

Running Head: Internet Marketing

The Impact of Internet Marketing on Business Management in Dubai

[Author's Name]

[Institution's Name]

Table of Contents

Abstract

1. Introduction
 - 1.1. Background Information
 - 1.2. Need and Significance of the Study
 - 1.3. Goals of the Study
 - 1.4. Rationale of the Study
2. Literature Review
 - 2.1. Internet and Marketing Strategies
 - 2.2. Impact of Internet Marketing on Businesses
 - 2.3. Internet Usage Trends in Dubai
 - 2.4. Current Situation/Trends of Internet Marketing in Dubai
3. Methodology
 - 3.1. Research Question/Problem Statement
 - 3.2. Research Hypothesis
 - 3.3. Research Method
 - 19
 - 3.4. Sources for Data Collection
 - 3.4.1. Secondary Sources
 - 3.4.2. Primary Sources
 - 3.4.2.1. Significance and Advantages of Statistical Survey
 - 3.4.2.2. Survey Sampling/ setting the criteria for respondents
 - 3.4.2.3. Questionnaire Construction for Survey
 - 3.4.2.4. Basis for Data Analysis/Method for results calculation
 - 3.4.2.5. The Questionnaire
4. Analysis of Data
 - 4.1. Data Gathering
 - 4.2. Result Calculation (charts/ diagrams)
 - 4.3. Analysis and Interpretation of Primary Data
5. Discussion of Arising Issues
 - 5.1. Answering the Research Questions
 - 5.2. Hypothesis Testing
 - 5.3. Analysis and Discussion
6. Conclusion

Abstract

Internet marketing is emerging as an integral part of business strategies in today's technologically advanced world and the business activities all over the world are influences with the emergence of this modern marketing tool. This dissertation is aimed at exploring the patterns of Dubai business organizations in adopting Internet Marketing. In this regards a quantitative study is conducted among 200 firms of Dubai investigating them about the level that they have reached in utilizing Internet Marketing and to have a look at the effects drawn on their product development and pricing policy effecting from the consumer research that these firm conduct through Internet Marketing. The dissertation presents a view of the current trends and situation of Dubai business world with respect to adoption of Internet Marketing with the help of information gathered from secondary as well as primary sources. Moreover the dissertation also examine weather the business managers and owners of Dubai firms are adequately prepared to face the challenges of the highly competitive environment resulting from Internet Marketing and other technology implications or not. The study is focused on tracing the effects of Internet Marketing on the product development and pricing policy of Dubai business organizations so that the outcomes of e-marketing could be evaluated in terms of improvement in consumer relations, performance and profitability of the organizations.

1. Introduction

Internet has emerged as an effective marketing tool as a result of ongoing advancements in technology and the businesses all over the world are paying attention towards transforming their marketing policies into Internet Marketing strategies. Like all other parts of the world the business community of United Arab Emirates is also aligning its strategies in accordance with the changes occurring in the technological world. Dubai being an important business center of Middle East is central point of attention of IT industry due to its crucial geographic and economic condition and fast development rate over the last few decades. Along with passage of time the internet users are rising in the city and the business organizations operating in Dubai are also turning towards modern ways of doing businesses. This trend has given momentum to the concept of Internet Marketing among the business community of Dubai and many of the businesses organizations in Dubai have now adopted Internet Marketing as the major marketing tool for their businesses. In this context the impact of Internet Marketing on these businesses should be clearly defined so that keeping in view the impacts, the organizations can prepare adequate plans for their marketing and can prepare to face the upcoming challenges of advanced and technology based business environment.

There are contrary views about the effects of Internet Marketing on the performance and profitability of businesses. Some researcher (e.g. Dave Chaffey, n.p., 2007) believe that Internet Marketing brings high profitability to the firms at low cost whereas some researchers (e.g. Gatticker, U., Perlusz, S. Bohmann, K, p126, 2000) argue that internet is just an effective and modern tool for marketing and the success of marketing depends more on strategies and right decisions rather than the technologies like internet and email. Considerable portion of literature has emphasized on studying the impact of Internet Marketing on business organizations of

different countries (e.g. Adam, S. Mulye Mulhern, A., 1995; Ng, E., 2005; Mccole, P. & Ramsey, E., 2004; Chaston, I. & Mangles, T., 2003), however there are few researches focused mainly on the effects of Internet Marketing on businesses of Dubai. Hence in order to fill the gap that is found in the literature, the dissertation is aimed at examining that how the businesses of Dubai are adopting Internet Marketing and what are the impacts of their Internet Marketing strategies on the product development and pricing. In order to get a better understanding of the issue a mixed research methodology is selected for the study and data is gathered through the literature review of available secondary data, moreover a survey is conducted among 200 firms of UAE to investigate about their attitudes towards Internet Marketing and to trace the changes that occurred within the price and product development policy of these companies as a result of Internet Marketing and consumer research done through internet.

1.1. Background Information

Dubai being the thriving business hub on the Arabian Gulf is being increasingly re-positioned as the IT centre of the Middle East. The city has already been chosen by many Information Technology firms as their Middle East regional headquarters (Tassabehji, 2000). The use of internet is also rising in the population of Dubai and about 95% of the firms in the city recognised the Internet as a viable marketing tool (Darby, James and Ghada, 2003) and among the top hundred firm of Dubai 42% firms have plans in place to embark on Internet Marketing while 14% had already started Internet Marketing. In this situation it is very crucial to explore that what are the potential effects of the emerging trends of Internet Marketing on businesses, how the business organizations of Dubai are making use of this advanced marketing tool and weather the business organizations in Dubai are adequately prepared to meet the challenges posed by the emerging e-marketing business model or not.

1.2 Need and Significance of the Study

Several efforts have been made (European Interactive Advertising Association, 2006; Chaston, I. & Mangles, 2003; Bui & Jones, 2006) to monitor the impact of Internet Marketing on the performance, efficiency and profitability of businesses all over the world however as far as the thriving city of UAE, Dubai is concerned little research work is done so far to measure the impact on Internet Marketing on the business organizations of Dubai. There is little understanding of the matter that up to what extent the business organizations of Dubai are utilizing Internet Marketing for conducting consumer research and what is the role of that consumer research in determining the product development, pricing policy and company's profit. This dissertation is aimed at filling the gap that is found in the researches conducted so far around this topic and with the help of survey among 200 firms the dissertation tends to explore the level up to which the business organizations of Dubai are making use of Internet Marketing for consumer research and the use of that research to determine the price, product development and profit of the firms.

1.3 Goals of the Study

The study is aimed at examining the impacts of Internet Marketing on the businesses of Dubai. In this regard the study tends to analyze the current situation of Dubai business world with respect to adopting of Internet Marketing and then the study proceeds to unfold the impacts on e-marketing on product development and price policy of Dubai business organizations. The main objectives of the study are:

- To portray the current scene of Internet Marketing utilization in Dubai businesses

- To examine the usage of Internet as a Marketing tool by the business organizations of Dubai
- To investigate the Dubai business organizations about the impacts of Internet Marketing on their product development and price policy
- To find the evidence about the benefit of Internet Marketing in terms of increase in profitability of the firms

1.4 Rationale of the Study

The study is developed on the rationale of the gap point out in literature that there is little research work done while keeping the businesses of Dubai at the central point and there are few researches that discover the issues related with the usage of Internet Marketing and its effects on businesses of Dubai. In the highly competitive market place it is crucial to monitor the impacts of one variable over other so that to improve the situations the variables could be adjust and used accordingly. Hence the dissertation is based on the aim of unfolding the impact of one variable (Internet Marketing) on the other variable (businesses of Dubai) with the help of a statistical survey as well as review of concerned literature.

2. Literature Review

The dissertation is based on studying the impact on Internet Marketing on businesses particularly of Dubai. In this regard it is necessary first to develop clear perception about the concepts related with the issue. Keeping in view this need this section consists of review of the literature that is focused on the use of internet in the field of marketing. The section further unfolds the impacts of Internet Marketing on businesses in general and then discusses the trends and current scenario Internet Marketing usage in Dubai so that with the help of the review of related research works, a picture can be portrayed where all the players could be identified and most important the gap in the literature could also be witnessed.

2.1 Internet and Marketing Strategies

Internet that is considered as an efficient medium to access, organize, communicate and share communication (Levy, 1996) is drawing unpredictable impacts on the business activities. The marketing strategies of the firms are also much inspired and affected with the emergence of this advance technology and many of the researchers (Peterson, Sridhar and Bart, 1997; Ashworth, Laurence and Clinton Free, 2006; Hamill, 1997) believe that the growth and spread of internet with an extraordinary pace over the last few decades has resulted in its increased use for marketing purpose but at the same time that it is not an easy job to measure the impact of internet on the marketing activities and their outcomes because changes occur in the modern business world so fast that considering the speed with which developments and changes take place on the Internet it is almost impossible to predict the impact of Internet Marketing.

