *Information Technologies (IT)* is the “collective term given to the most recent developments in the mode (electronic) and the mechanisms (computers and communication technologies) used for acquisition, processing analysis, storage, retrieval, dissemination and application of information” (Buhalis, 1998, p. 409).

⁴ *Electronic commerce (e-commerce)* refers to conducting business electronically. It includes buying and selling of information, products, and services in business-to-business (B2B) and business-to-consumer (B2C) markets via computer networks (AMA).

The Internet also melts the borders of national markets increasing and shifting the competition into electronic marketplace, where many companies are competing now on an international basis due to the global nature of e-commerce (Hoffman & Novak, 1996; Malhotra & Peterson, 2001). These processes have not been left unnoticed by both practitioners and academia, who recently expressed the need for re-evaluation of marketing concept and its re-construction so that it answers to the changes in business environment (Hoffman & Novak, 1997; Mahajan & Venkatesh, 2000; Rowley, 2001; Sharma & Sheth, 2004). This has created a new body of knowledge and expertise – Internet Marketing⁵ (IM) – which concerns with the marketing process and marketing efforts of a firm operating entirely or partly in the digital marketplace or *marketspace*⁶ created by the Internet platform. The recognition of the need to re-evaluate the marketing paradigm brought about the Internet and the WWW had a huge impact on the development of Internet Marketing as a field of science and practice.

Since business is about creating value via production or commerce, the value creation ability of Internet marketing has been quickly acknowledged by practitioners. The Internet offers tremendous opportunities for companies to improve their value creation processes and market communications. Recent research and examples from industries show that the use of the Internet leads to increases in the efficiency of traditional marketing tools and transforms marketing strategies by adding customer value, introducing cost-saving benefits, and enhancing companies' overall profitability (Buhalis, 1998; Pitt et al., 2002; Zettelmeyer, 2000). The interest in the Internet and its implications for marketing is increasing exponentially, and this trend is expected to continue, placing Internet marketing at the central sight of marketing research in the new millennium (Watson et al, 2000). The present paper makes an attempt to give a brief conceptual overview of the IM and discuss how it can be used by firms for value creation in an online *marketspace*.

Although, the term IM existed for over a decade already the overview of marketing literature reveals the lack of a systematic approach towards IM and lack of comprehensive understanding of IM's role for value creation processes in a firm. Also, marketers and practitioners strive to understand in which specific ways the Internet can add value to their operations. Even if they are trying to integrate the Internet into their marketing strategies and exploit the opportunities and advantages it offers, they do it without certainty that their efforts will yield an effect. Clearly, the ability of firms to fully exploit marketing potential of the Internet is still in its infancy, and in many cases, the activities of practitioners in the area of IM reminds "blind walking". Clearly, the need to further examine what encompasses IM and the impact it has on value creation processes in business remains. The present paper, therefore, proposes a conceptual model "Internet Marketing Value Creation Framework", which offers a systematic approach towards IM and gives practitioners some clues on how value can be created using IM. IM in this paper is seen as a system of value creation activities aimed at profitable exchanges between the firm and its stakeholders in a digital *marketspace*. The structure of the paper is as follows. Following the introduction, the theoretical aspects of marketing in digital *marketspace*, the Internet as a marketing medium, and Internet-based value creation are discussed. Then, the conceptual model of IM value creation is proposed. At the end, the discussion on the current situation with IM as well as some implications of the proposed model is presented.

⁵ When describing this body of knowledge, researchers also use terms 'e-Marketing', 'Web marketing' and 'information-based marketing', which are used interchangeably.

⁶ Rayport and Sviokla (1996) suggest that businesses operate in two worlds – a physical world (*marketplace*) and a virtual world (*marketspace*).

2.2 The Internet as a Marketing Medium

The Internet is the global network of interlinked computers operating on a standard protocol which allows data transfer between them. The introduction of the newest Internet component, the WWW, had transformed the Internet into a popular marketing medium due to its unique capability to blend text, pictures, sounds and video clips into multimedia documents. The Internet represents today a totally unique in its essence business environment (see Table 1).