According to the traditional concept, the strategies of marketing must follow some predefined steps as Darby, James and Ghada (2003) explained that the Marketing strategy must possess eight steps including "market research to understand customer's perceptions and wants; product development along the lines of perceived customer wants; product delivery and customer feedback, market testing etc" however in the modern era of Internet Marketing there are some major changes occurred in the concept of marketing and Internet seem to be challenging some of the most basic ideas of marketing, while some of these changes hold positive implications for marketing anywhere in the world, the effects of others are not so clear. In particular, Internet Marketing has challenged product development and the concept of marketing itself. In traditional marketing, information was often gathered from customers in order to develop products that customers' satisfaction, however, the greater information richness that the Internet provides for both business and customers means that business managers must tap into this technology to satisfy the ever increasing consumer demands, and also to compete favourably in the increasingly competitive business front (Komenar, 1997).

It is believed that emergence of Internet is closely linked with the marketing strategies of the businesses because Internet enables the organization of information through the use of hyper media and at the same time Internet also holds serious implications for marketing due to which internet is considered as a "combination of electronic trade show and a community flea market" (Peterson, A Robert, Sridhar Balasubramanian and Bart J Bronnenberg, p340, 1997). This concept has emerged because internet seems like a huge international exhibition hall that allows the free entry of the consumers. The consumers can not only enter freely but they can also visit sellers, either passively, by just wandering through and enjoying the 'sight and sound' or actively by vigorously searching for product information, interactively with sellers and then

making purchase or satisfying a want. At the same time internet is also characterised with openness informality and interactivity and due to all these attributes internet is playing a vital part in the lives of people especially in the process of buying and selling also. In this context it become important that the businesses and consumers should be aware of the potential effects that internet can draw on their buying and selling patterns.

Christopher Smith (2005) revealed that internet is rapidly growing and spreading as a compelling tool of marketing as the market places have turned in to a technology centric business world. In order to survive in this technology centric business world it is very crucial for the companies that they understand the importance and role of Internet Marketing and adopt and utilize it properly to take full advantages of this modern tool. Kokkinaki, F. And Ambler, T. (1999) revealed that different marketing activities and strategies are taking effects of Internet Marketing for example the pricing policy. Pricing is an important component of the marketing mix and for any organization the pricing policy possesses great importance because it determines that what would be the final amount of money that they will charge from the customers in return of the product or service they offer. The customer response towards the product is also affected by the price of the product or service hence it is very crucial that the businesses must formulate their pricing policies in a manner that can satisfy their customers as well as provide benefit to the organization as well. In this regard the company has to take care of many important matters and among them the consumer behavior is an important one that can be effectively measures and monitored through Internet Marketing. In this way internet provide an opportunity to the businesses to get immediate and impulsive responses of the consumers thorough the marketing surveys and polls conducted online or via email.

Darby et al (2003) pointed out that the 4Ps of Marketing - Price, Product, Promotion and Place are much influenced by the internet because with the help of internet, the consumers are now able to compare the prices of the product from a wide range of suppliers due to which there is rise in the price competition and cross border price standardisation has also increased. Another impact of Internet Marketing is on the price of the product that due to technology the cost of several products and services is reduced and to survive in the internet market place the companies have to develop new and better pricing models. In the same way the companies have to concentrate more on development of unique and innovative products because internet provide the consumers opportunity to search thoroughly, at no-cost, for products and services; while this creates an expanding consumer wants that business must satisfy. The promotional activities of the companies are mostly effected by the Internet Marketing as through internet the companies can get the opportunity to convey their message to large scattered audience at low cost. Due to this opportunity even small scale businesses can promote their products in the same way as the large one and the competition is created in the market place.

2.2 Impact of Internet Marketing on Businesses

Internet Marketing is a modern business practice that involves the buying and selling of goods and services through internet. It has been defined by Smith and Chaffey (2005) as "achieving marketing objectives through applying digital technologies". Liang and Hung (1998) revealed that due to rapid expansion and increased usage of internet the businesses are diverting their attention towards the marketing of their products and services via internet.

Internet holds both positive and negative implications for the field of marketing, although the effect on individual organisation varies depending on how Internet Marketing is managed.

Dave Chaffey (2007) point out some advantages that a firm can get as a result of effective Internet Marketing for example the overall marketing cost is reduced because a firm can use email as a marketing tool that costs relatively lower then the direct mail moreover through e-marketing the firm can also expect immediate impulsive response from its target audience through a click on the website. In this way the message of the company is reached to large number of people in less time and at low cost. In return the firm not only get an immediate response but their relation with the consumer are also build up and the overall efficiency and profitability of the business is increased with the help of Internet Marketing (Dave Chaffey, n.p., 2007). Varadarajan and Yadav (2002) also noticed some positive effects of Internet Marketing including “

- Greater information richness of the transactional and relational environment
- Lower information search costs for buyers
- Diminished information asymmetry between sellers and buyers
- Electronic spatial proximity of buyers and sellers
- Greater temporal separation between time of purchase and time of possession of physical products purchased in the electronic marketplace
- Greater temporal proximity between time of purchase and time of possession of digital products purchased in the electronic marketplace

Collins, Buhalis, Peters (2003) explained that Internet Marketing affects the businesses by providing them variety of advantages. It has become a power tool and the organizations can utilize it to make their 24 hours presence world wide due to which the consumers get the opportunity to shop and inquire about the products and services at any time. It is easy for the

visitors of the site to leave their comments and queries through the feed back form or email and the company representatives are also in a better position to answer that query instantly or within sort time period. This opportunity has build up close relations between the consumers and the companies and ultimately the businesses activates are expanded and the firm gets higher rate of profit due to increased interest of consumers towards their product (Collins, Buhalis, Peters, p483, 2003)

Adam, Mulye, Palihawadana, (2002) revealed that Internet Marketing causes rise in market competition because due to lower advertisement cost it become easy for many of the companies to advertise effectively online with the help of low advertising budget. It is necessary that before entering in to web space to make their presence online, the businesses must be well aware of the potential effects of Internet Marketing and they must plan their strategies to face the online marketing challenges before going online. Things changed rapidly online giving little time for the businesses to redesign their strategies that's why the businesses must get prepare with alternate options that they can use in case of failure of any strategy (Adam, Mulye, Palihawadana, p243, 2002)

Fillis, I., Johannson, U. & Wagner, B. (2004) noticed that Internet Marketing does not draw only positive impacts of the businesses and there is a dark side of the picture that should also be considered by the businesses personnel before relying more on Internet Marketing. They revealed that despite of the increasing number of internet users there are still less then 60 percent household that actually do shopping via internet and the firms generally reached less then two out of three households. All the internet users are not buyers and the message of the company intended to address the household buyers is often lost as there is no particular pattern of site visiting. On the other hand people have defines routine to access TV, Radio and Newspaper. The

particular channels and newspaper groups are also set and it is easy to predict the number of target audience and their demography and psychograph where as it is not practical approach for the online users (Fillis, I., Johannson, U. & Wagner, B., p178, 2004)

Wientzen, H.R. (2000), explained that internet is playing a significant role from the marketing perspective and especially it offers small and medium sized enterprises an opportunity to promote their services and product at international level. Internet Marketing is a cost effective tool that offers variety of unique advantages to the companies and after the emergence of Internet Marketing the traditional methods of advertising and marketing are not much effective now. Wientzen further explain that in general there are two main goals of Internet Marketing. The first one is to attract more visitors towards the website of the company so that they can know about different products and services of the company and the overall sales could be increased. The second important goal of Internet Marketing is to enhance the value of the brands and this goal is achieved by Internet Marketing through merely different strategies and techniques as compared with traditional marketing methods (Wientzen, H.R., p74, 2000)

Gatticker, U., Perlusz, S. And Bohmann, K. (2000) point out that there are considerable number of consumers who prefer to have live interaction with the seller during the buying process. This group of people is not satisfied with the information provided through the websites and they want to see the offered products in real to make their decision. In this case the companies operating a small scale can no provide the consumers living in another state or country to first see the product in real and then make decision about buying. Hence the advertising messages and attractions shown in the online marketing techniques become useless in such cases (Gatticker, U., Perlusz S. And Bohmann, K., p126, 2000)