Table 1. Internet Business Environment

Dimensions of the business environment	Internet characteristics
<i>Physical (space, time)</i>	<ul style="list-style-type: none"> ✓ Physically represented by a global infrastructure of interlinked computers ✓ Virtual space/no physical location – virtually everywhere, where there is an access to an appropriate electronic device, accessibility and addressability granted (no space constraints) ✓ Virtual time, i.e., real-time – 24 hours a day 365 days a year access (no time constraints)
<i>Political/legal</i>	<ul style="list-style-type: none"> ✓ Virtually global – no national borders with almost any country to access ✓ No unified legislation, every actor (firm, organisation) operates basically under its national laws
<i>Economic</i>	<ul style="list-style-type: none"> ✓ Decreased enter barriers on the market ✓ Intensive international competition – competitors are one “mouse-click” from you ✓ Virtually global access to partnership agreements ✓ Virtually global access to customers and markets
<i>Sociocultural</i>	<ul style="list-style-type: none"> ✓ Eroded cultural borders (cultural differences are being gradually washed out) ✓ Virtually easy access to any cultural environment ✓ Emergence of the specific Internet-culture - online society phenomenon possessing some universal characteristics (e.g., nationality, age, sex, location does not really matter; anonymity, openness, etc.)? ✓ Virtual community ✓ Internet – is an emerging societies’ “third place”⁸?

Sources: Czinkota & Ronkainen (2001), Buhalis (1998), Murphy et al. (2001), Lau et al. (2001a, 2001b), Piccoli (2001), Boon et al. (2002), Buhalis & Licata (2002), Doolin et al. (2002), and Sharma (2002).

The Internet was first opened for public use in the early 90s. Since then, practitioners and researchers started gradually realising its potential for conducting business and marketing. In its essence, the Internet is an intelligent ubiquitous information platform, which main business and marketing uses include communications (both internal and external, both with the market and strategic partners), market research, customer services, market penetration, product development, cost savings through process reengineering, direct marketing, advertising and product delivery (Sharma, 2002). Today it represents the largest e-platform for business⁹. The Internet is unique because “it is both a market and a medium” and “can efficiently assume a multi-channel role by serving as a computer-mediated market in which buyers and sellers access each other” (Ngai, 2003, p. 25). It also offers substantial advantages over traditional means of communication in the form of reduced costs of information exchange, increased speed of information transfer and retrieval, increased customer involvement in and control of

⁸ Ray Oldenburg’s theory of the third place says basically that a society, in order to function normally, needs a place where people can socialise, besides the workplace and home (examples of third places in the societies are English pubs, sport clubs, etc.). Oldenburg states that the characteristics of a third place are that it is of a neutral ground, it serves to level the guest to a status of social equality, and its main activity is conversation. Oldenburg’s theory divides the social sphere into three socially important places: (1) the workplace, which is governed by a set of corporate rules over which the individual has no control; (2) the home, which is represented by what is usually understood as a ‘family’ and is defined by tradition; and, finally, (3) third place, which main societal function is to give escape from the first two. You need a Third Place, a space that is defined by its users and characterised by the absence of authority and the presence of informal communication, which creates a room for more freely expressing personality and escape from societal roles. In physical terms, a Third Place could be a cafe table, a market square or a cyberspace of the World Wide Web. The Internet is often regarded as the biggest Third Place of all.

⁹ The other two are Interactive Digital Television and Mobile Devices (see Buhalis & Licata, 2002).

transactions and greater flexibility of using the marketing mix (Liu, 2000). Table 2 sums up the advantages of the Internet over traditional marketing media.

Table 2. Characteristics of the Internet and the WWW as a Marketing Channel

Characteristic	Description
<i>Connectivity</i>	The ability for everyone to access the network, 24 hours a day, 365 days a year, furnishes a platform of instant and constant connectivity with a firm's employees, suppliers and customers.
<i>Accessibility</i>	Permanent exposure and global market reach forms virtually global accessibility and removes the boundaries of physical distance and time. Having an effective website, a company gains global and permanent access to the market; and its marketing information is available for customers at any time. A firm is open for constant exchange (domestic and international) due to reduction of time and distance constraints.
<i>Ease of Use</i>	Modern Internet technologies are simple to use after an initial education. Personal computers (PCs) are the part of everyday life and school education, which altogether provides with good skills of using computers for various tasks.
<i>Information Capacity</i>	The ability for everyone to operate with information: to exchange, store, index, retrieve, restructure and redistribute information within the network. For both companies and consumers the Internet represents a global database, where data and information is available for buying or retrieval.
<i>Automation</i>	Its allow to operate with information automatically by software and without human intervention, which is a unique ability comparing to traditional marketing media that allows companies to reduce working hours and free human resources.
<i>Addressability</i>	The Internet offers a cost-effective communication platform for one-to-one marketing, which allows low-cost and high-speed information transmission). In essence, the Internet represents the opportunity to customise and tailor the product and the marketing effort to one consumer at a time.
<i>Interactivity</i>	The ability to give a response, often in real-time, to user actions and inputs facilitates market communications. Website real-time communication features (chat, guest book, forum, mailing lists and e-mail) enable two-way dialogue between companies and customers, which is an important component of relationship marketing and is an important factor in building customer loyalty.
<i>Flexibility</i>	The ability to quickly change and adapt to new conditions and demands, i.e., flexibility, is a unique feature lacked by traditional marketing media. A web-based information, online catalogues and advertisement can be quickly updated accordingly to customers' preferences and current changes in product demand and supply.

Sources: Sterne, 1996; Buhalis, 1998; Pitta, 1998; Liu, 2000; Bradshaw & Brash, 2001; Rust & Lemon, 2001; Sharma, 2002.

2.3 Value Creation on the Internet: Information-Based Value Creation

Value creation has long been stressed in the business literature as the main objective of organisations (Haksever et al., 2004; Evans & Berman, 2001; Sharma et al., 2001; Kothandaraman & Wilson, 2001). Sharma (2002) states: "the primary impetus for the move toward the Internet is the value that can be generated" (Ibid., p. 77). The concept of value is being widely discussed in Internet marketing research due to the changes in processes of value creation and distribution that the Internet has brought about (Rayport & Sviokla, 1994, 1996; Weiber & Kollmann, 1998; Bhatt & Emdad, 2001; Wynne et al., 2001; Chaudhury & Kuilboer, 2002; Rayport & Jaworski, 2002; Lennstrand et al., 2001; Currie, 2004; Laudon & Traver, 2002; Dai & Kauffman, 2002).

The Internet has recently acquired the status of a new locus for value creation due to the Internet's impact on information costs (Yakhlef, 1998). Yakhlef (1998) explains that in physical world, the economic growth was based on information asymmetry, when one side of the relationship had more information than the other. One of the profound impacts of the Internet was in the rapid decline in the costs of information and the technology behind its acquisition, store and transmission. Dramatic decrease of the costs of information acquisition and search resulted in the reduction of the information asymmetry that exists between buyers and sellers in traditional markets. Customers' power is growing as the explosion of technology and the globalisation of markets effectively increase their choices (Ibid.). The transparency of the cost and price information afforded by the Internet (Sinha, 2000) contributes to the general decline of market prices caused by increased competition, saturation of consumer markets and non-significant differences between product and service offerings. The outcome of this process is the need for businesses to re-evaluate the value that is

generated on the information platforms and come up with new ways of value capture and creation (El Sawy & Malhorta, 1999; Zott et al., 2000). Rayport and Sviokla (1996) argue that those value-adding processes of the virtual world are unique and must be employed by companies differently than in the physical world. Hence, in the digital space, companies must seek new ways to compete on the basis of price and non-price variables that contribute to consumer and business value (Weiber & Kollmann, 1998; Grewal et al., 2003; Sharma et al., 2001).

The process of creating value in the physical world is often described as “links” in a value chain. Porter (1985) sees value chain as a sequence of strategic core and support activities through which a firm conducts its business. Rayport and Sviokla (1996) following Porter define physical value chain as a “model that describes a series of value-adding activities connecting a company’s supply side (raw materials, inbound logistics and production processes) with its demand side (outbound logistics, marketing and sales)” (Ibid., p. 22). They build on Porter’s study introducing the concept of *virtual value chain* that in e-commerce environment “parallels but improves on the physical value chain” (Ibid., p. 26). Rayport and Sviokla (1996) suggest businesses operate in two worlds – a physical world (*marketplace*) and a virtual world (*marketspace*), whereon two interacting value-adding processes occur. While in the traditional physical value chain, information is treated as a *supporting element of the value-adding process*; in the virtual value chain information is a *source of value itself* (Ibid.). In other words, the Internet creates a virtual marketplace or marketspace, in which information becomes the main exchange medium and source of value. This involves five value-adding activities: information gathering, organising, selecting, synthesising and distributing (Ibid.) (see Figure 2).