2.3 Internet Usage Trends in Dubai

Internet was introduced in UAE by ETISALAT in August 1995 (UAE Gov. Website) and in 1999 ETISALAT lunched the value-added Internet roaming service in the country. this service allowed the Internet dial-up customers to perform various online activities at the rate of local call including accessing their ISP from anywhere in the world, reading and retrieving e mail messages and browsing the world wide web. This facility was provider to the internet users because UAE became the member of Global Roaming Internet Center (GRIC) - a worldwide alliance of ISPs (UAE Gov. Website). Since then Dubai is on it way to adopt and implement Internet in different sectors of economy and life and according to the World IT report there is record increase in the numbers of internet users in USE in 2003. According to the recent figures of internet usage in UAE, more then \$1.15 billion were spent by the internet users of UAE for e-commerce products and services in the year 2006 (Safura Rahimi, n.p. 2007). Dubai is moving fast towards the emerging trends of internet usage in business activities. At government level there are remarkable efforts being done to promote internet usage in the business organizations of Dubai. The formation of Dubai e-government is considered a pioneer initiative that is intended to provide corporate and community life services to people via internet and through this e government portal Dubai is leading the region with respect to adoption and implementation of IT based applications in the corporate industry. (Sudha Chandran, Yousef Khalili, n.p., 2001). The establishment of Dubai's third free zone was also an important step that encourages the growth of internet and e-commerce in the city (Lisa E. Rosenthal, n.p., 2001)

2.4 Current Situation/Trends of Internet Marketing in Dubai

Sudha Chandran, Yousef Khalili (2001) noticed that the government of Dubai has recognized the importance of Internet Marketing for better performance of the businesses and it is disclosed by one of the government official that as internet and e-commerce are spreading in Dubai the marketing aspects is also gaining crucial importance and the government is taking step to promote different services and information through the use of internet and as a result different marketing activities are being performed at different levels in Dubai via internet. An example of such steps is the launch of “e4all” under the Dubai e-Government marketing program that offers the value packages to the individuals, small and medium enterprises and large corporations. Through this package PCs are provided for the businesses at special prices. Moreover it also offers variety of services like customized hardware and software, installment schemes, end-user warranty and add-ons including free subscriptions to IT magazines etc. Along with this program several other steps are also taken by the e-government Dubai with the aim to promote the use of internet in the business world of Dubai (Sudha Chandran, Yousef Khalili, n.p., 2001)

Roger Darby, Jones, Madani (2003) studied the role of Internet Marketing in industrial sector of United Arab Emirates with the help of interviews based research and revealed that in the dynamics of e commerce the role of marketing has become fundamental and the business organizations of UAE also view Internet Marketing in a broad perspective and utilizing it as an effective tool of marketing to achieve organizational objectives like strong communication links with the customers, rise in profitability etc. (Roger Darby, James Jones, Ghada Al Madani, p106, 2003)

The review of the literature highlighted many aspects of Internet Marketing and its significance for the business organizations. It is also clarify from the literature review that the

internet usage trends are changing in the city of Dubai and the people, business organizations as well as the government is also keen towards promoting internet usage for different purpose including the marketing of products and services. There are several researched found that are focused on the overall impact of the Internet Marketing on businesses but specifically for Dubai little research work was found that's why the section of the literature review that consists of the Internet Marketing trend in Dubai is comparatively quite short then all the other sections and further confirms the gap in the literature.

3. Research Methodology

3.1 Problem Statement/ Research Questions

A major consequence of the advances in IT in the market place is the proliferation of marketing activities using the Internet. The emergence of the Internet and the gradual move towards e-commerce meant that it is only reasonable to contemplate about the fate of Dubai's numerous traditional Brick and mortar businesses. While it is obvious that the city has not been left behind, as is evident from the numerous businesses, firms, and organisations that have established their presence on the Internet, it is not clear yet, whether business managers and owners are adequately prepared to meet the challenges posed by the emerging e-marketing business model. In addition to the above, whether the spread and utilisation of e-marketing has improved business in Dubai is yet to be established. Overall, this study intends to examine the impact of Internet Marketing on Dubai's businesses. This study aims at examining the impact of Internet Marketing on product development and pricing in order to form a better understanding of how Dubai's businesses are adapting to the changes in the marketplace brought about by advances in IT. This will be achieved through answering the following questions:

- How much of the firm's customer research is being carried out using Internet Marketing?
- Has the above research resulted in improved product development?
- Are the above research results being utilised in determining the price of the firm's products?
- Has the above research resulted in improved profits?

3.2 Research Hypothesis

The study is based on the assumption that “access to consumer information using Internet Marketing is necessary for better product development and pricing and that firms in Dubai can greatly improve their competitiveness if they can integrate this new marketing concept into their operations”. The study is focused on confirming this assumption by testing the following hypotheses

- Using Internet Marketing to understand consumers' needs and wants leads to improved product development
- Using Internet Marketing to understand consumers' needs and wants improves the firm's pricing strategy.
- Using Internet Marketing to understand consumers' needs and wants improves the firm's profits

With the help of the material gathered through the secondary material and the information, facts and figures obtained from the survey the above hypotheses will be tested as these hypotheses are based on the assumption set for the study.

3.3 Research Method

In order to conduct the study, a mixed methodology is approached and the data is collected for the study by utilizing both the secondary and primary resources. The study comprises of qualitative as well as quantitative research. In the first phase literature is collected through the available secondary sources to gather the qualitative information about the issue. In the second phase a quantitative “statistical survey” is conducted among 200 companies operating in UAE in order to collect their opinions and experiences regarding the use of Internet Marketing

for their businesses. Hence the research is a combination of quantitative and qualitative methods (secondary analysis of data and statistical survey) and both of these methods are utilized to find the answer of the research question and to test the research hypotheses.

3.4 Sources for Data Collection

The research is conducted by accessing the secondary as well as primary sources. The information about both the sources is as followed

3.4.1 Secondary Sources

The secondary sources are utilized to gather qualitative data related with the topic. In this regard different journals, research reports, magazines, books, electronic journals and web portals are accessed and information is gathered from these sources to conduct the analysis of the available secondary data.

3.4.2 Primary Sources

The primary source utilized for the research study is “statistical survey” that is “a quantitative method, requiring standardized information from and/or about the subjects being studied. The subjects studied might be individuals, groups, organizations or communities; they also might be projects, applications, or systems. It is further explained by Tanur, J.M (1982) that statistical survey is an efficient way of collecting information from a large number of respondents, the information can be used to study attitudes, concepts, values, beliefs, and behaviors” (Abramson J.J., Abramson Z.H., 1999).

3.4.2.1 Significance and Advantages of Statistical Survey

Massey, O'Connor and Krotki (1997) explained that a survey is effective and efficient method of collecting data from large number of respondents that allows the data collection through very large samples. The data can be used to determine validity, reliability, and statistical significance. Surveys are also considered as flexible research method because they are standardized, easy to administer and free from various errors. Keeping in view the significance of surveys and the requirement of the research study, this research tool is selected and quantitative data is gathered by conducting a survey.

3.4.2.2. Survey Sampling

It was decided that the data will be collected from 200 firms operating in UAE. For this purpose a random sample of 200 firms was chosen from the UAE Business Directory-Yellow Pages. Only those firms were selected that have their own active websites. Participants for this study were selected from those willing to participate in the study, based on the inclusion criterion that was established. Also, prior to administering the questionnaires, participants were requested to formally express their consent to participate by filling and signing the informed consent form. Subject confidentiality was ensured by coding each participant form with a corresponding number, so that only the research team will have access to the information of the research subjects. Also the privacy of all confidential business information that the researcher might receive through the course of this study will be ensured.

3.4.2.3. Questionnaire Construction for Survey

The questionnaire for the survey is constructed by using the Likert scale that is a bipolar scaling method used to measure either positive or negative response to a statement (Likert, R,

p55, 1932). It is a common system that is used in the surveys. By following the Likert Scale “the respondents are asked to indicate their degree of agreement with the statement or any kind of subjective or objective evaluation of the statement. Traditionally a five-point scale is used under this methodology”. For this study also the five point scale system is used and the respondents were asked to express their opinions about the given statement by picking the answer from the given 5 options: “Strongly disagree, Disagree, neither agree nor disagree, Agree and strongly agree”. These points were also rated from 1-5 where

1. = strongly disagree
2. = disagree
3. = neither agree nor disagree
4. = agree
5. = strongly agree

It is necessary to mention here that all the questions included in the questionnaire were made in positive sense means all the statements reflect positive impact of Internet Marketing on businesses so if the respondents agree with these statements in large number it means that they are agree with the positive impact of Internet Marketing pointed out in the question and if they disagree with most of the statements its mean that there are not many positive effects that are observed by the respondents in their businesses. The questionnaire is also divided in to parts keeping in view the research questions and hypothesis so that the responses about different hypothesis could be collected separately.