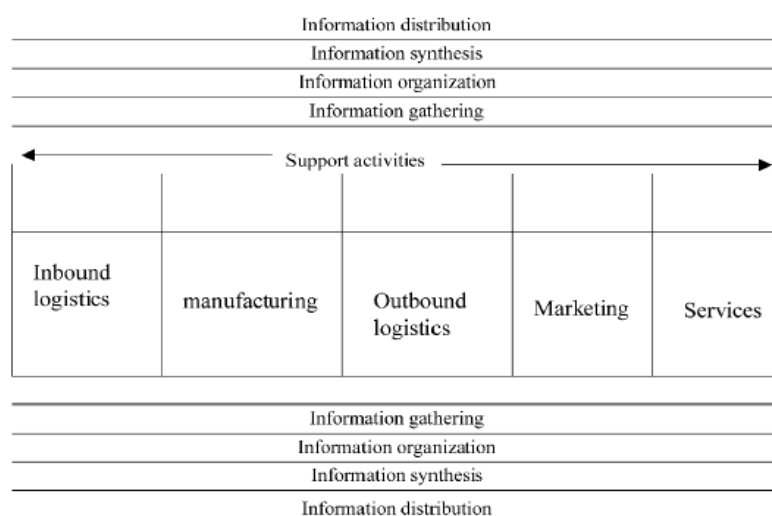


Figure 2. Virtual Value Chain (Adapted from Bhatt & Emdad (2001) and Rayport & Sviokla (1996))

Weiber and Kollmann (1998) describe two general value creation processes in a marketspace (see Figure 3):

- (1) Firstly, value can be created through information-based processes in a virtual value chain that is closely related to the activities of the physical value chain and is built upon them. Here, the information in the virtual value chain is the source of increase in efficiency of physical activities. The basis for virtual value chain is the actual value creation processes in physical world (*virtual-actual value chain*);
- (2) Secondly, value can be created through ‘autonomous value creation activities in marketspace’. Here, the information is the source of value and competitive advantage in

its own right, and virtual value chain emerges directly from the marketplace (Weiber & Kollmann, 1998).

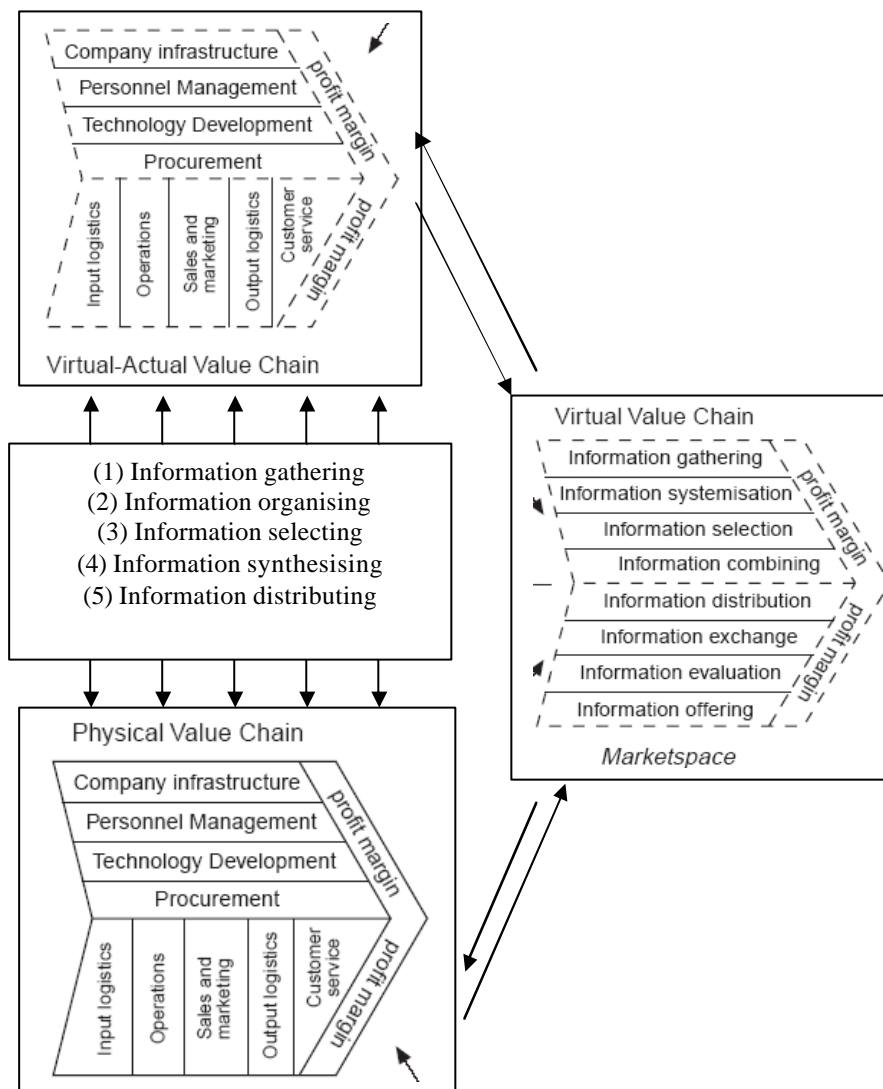


Figure 3. Value Creation Processes in an Organisation (Adapted from Weiber & Kollmann, 1998, p. 606)

Staying competitive depends on achieving higher levels of performance for customers while incurring lower costs in R&D and production. Consequently, managers seek better performance at lower cost. In a virtual world, conventional ways of achieving economies of scope and scale do not apply: “Not only can multiple copies of the same information be created, but also all these are likely to cost a fraction of the cost of the original document” (Bhatt & Emdad, 2001, p. 81). Therefore, on the virtual value chain, companies may find dramatic low-cost approaches to delivering high-value propositions to customers. Each stage of the virtual value chain allows many extracts from the information, each of which could be used as a basis for a new product or service development (Rayport & Sviokla, 1996). Bhatt and Emdad (2001) emphasise that in e-commerce, some of the important marketing implications of virtual value chains include “forging” alliances between customers and manufacturers, advertising products and services selectively with effects of audio, video and graphics, time and cost savings, efficient processing of customer orders and enquiries, and flexibility in option pricing and customisation of products and services. Integration of the

Internet technology with the company's value chain is a major success factor in e-commerce (Phan, 2003).

3. Model Proposition: Internet Marketing Value Creation Framework

3.1 Internet Marketing as a Concept

Although, IM is not a new concept, there is still no agreement in the literature on what exactly can be seen as IM since many different activities can be described as it (Hofacker, 2001). Consequently, the overview of the marketing literature reveals significant differences in approaches towards IM, its definitions, and applications. There are just some examples of how IM is defined by different authors:

- *"The process of building and maintaining customer relationships through online activities to facilitate the exchange of ideas, products, and services that satisfy the goals of both buyers and sellers"* (Imber & Betsy-Ann, 2000, ref. in Ngai, 2003, p. 24);

- *"Marketing on the Web is multidimensional content marketing that requires the following paradigm shifts: from traditional advertising to interactive marketing; and from developing and managing one-way information flows to computer-mediated empowerment of users, consumers, and entrepreneurs who will be engaged in electronic commerce in the information age"* (Hawkins, 1996, ref. in Buhalis, 1998, p. 414);

- *"Internet marketing is to use the Web – as well as traditional channels – to develop a positive, long-term relationship with customers (who may be online or offline) and thereby create a competitive advantage for the firm by allowing it to charge a higher price for products and services than its competitors can charge"* (Laudon & Traver, 2002, p. 353).

As seen, it is quite common to operationalise the IM definition in the frame of research purpose and research area. The present paper, therefore, will use the following definition of IM:

Internet marketing here is seen as *the part of a company's overall marketing strategy, which uses the Internet platform to facilitate the profitable exchange between the organisation and its stakeholders through the use of information-based marketing techniques and thereby create value for the company.*

Recent research still argues whether the Internet does change the underlying logic of marketing (Peterson et al., 1997). It is, though, agreed that the Internet platform dictates specific rules, which businesses have to consider in order to exploit its marketing potential (see e.g., Gurbaxani & Whang, 1991; Hoffman et al., 1995; Hoffman & Novak, 1996; Hoffman & Novak, 1997; Brynjolfsson & Smith, 2000; Kiang et al., 2000; Walsh & Godfrey, 2000; Louvieris & Driver, 2001; Malhotra & Peterson, 2001; Rowley, 2001; Lynn et al., 2002; Pitt et al., 2002). On the Internet, the information about products and services is digitalised (Brännback, 1997) and is a factor of success in its own right (Weiber & Kollmann, 1998). To exploit information, companies must adapt their marketing efforts to conditions of the Internet platform. Consequently, marketing on the Internet becomes information-based in its essence (Rayport & Sviokla, 1994; Brännback, 1997; Weiber & Kollmann, 1998; Zineldin, 2000). In this way, the IM is closely related to the new strategies and practices for value creation in the marketplace. Summarising, the main traits of IM as a concept can be determined as the following:

1. *Virtual (i.e., information-based) value creation* (value creation on the Internet refers to operations with information – gathering, organising, selecting, synthesising and distributing – within a virtual value chain, which parallels on the physical value creation activities and/or emerges directly from the marketspace);
2. *Customer-centric approach* (due to intensive competition and growing consumer power on the Internet, the focus of Internet marketing activities of a firm is on premium satisfying customer needs and wants and strive for a superior customer service);
3. *Focus on the effective communication and exchange with stakeholders* (in the marketspace, a firm’s survival and competitive advantage (i.e., the overall ability to create profit) depends on the amount of value created for its stakeholders; therefore, the firm must successfully communicate the value proposition for the stakeholders);
4. *Adaptation of traditional marketing strategies to the Internet platform* (companies engaged in e-commerce widely adopt traditional marketing mix strategies, 4Ps, for the Internet and make them more interactive);
5. *Emergence of Internet-specific marketing strategies* (there emerged a number of marketing strategies that are unique for the Internet and cannot be used beyond digital marketspace, i.e., online customer databases, online customer tracking (cookie technology), direct e-marketing, e-CRM, etc.).

3.2 Internet Marketing Mix

Main IM functions can be described by the analogy with the classical marketing functions, which are often called *”marketing mix”* or *4Ps* – product & price, place (market, competitors), promotion (advertising, campaigns, etc.), and people (customer relations, partner relations). *IM marketing mix* will, then, include four IM functions:

1. Product/service online promotion & advertising;
2. Product/ service online distribution;
3. Web-based market research; and
4. Web-based techniques for maintaining customer and partner relationships (E-CRM¹⁰).

Each IM function encompasses specific value creation activities and techniques, overview of which is given in Table 3.

Table 3. Internet Marketing Mix

¹⁰ Customer Relationship Management (CRM) is defined as a comprehensive business and marketing strategy that integrates technology, processes and other business activities focusing on the customer. Electronic Customer Relationship Management (E-CRM) encompasses CRM-activities on the Web-platform (AMA).

IM function	Corresponding Internet-Based Value Creation Activities
(1) e-Promotion	Refers to core marketing function of 'Product' and includes strategies for product/service promotion & advertising online. The Internet offers improvements in the area of fitting core product to the needs of target customers, includes company-, product- and/or service-promoting techniques, such as e.g., passive (via the Internet representation, website) and active Web-based advertising strategies (direct marketing, one-to-one marketing, etc.), Web-based promotional campaigns.
(2) e-Distribution	Heavily relates to 'Place'-function of traditional marketing mix and encompasses selling and market communication strategies (e.g., online marketing techniques aimed at facilitating business transactions and market communications in an e-commerce environment, online reservation/booking), as well as niche-marketing, segmentation, related market research, customer communication, etc.
(3) e-Market research	Refers to market situations considering all 4Ps-strategies and includes online marketing techniques aimed at gathering of the market-related data (e.g., information about market conjuncture, competitors, pricing research, customers' data and preferences; product innovation & quality surveys, etc.).
(4) e-CRM	Substitutes 'People'-function of traditional marketing mix and encompasses Internet-based techniques aimed at facilitating and maintaining customer and partner relations (e.g., creation and maintenance of long-term relationships with customers; implementation of electronic CRM (e-CRM) applications, high interactivity of websites, high responsiveness of the company to the customers needs, personalisation and customisation of product/ services, etc.).

3.3 Internet Marketing Value Creation Framework

Summarising the above discussion on the IM concept and the role of IM activities for value creation in a firm, the following conceptual model "Internet Marketing Value Creation Framework" (Figure 5) can be proposed as a way to look at IM processes and activities in a commercial organisation. The framework places value creation at a central sight of marketers arguing that it encompasses the ultimate goal of M, and is based on the four basic IM functions. It shows how companies can create value through IM processes.