Before the final distribution of the questionnaire a small pilot study was carried out in Dubai where 20 copies of the questionnaire were distributed randomly and responses were

collected and analyzed from the answers. The aim of the pilot study was to make sure that the questionnaire is understood clearly by the intended participants. The questionnaire was then supplied to the marketing managers of the selected firms.

The overall response of the companies' representatives towards the survey questionnaire was encouraging. As the questionnaire consists of close ended questions and the respondents were not asked to write too much regarding their experiences and opinions so they found it convenient and fill the questionnaire in short time period. There were few companies that were selected from the Yellow pages but unfortunately there was no positive and favorable response received from their representatives and as a result the questionnaire was then send to other companies after picking more names from the Yellow Pages.

3.4.2.4 Basis for Data Analysis

After gathering the questionnaires filled from the respondents the answers are calculated for each of the item separately and based on the score obtained from each of the response the analysis is made. For example if there is high score obtained by "Agree" point (i.e. number 4) its mean that more respondents are agreed with the given statements. In order to get more clear picture of the responses the score of strongly agree are combined with agree and strongly disagree with disagree and then the final analysis are made on the basis of these scores.

3.4.2.5. The Questionnaire

Section I – Information about Respondent and Company

Contact Name and Designation	
Company Name	
Address:	
Phone Number:	

City:	
State:	
E-mail:	
Fax:	
Web Address of Company:	

Section II – Information about Internet Marketing Usage – Kindly Rate the following statements

(1= strongly disagree, 2= disagree, 3= neither agree nor disagree, 4= agree, 5= strongly agree)

Statement	Rating
Over the last five years there is considerable increase in the usage of internet within our organization	1 2 3 4 5
Over the last few years there is shift in our marketing policy from the traditional marketing means to Internet Marketing	1 2 3 4 5
Our company at present mainly relies on Internet for marketing of our products/services	1 2 3 4 5
While formulating our marketing policy, we always keep in consideration the internet usage trends of our potential customers	1 2 3 4 5
As compared with other marketing tools and medium like print and TV/ Radio advertisement our company prefers the usage of internet for marketing purpose	1 2 3 4 5
There is overall rise in the profitability of our businesses after the adopting of Internet Marketing	1 2 3 4 5
As result of adopting the emerging trend of Internet Marketing our business has grown with high pace our the last few years	1 2 3 4 5

Section III – Information about Internet Marketing and Consumer Research

(1= strongly disagree, 2= disagree, 3= neither agree nor disagree, 4= agree, 5= strongly agree)

Statement	Rating
Our company conduct the research about consumer behavior mostly through surveys, polls and other methods via internet	1 2 3 4 5
We find internet an effective medium to conduct the consumer research	1 2 3 4 5
We have obtained significant feed back from the consumers through online surveys due to impulsive response	1 2 3 4 5
Our consumers show more of their willingness to participate in the surveys and polls online as compared with telephonic or face to face interviews	1 2 3 4 5

The consumer research conducted through internet enable us to have better understanding of our consumers needs and demands	1	2	3	4	5
From the results of the consumer research done through Internet Marketing we have gathered adequate information about our potential and present consumers	1	2	3	4	5
The results of online consumer research enable us to formulate consumer friendly policies	1	2	3	4	5
Our policies based on online consumer research are much appreciated by our customers	1	2	3	4	5
Our policies based on online consumer research have brought significant results to the company in terms of better relationship and understanding between company and consumers	1	2	3	4	5

Section IV – Information about Price Policy and Internet Marketing

(1= strongly disagree, 2= disagree, 3= neither agree nor disagree, 4= agree, 5= strongly agree)

While formulating the price policy, our organization must keep in consideration the results of consumer research done online	1	2	3	4	5
The consumer research done through internet marketing helps us in formulating the price policy for our product/service	1	2	3	4	5
We have often made some major changes in our price policy on the basis of the results gathered from the online consumer research	1	2	3	4	5
The changes we made in price policy on the basis of online consumer research brought favorable consumer response in terms of high sales rate etc	1	2	3	4	5
Consumer research conducted online is proved as a significant tool of deciding the price of the product/service and resulted in improved pricing policy	1	2	3	4	5

Section V – Information about Product Development and Internet Marketing

(1= strongly disagree, 2= disagree, 3= neither agree nor disagree, 4= agree, 5= strongly agree)

New product development policy of our company hugely depends upon the consumer research	1	2	3	4	5
The consumer research enables us to understand the needs of the consumers regarding the new product	1	2	3	4	5
The consumer research help us in getting better understanding of the matter that what people expect from our company	1	2	3	4	5

The product development policy of our company is
much improved with the help of the consumer research
The product we launched while keeping in view the
online consumer research, gets more favorable response
and more people were attracted towards the product

1	2	3	4	5
1	2	3	4	5

4. Analysis of Data

4.1 Data Gathering

The questionnaires filled by the respondents were put together in order to obtain the results from these. The data of the survey is gathered according to the sections of the questionnaire so that each section can indicate the trends about the issue that is being discussed in it. For example the second section comprises of questions about the overall adopting of Internet Marketing by the Dubai businesses and its impact, whereas the third fourth and fifth part speaks about consumer research, price policy and product development respectively. The results are calculated separately for each section so that the research questions could be answered with the help of data gathered from each section and the same data could also be used for testing the hypothesis. Finally all the results of the survey are calculated to get the opinions about the overall impact of Internet Marketing on the businesses of Dubai.

Data of Section I

The first section of the questionnaire consists of the questions that ask the respondents to provide their personal contact information as well as name of their company as their designation. It was decided and ensured to the respondents that their personal and work place information will be kept confidential so only the number of respondents will be disclosed in the report without giving the name of any person or company. Thus the data is gathered from 200 respondents that belong to different firms operating in Dubai and have their presence on web as well.

Data gathering from Section II

In the second section of the questionnaire there were total seven statements put in front of the respondents and they were required to mark the given numbers 1-5 in order to express their

level of agreement or disagreement about each of the statement. To inform that what each number donates; information was provided above the questions that “1= strongly disagree, 2= disagree, 3= neither agree nor disagree, 4= agree, 5= strongly agree”.

The first statement put in front of the respondents was that “Over the last five years there is considerable increase in the usage of internet within our organization”. There were just 2 percent people who strongly disagree with this statement and 1 percent disagreed. 4 percent neither agreed nor disagreed, 17 percent were agreed and there were 76 percent respondents who strongly agree with the given statement. The second statement was “Over the last few years there is shift in our marketing policy from the traditional marketing means to Internet Marketing” and in response to this, there were 4 percent people who strongly disagreed, 6 percent disagreed and 13 percent neither agree nor disagreed. There were 26 percent people who agree with the given statement and 51 percent people were strongly agree.

The third statement was “Our Company at present mainly relies on Internet for marketing of our products/services” and 17 percent people strongly disagree with this statement, 19 percent disagree, 15 percent neither agree nor disagree, 28 percent agree and 32 percent strongly agreed with this statement. The forth statement of the first section was “While formulating our marketing policy, we always keep in consideration the internet usage trends of our potential customers”. while responding to this statement there were 6 percent people who were strongly disagreed, 23 percent were disagree, 12 percent neither agree nor disagree, 24 percent agreed and 35 percent people strongly agreed with the given statement.

The fifth statement was “As compared with other marketing tools and medium like print and TV/ Radio advertisement our company prefers the usage of internet for marketing purpose”. There were 8 percent respondents who were strongly disagreed, 33 percent were disagree, 11

percent neither agree nor disagree, 20 percent agreed and 28 percent people strongly agreed with the given statement. The next statement was “There is overall rise in the profitability of our businesses after the adopting of Internet Marketing”. 17 percent of the respondent were strongly disagree with the statement whereas 12 parent were disagree, 10 percent neither agree nor disagree, 28 percent agree and 33 percent strongly disagreed with the statement. The seventh and last question of the section II was “As result of adopting the emerging trend of Internet Marketing our business has grown with high pace over the last few years”. In response to this statement there were 10 percent people who strongly disagree, 11 percent disagree, 15 percent neither agree nor disagree, 37 percent agree and 27 percent strongly agreed with the given statement.

In this way the data was gathered from the first section of the questionnaire that could be viewed at a glance in the following table.

Question #	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
Q1	4	2	8	34	152
Q2	7	11	25	55	102
Q3	23	27	31	55	64
Q4	11	46	24	48	71
Q5	17	65	22	39	57
Q6	34	23	21	56	66
Q7	19	22	31	74	54
Q8	4	2	8	34	152

Data Gathered from Section II

Data of Section III

The third section of the questionnaire consists of 9 Questions. The respondents were asked to express their views about different statements. The first of them was that “Our

Company conducts the research about consumer behavior mostly through surveys, polls and other methods via internet". The people responded and 7 percent strongly disagreed, 12 percent agreed and 18 percent neither agreed nor disagreed from it. On the other hand there were 35 percent of respondent that were agree with it and 37 percent were strongly agreed. The second statement was "We find internet an effective medium to conduct the consumer research". There were 10 percent of respondent who were strongly disagreed with this statement, 12 percent were disagree, 15 percent were neither agree nor disagree, 27 percent were agreed and 35 percent were strongly agreed with the statement.

The third statement of the section III was "We have obtained significant feed back from the consumers through online surveys due to impulsive response". In response to this statement there were 18 percent of respondents who were strongly disagree, 21 percent were disagree, 20 percent were neither agree nor disagree, 17 percent were agree and 25 percent were strongly agree with the statement. The forth statement asked that "Our consumers show more of their willingness to participate in the surveys and polls online as compared with telephonic or face to face interviews". 13 percent people strongly disagreed with this statement and 11 percent disagree, 15 percent neither agreed nor disagree, 33 percent agree whereas 28 percent of the respondents were strongly agreed with this statement.

The fifth statement said that "The consumer research conducted through internet enable us to have better understanding of out consumer's needs and demands". In reply to this, there were 10 percent respondents who were strongly disagreed, 31 percent were disagree, 17 percent were neither agree nor disagree, 26 percent were agreed and 21 percent of the total respondents were strongly agreed with the statement. The sixth statement said that "From the results of the

consumer research done through Internet Marketing we have gathered adequate information about our potential and present consumers". There were 19 percent of people who were strongly disagree with the statement, 22 percent were disagree, 19 percent were neither agree nor disagree, 22 percent were agreed and 20 percent people were strongly agreed with the given statement. The seventh statement was "The results of online consumer research enable us to formulate consumer friendly policies". While responding to this there were 12 percent people who strongly disagreed, 22 percent disagree, 19 percent neither agree nor disagree, 27 percent agrees and 30 percent of the people were strongly agree with the statement.

The eighth statement was "Our policies based on online consumer research are much appreciated by our customers". There were 13 percent people who strongly disagreed, 23 percent disagree, 5 percent neither agree nor disagree, 28 percent agrees and 31 percent of the people were strongly agree with the statement. The ninth and the last statement of the section III was "Our policies based on online consumer research have brought significant results to the company in terms of better relationship and understanding between company and consumers". While responding to this there were 15 percent people who strongly disagreed, 20 percent disagree, 10 percent neither agree nor disagree, 32 percent agrees and 23 percent of the people were strongly agree with the statement. The data collected from the third section of the questionnaire can be viewed at a glance in the following table

Question #	Strongly Disagree	Disagree	N/A/D	Agree	Strongly Agree
Q1	14	24	18	69	75
Q2	21	24	31	55	69
Q3	36	42	39	34	49
Q4	26	22	31	65	56
Q5	21	63	23	51	42

Q6	39	45	32	43	41
Q7	24	44	19	54	59
Q8	26	46	11	55	62
Q9	30	39	21	63	47

Data Gathered from Section III

Data of section IV

The fourth section of the questionnaire consists of total five questions. The first statement was “While formulating the price policy, our organization must keep in consideration the results of consumer research done online”. There were 18 percent people who strongly disagreed, 15 percent disagree, 23 percent neither agree nor disagree, 23 percent agrees and 21 percent of the people were strongly agree with the statement. The second statement said that “The consumer research done through Internet Marketing helps us in formulating the price policy for our product/service”. While responding to this there were 20 percent people who strongly disagreed, 16 percent disagree, 24 percent neither agree nor disagree, 21 percent agrees and 19 percent of the people were strongly agree with the statement. The third statement said that “We have often made some major changes in our price policy on the basis of the results gathered from the online consumer research”. In response to this statement there were 20 percent people who strongly disagreed, 18 percent disagree, 22 percent neither agree nor disagree, 19 percent agrees and 21 percent of the people were strongly agree with the statement.

The fourth statement was “The changes we made in price policy on the basis of online consumer research brought favorable consumer response in terms of high sales rate etc”. While responding to this there were 18 percent people who strongly disagreed, 20 percent disagree, 25 percent neither agree nor disagree, 17 percent agrees and 20 percent of the people were strongly

agree with the statement. The fifth and the last statement of the fifth section was “Consumer research conducted online is proved as a significant tool of deciding the price of the product/service and resulted in improved pricing policy” In response to this statement there were 13 percent people who strongly disagreed, 20 percent disagree, 25 percent neither agree nor disagree, 20 percent agrees and 22 percent of the people were strongly agree with the statement. The data collected from the fourth section of the questionnaire can be viewed at a glance in the following table

Question #	Strongly Disagree	Disagree	N/A/D	Agree	Strongly Agree
Q1	36	29	47	46	42
Q2	39	33	48	41	39
Q3	39	37	43	39	42
Q4	35	41	49	35	40
Q5	25	41	49	40	45

Data Gathered from Section IV

Data of section V

The fifth section of the questionnaire consists of total five questions. The first statement was “New product development policy of our company hugely depends upon the consumer research”. While responding to this there were 6 percent people who strongly disagreed, 11 percent disagree, 15 percent neither agree nor disagree, 35 percent agrees and 33 percent of the people were strongly agree with the statement. The second statement said that “The consumer research enables us to understand the needs of the consumers regarding the new product”. In response to this statement there were 10 percent people who strongly disagreed, 11 percent

disagree, 11 percent neither agree nor disagree, 35 percent agrees and 33 percent of the people were strongly agree with the statement.

The third statement said that “The consumer research help us in getting better understanding of the matter that what people expect from our company”. While responding to this there were 10 percent people who strongly disagreed, 10 percent disagree, 11 percent neither agree nor disagree, 32 percent agrees and 37 percent of the people were strongly agree with the statement.

The fourth statement was “The product development policy of our company is much improved with the help of the consumer research”. In response to this statement there were 6 percent people who strongly disagreed, 11 percent disagree, 23 percent neither agree nor disagree, 28 percent agrees and 32 percent of the people were strongly agree with the statement. The fifth and the last statement of the fifth section was “The product we launched while keeping in view the online consumer research, gets more favorable response and more people were attracted towards the product”. While responding to this there were 5 percent people who strongly disagreed, 10 percent disagree, 21 percent neither agree nor disagree, 33 percent agrees and 31 percent of the people were strongly agree with the statement.

The data collected from the fifth section of the questionnaire can be viewed at a glance in the following table

Question #	Strongly Disagree	Disagree	N/A/D	Agree	Strongly Agree
Q1	12	22	29	71	66
Q2	19	22	23	71	65
Q3	21	19	23	63	74
Q4	12	23	45	56	64
Q5	10	21	42	66	61

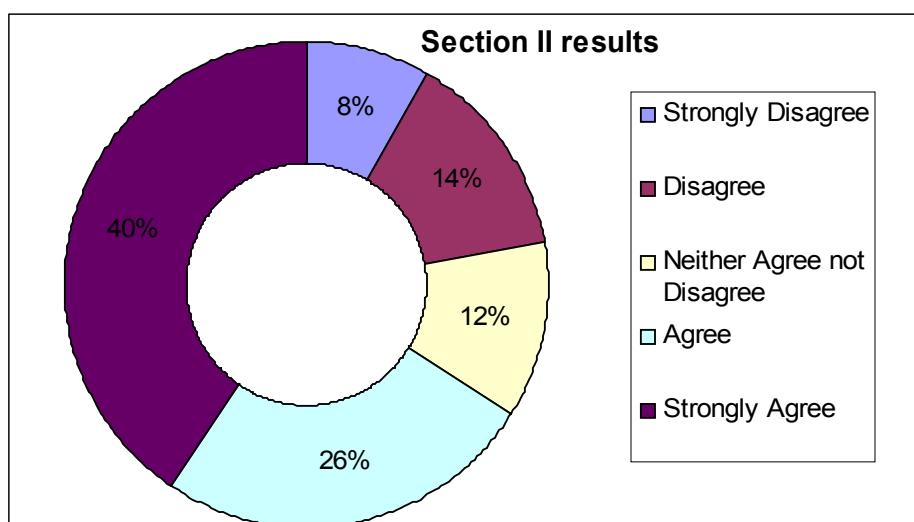
Data Gathered from Section IV

Above were the details of the answers that are collected through the questionnaire. In the result gathering section the data was only gathered and no analysis and interpretation is drawn on the basis of any figures.