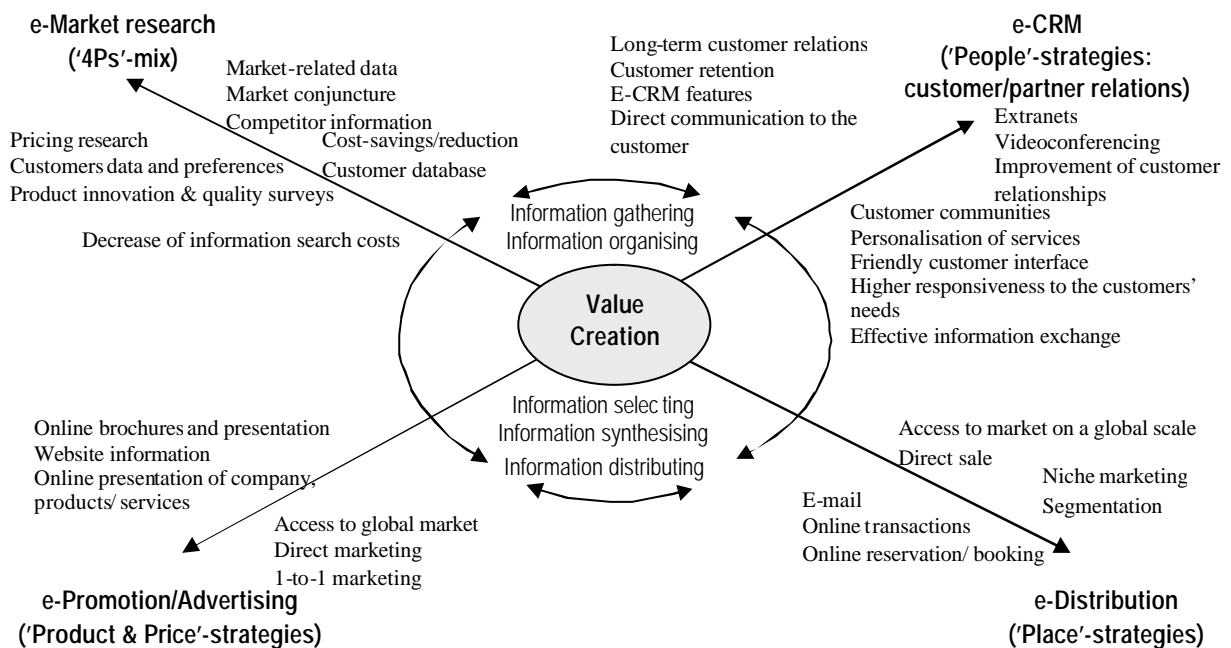


Figure 4. Internet Marketing Value Creation Framework

4. Discussion & Implications

The growth of the Internet as a new effective communication and marketing medium has transformed traditional marketing and forced it to adapt to information platforms for business. A new body of knowledge and practice, Internet marketing, was created with the introduction of the Internet in marketing. Although, the term 'Internet marketing' was in use for a little more than one decade, the tremendous amount of literature has been dedicated to this topic up to date. IM has often been highlighted as a 'hot' and 'exciting' topic and as one of the most significant areas of modern research. The interest in the Internet and its implications for marketing is increasing exponentially, and this trend is expected to continue, placing the Internet at the central sight of marketing research in the new millennium. Simply, the Internet is responsible for changing the environment in which businesses operate today, and it is due to its unique characteristics that this communication medium became such a popular and effective channel for conducting marketing, so that it is now becoming impossible for businesses to exclude the Internet from their marketing mix.

The implications of IM range from product development and customer relations to promotional activities and market research. The successful cases from the industries show that the company can significantly improve its market situation by engaging into e-commerce and integrating its value creation chain with IM activities. However, both academia and practitioners reveal that today, unfortunately, the majority of marketers do not realise the strategic importance of engaging in IM. Consequently, many businesses risk to jeopardise their competitiveness and to make market share for their more proactive competitors. Companies should recognise the potential of the Internet and the WWW and use it for the prosperity of their businesses rather than to have to face the danger of value migration.

The process of value creation in the virtual environment differs substantially from that in the physical world. The proposed model "Internet Marketing Value Creation Framework" shows how firms can create value in the Internet marketplace using basic IM functions. The model incorporates four IM functions using the analogy with traditional 4Ps-marketing mix, namely: (1) e-Promotion, (2) e-Distribution, (3) eMarket research, and (4) e-CRM. The four IM functions add value to and improve marketing processes of the firm through five value-adding activities: information gathering, organising, selecting, synthesising and distributing. The framework proposes a view on IM as a system of integrated synergetic activities. The model can be a useful educational aid to give practitioners some clues on the strategic importance of IM and how it can be used for value creation in the company.

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