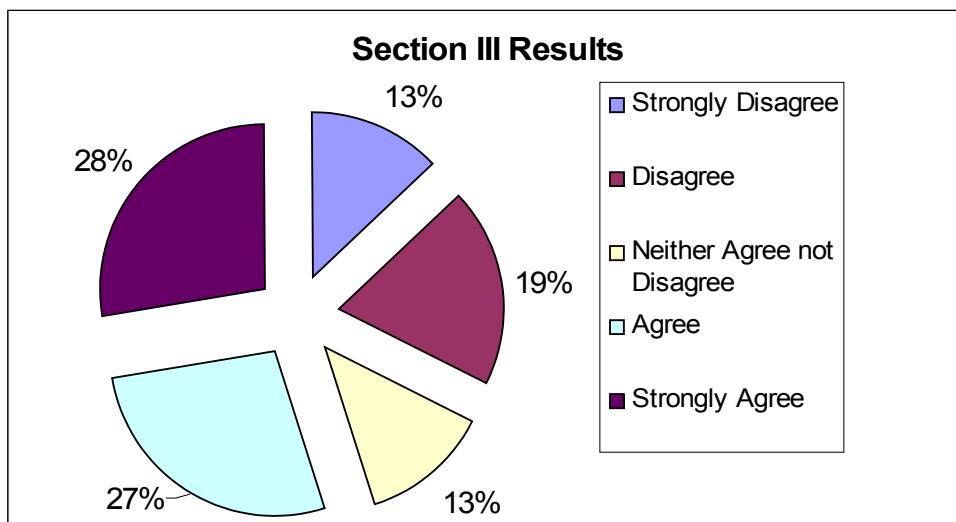
4.2 Results Calculation

On the basis of the data gathered from the questionnaire some results are drawn in order to get the figures and graphical representation of the study results that can demonstrate the outcomes of the research clearly. In the above section the data was collected separately for each and every question of each section. Now the data gathered will be calculated for each section so that we will be able to draw the interpretation, find the answers of research questions and test the hypotheses.

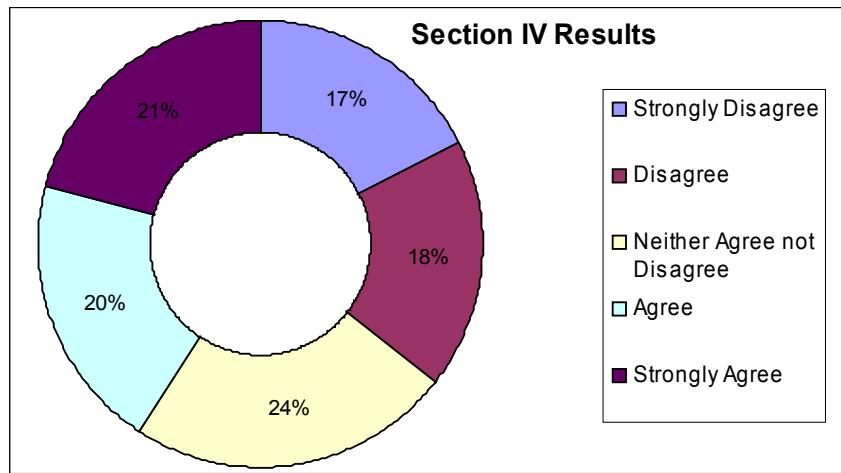
In this regard all the results of the statements included in the second section are put together and it was found that in reply to the seven questions of the section II there were 115 responses recorded for strongly disagree, 196 for agree, 162 for neither agree nor disagree, 361 for agree and 566 for strongly disagree. Hence it is found that while responding to the statements of the section II 8 percent of the people were strongly disagree, 14 percent were disagree, 12 percent were neither agree nor disagree, 26 percent were agree and 40 percent were strongly agreed. The results obtained from the section II of the questionnaire are shown with the help of following chart.



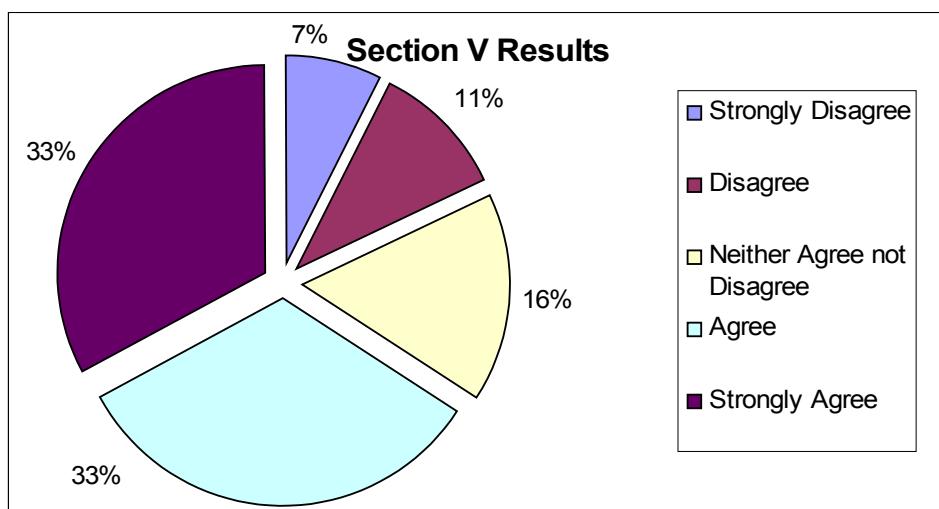
The results of the section III were also gathered in the same way and it is found that there were total 237 comments received on the given 9 statements as strongly disagree, 349 as disagree, 225 as neither agree not disagree, 489 as agree and 500 as strongly agree. In this way it is revealed that all the statements presented in the section III bring results in a way that 13 percent of the people are strongly disagree, 19 percent disagree, 13 percent neither disagree not agree, 27 percent agree and 28 percent strongly agree with the statements. The overall response recorded in the section III can be viewed in the following chart.



In the same manner the responses of the section IV are calculated and it is found that for all the five questions of the section IV, there were 174 responses received as strongly disagree, 181 as disagree, 236 as neither agree not disagree, 201 as agree and 208 as strongly disagree. In this way the results of the section IV revealed that there are 17 percent people who are strongly disagree with the statements presented in the section IV, 18 percent are disagree, 24 percent neither agree not disagree, 20 percent are agree and 21 percent are strongly agree. The data calculated for the questions of the section IV can be viewed in the following chart:

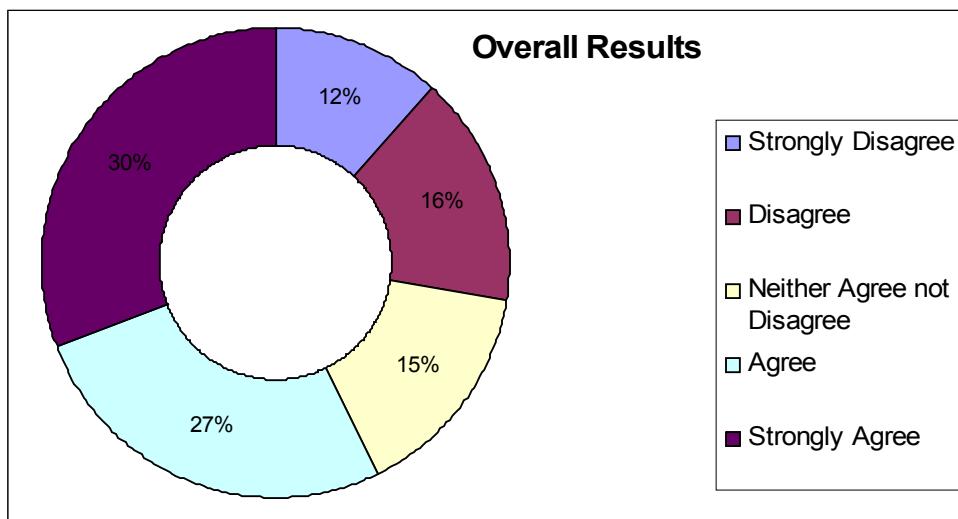


The fifth and the last section of the questionnaire informed that for all the five questions asked in the section V, there are total 74 responses received as strongly disagree, 107 were disagree, 162 neither agree nor disagree, 327 were agree and 330 were strongly disagree. Hence the calculations revealed that there are 7 percent people who are strongly disagree with the statements presented in the section V, 11 percent are disagree 16 percent are neither agree nor disagree. There are 33 percent people who are agree with the statements of section V and 33 percent are strongly disagree. The data calculated for the questions of the section V can be viewed in the following chart:

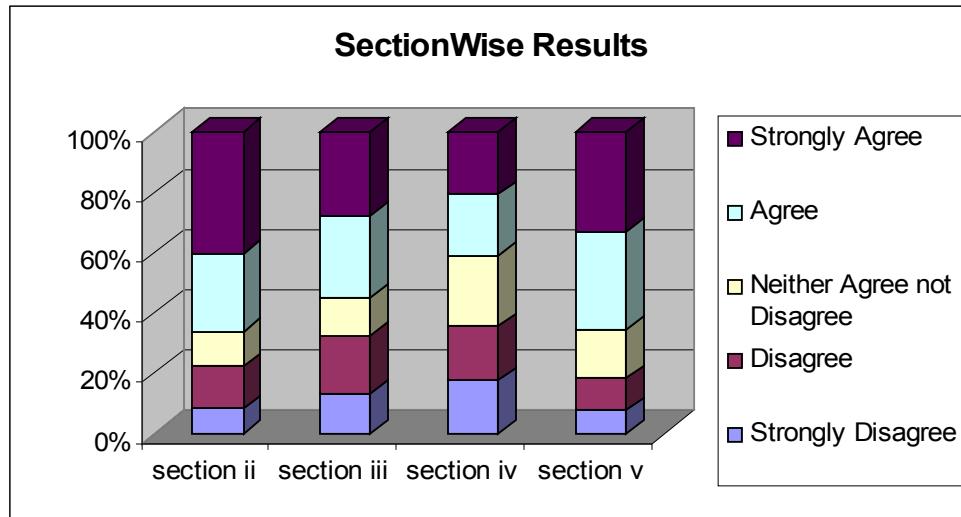


The results of the sections are also combined together to calculate the overall results of the survey and it is found there are total 26 statements [presented in front of the respondents through four different sections and on these 26 statements 200 respondents expressed their opinions. There are total 600 comments received as strongly disagree, 833 as disagree, 785 as neither agree nor disagree, 1378 as agree and 1604 comments are recorded for agree. Hence it is revealed from the combined results of the survey that there are 12 percent people who are strongly disagree with the overall usage and positive impact of Internet Marketing on their businesses, 16 percent are disagree, 15 percent are neither agree nor disagree, 27 percent are agree and 30 percent are strongly agree with all the statements that reflects the increased implementation of Internet Marketing in the businesses and their strong impacts on the business performance.

The combined results of the survey can be viewed in the following chart.



Moreover the results are also collected for all the sections in order to get a picture that what is the overall response of the people against the statements of different sections. It is revealed that in all of the categories the ratio of agree and strongly agree is greater than that of disagree and strongly disagree. This could be witnessed in the following chart and table.



Section	Strongly Disagree	Disagree	Neither Agree Not Disagree	Agree	Strongly Agree
Section II	115	196	162	361	566
Section III	237	349	225	489	500
Section IV	174	181	236	201	208
Section V	74	107	162	327	330
Total	600	833	785	1378	1604

In this way the results are calculated for each section separately and combined as well.

The graphical representation is also provided in order to give a clear picture of the results of the survey data that will be used for the analysis and to search the results of research questions and hypotheses.

4.3 Analysis and Interpretation of Primary Data

The findings of the survey through light on the research questions and unfold many aspects related to the issue. It is revealed from the results of the survey that over all the businesses of Dubai are agree with the growing importance of internet for the businesses and they are also on their way to implement Internet Marketing in their organizations for obtaining their marketing objectives. The statements of the questionnaire were all constructed in the positive form so receiving more results for agree and strongly agree revealed that there is general acceptance about the Internet Marketing impacts on the businesses. Moreover different sections of the survey questionnaire were concerned with different issue so the results also found about the trends related with these issues.

The analysis of the section II shows that the business representatives of Dubai believe that over the last few years there is not only rise in the overall usage of internet in the city but the business organizations have also increased internet usage for marketing purpose and there are significant impact of Internet Marketing on their businesses. The statements presented in the section II were all focused on internet usage trends for marketing purpose and its positive impact on the performance of the business and as it is found that there are 40 percent people who are strongly agreed and 26 percent are agree with these statements. It means that it is confirm that not only the business organizations have raised the usage of internet for marketing purpose but they are also enjoying the positive benefits of this advanced marketing tool. There are just 8 percent and 14 percent people who are strongly disagree and disagree with the given statements that donates that now there are little number of people who are left behind in adopting and recognizing the importance of Internet Marketing for gaining profitability and sound performance of their businesses.

The analysis of section III shows that many of the business representatives have accepted the role of Internet Marketing for conducting the consumer behavior research and they believe that internet is an effective medium for conducting the consumer behavior research. Not only the business organizations are interested in Internet Marketing for doing the consumer research but these organizations have observed higher level of public interest towards the polls and survey done through internet as compared with the polls and survey done via telephone, air mail or interviews.

The business representatives also confirmed the impact of that consumer research on their business policy and accepted that there are positive and significant impact of consumer research done through internet on the policies of the organizations and their outcomes. It is revealed that there are 28 and 27 percent people who are strongly agree and agree with the use of Internet Marketing for the consumer research and the positive impact of that consumer research on the performance of the businesses. On the other hand there are 13 percent and 19 percent people who still strongly disagree and disagree with the utilization of Internet Marketing for consumer research and did not see any significant impact of consumer research done via internet on the performance of the business organizations.

Its means that there are still considerable number of business professionals in Dubai who are not fully aware of the potential impact of Internet Marketing and its usage for conducting effective consumer research. In this regard it is very necessary that there should be increased awareness in the business representatives of the firms operating in Dubai about the potential impact of Internet Marketing so that they can also adopt Internet Marketing as crucial tool of marketing and can enjoy the benefits of internet marketing as well, in form of better relationship with the consumers, rise in profitability etc.

The analysis of the section IV shows that there is mixed opinions about the impact of Internet Marketing and consumer research on the pricing policy of the organizations. The section IV was comprised of the statements that reflects the positive and strong impact of consumer research on the price policy of the companies and there is no high rated response recorded that can show that big majority is agree with the given statements. As shown in the results there are 21 percent people who are strongly agree and 20 percent who are agree with the leading role of consumer research in defining the pricing policy of the business and at the same time there are 17 percent people who strongly disagree and 18 percent disagree with the role of internet marketing and consumer research in the price policy.

This mixed opinion denotes that the business organizations of Dubai have still long way to recognize the importance of Internet Marketing and consumer research in deciding the price of the products. At the same time the respondents also have not observed strong positive impact of internet marketing in terms of improved price policy and attraction of public because they have not identified and adopted Internet Marketing as a tool for deciding the price policy that's why the impact of Internet Marketing on the pricing policies of the business organizations is also limited.

The fifth and the last section of the questionnaire was consists of the statements that show that internet marketing play vital role in the product development policies of the organizations. The responses of the people in this section confirms that the business organizations operating in Dubai have accepted the role of Internet Marketing for deciding the policy to develop new products and they also find it beneficial to make the product development policies in the light of consumer research done through internet because such policies have resulted in increased public interest and the overall sales and performance of the organizations is also increased due to the

use of internet marketing for consumer research and the use of that consumer research for deciding the product development policy.

There is considerable percentage of respondents (33 percent each) that are strongly agree and agree with the statements that speak about the leading role of internet marketing in defining the product development policies of the companies. But at the same time there are still 7 percent and 11 percent people who have to yet truly identify the importance of internet marketing for conducting consumer research to get the benefits of the technology. Hence there is need of demonstrating the competitive advantages of internet marketing to the business representatives of Dubai so that they can do better with it.

5. Discussion of Arising Issues

5.1 Answering the Research Questions

The study was conducted with the aim to finding the answers to the research questions that are decided and identified in the methodology part. After calculating and analyzing the results of the study now become possible to find out the answers of the research questions. The first research question of the study is to find out that “How much of the firm’s customer research is being carried out using Internet marketing?” in order to find the answer of this question the section III of the questionnaire was constructed comprising of the questions that can unfold the practice of consumer research conducted by the companies through internet.

The data gathered from the section III clearly indicated that there are considerable number of representatives of the business organizations that have accepted the use of internet for consumer research and have also agreed with other statements that show their company’s inclination towards internet marketing to conduct consumer research and many of the respondents have also witnessed the positive impact of the consumer research on the consumer relations with the customers and in getting better understanding of the consumers needs and demands. In this way the first question of the research gets the answer that the business organizations of Dubai are using internet for consumer research and there is large proportion of companies that are involved in this activities ($28\% + 27\% = 55\%$).

These organizations are not only conducting consumer research via internet but also getting favourable response from the consumers through feed back and increase attention of people towards their company. At the same time it is also revealed that doing consumer research through internet is a convenient process because the companies generally get favourable and impulsive response from the people that contact only for taking a part in the research because it

takes less time. Due to all these reasons the business organizations of Dubai are concentrating towards the use of internet marketing for conducting the consumer research.

The second research question was “Has the above research resulted in improved product development?” In order to collect the opinion of the businesses representatives regarding this matter the section V of the questionnaire was consisting of all the statements that reflect the important role of consumer research in product development policy. It is revealed from the results of the section V of the survey that the product development policy of the companies is much affected by the consumer research and many of the business organizations (33% + 33% =66%) believe that the consumer research done through internet give them guiding principle to formulate the product development policy and these organizations always consider the results of the consumer research before designing the new product development.

It is also found that there are still some business representative (7% + 11% = 18) who are not paying attention towards consumer research in the process of formulating the product development policy and in this situation it is necessary that more awareness should be created among the organizations so that they can use consumer research in product development process and can enjoy several benefits that are associated with successful product development policy. These benefits are confirmed from the survey results when many of the respondents agreed that product policy based on the consumer research is much more appreciated by the people because the consumer research enables us to get better understanding of the consumer need and the companies also get the idea that what are the expectations of the people from the company and what the company has to do in order to meet the requirements of the consumers.

The third research question was “Are the above research results being utilised in determining the price of the firm’s products? To get the answer of this question the section IV of

the questionnaire was constructed so that the respondents can inform about their level of agreement with the statements showing the use of internet marketing and consumer research for the price policy. The results of this section show that there are many people who believe that consumer research play a part in determining the price policy but there are still considerable number of people who are not agreed to given statements. There are mixed type of results obtained from this section and it is revealed that there are just 41 percent (21% + 20%) of the respondents who are agreed with the role of consumer research in determining the price but there is considerable number of people (17% + 18%) who believe that the price policy of their company is not much influenced with the consumer research and they also believe that on the basis of the consumer research there will be little differences made in the price policy of their company.

The fourth and the last question of the research are to find out the evidence that the consumer research has resulted in the improved profit of the organization. This research question is answered keeping in view the overall results of the research and it is revealed that there are many of the respondents who believe that the consumer research has benefited their organization in term of better profitability.

In this way all of the research questions are answered with the help of the data gathered through the survey. There are overall positive responses towards the internet marketing usage but many of the respondents refuse that the price policy of their company is determined by the consumer research but they believe that consumer research play vital role in defining the product development policy of the companies.

5.2 Hypotheses Testing

The study was aimed at testing the three hypotheses with the help of the results gathered from the study. After getting the results of the study now it becomes possible to test these hypotheses. The first research hypothesis is “Using Internet marketing to understand consumers’ needs and wants leads to improved product development”. This hypothesis is not only proved to be correct from the results of the primary source – survey but the secondary sources also confirms that consumer research is an effective tools that can make improvement in the product development policy of a company. In the survey the representatives of the companies operating in Dubai also point out that consider the consumer research while designing their product development policy and as a result there is increase in the people attention towards their product and they get favourable public response at the launch of the product because the consumer research allow them to get better understanding of the consumers needs and expectations. Hence the first hypothesis of the study is tested and verified by the results of the study.

The second research hypothesis of the research is “Using Internet marketing to understand consumers’ needs and wants improves the firm’s pricing strategy”. This hypothesis is also verified by the secondary as well as primary sources and the review of the secondary data also shows that the price policy of the companies could become better as a result of the consumer research. However as far as the business originations of Dubai are concerned they are not completely making use if consumer research to determine their price policy and there are many businesses that are not depending on the consumer research to determine their price policy. However the firms that are using consumer research have witnessed that more people are attracted towards their product when they design price policy keeping in view the research done on the behaviours of the consumers. In this way the second hypothesis of the research is also

tested and it is found that it is also correct that the consumer research conducted through internet can improve the price policy of a company.

The third hypothesis of the research is “Using Internet marketing to understand consumers’ needs and wants improves the firm’s profits”. Like the above two hypotheses this one is also approved by the secondary and primary sources. There are several researches that have highlighted the importance of internet based consumer research and proved that by relying on the consumer research a company can add to the profitability. The survey results also confirm that many of the business organizations of Dubai have witnessed improvement in their profit rates after adopting internet to conduct the consumer research. In this way the third research hypothesis is also tested and approved by the findings of the study.

5.3. Analysis and Discussion

The study explores different aspects of internet marketing and its impact on the businesses of Dubai with the help of literature review and statistical survey among the 200 companies operating in UAE. The results of the study show that internet marketing is effective tools for the businesses and in order to survive in the highly competitive market place now the companies are necessarily required adopting internet marketing. as far as the businesses of Dubai are concerned it is revealed they are right on their way to identify and adopt the Internet Marketing as an important business tool however there are still some organizations that are not accepting the significance of Internet Marketing and there is great possibility that in these companies will left behind by their competitors because it is crucial for the business organizations that they keep them update with the changes occurring in the technological world.

The study also confirms that Internet Marketing adds to the profitability of the organizations. The consumer research conducted through internet act as an important tool for the companies in formulating the price policy and the product development policy and the effective design of these policies ensures the high profitability to the companies. the business organizations of Dubai have recognize the importance of consumer research through internet marketing however they are not making full use of this tool in designing the price policy and there is great requirement that the businesses managers of the organizations review their polices and give first preference to the consumer research while formulating the price policy because in this way they can get favourable public response and due to high sales the profit of the organization will also increase.

6. Conclusion

This dissertation is based on a mixed methodological approach and completed by utilizing the quantitative and qualitative research methods. In this regards the secondary analysis of data is conducts along with the statistical survey and finally the dissertation come up with the answers of the research questions. The research was based on finding out the adopting of Internet Marketing by the business organizations of Dubai and its impact on the businesses. It is revealed that Internet Marketing is gaining popularity among the business organizations of Dubai and as a result these organizations are also enjoying several benefits associated with the adopting of Internet Marketing like better understanding of the consumer demands and expectation, effective price and product development policy.

Works Cited

Adam, S., Mulye, R., Deans, K. & Palihawadana, D. (2002), E-marketing in perspective: A three country comparison of business use of the Internet. *Marketing Intelligence & Planning*, 20 (4): 243 - 251.

Ashworth, Laurence and Clinton Free (2006), Marketing Dataveillance and Digital Privacy: Using Theories of Justice to Understand Consumers' Online Privacy Concerns, *Journal of Business Ethics*, Vol. 67:107–123.

Abramson, J.J. and Abramson, Z.H. 1999. "Survey Methods in Community Medicine: Epidemiological Research, Programme Evaluation, Clinical Trials" (5th edition). London: Churchill Livingstone.

Bui, Jones, (2006) An Exploratory Case Study E-Marketing in Ho Chi Minh City, *Thunderbird International Business Review*, 48(3) 369–388..

Collins, C., Buhalis, D. & Peters, M. (2003) Enhancing SMTE's business performance through the Internet and e-learning platforms, *Education + Training*, 45 (8/9): 483 - 494

Chaston, I. & Mangles, T. (2003) Relationship marketing in online business-to-business markets: A pilot investigation of small UK manufacturing firms, *European Journal of Marketing*, 37 (5/6): 753 – 773

Christopher Smith (2005) Internet Marketing - Advantages and Disadvantages
<http://searchwarp.com/swa15718.htm>

Darby, R., Jones, J. & Al Madani, G. (2003), E-commerce marketing: fad or fiction? Management competency in mastering emerging technology, An international case analysis in the UAE. *Logistics Information Management*, 16 (2): 106 - 113.

Dave Chaffey (2007) Advantages and Disadvantages of Email Marketing, Dave Chaffey's Internet marketing & E-marketing Blog 2007
<http://www.davechaffey.com/presentations>

Day, G S and Schoemaker, P J (2001), Wharton on Managing Emerging Technologies, Wiley, New York, NY

Fillis, I., Johannson, U. & Wagner, B. (2004) Factors impacting on e-business adoption and development in the smaller firm, *International Journal of Entrepreneurial Behaviour &, 10* (3): 178 – 191

Gatticker, U., Perlusz, S. And Bohmann, K. (2000), using the Internet for B to B activities: A review and future direction for research, *Internet Research: Electronic Networking Applications and Policy*, 10 (2): 126 – 140.

Kokkinaki, F. And Ambler, T. (1999)), "Marketing performance assessment: an exploratory investigation into current practice and the role of firm orientation", working paper No. 99-114, Marketing Science Institute, Cambridge, MA.

Lisa E. Rosenthal Information Technology in the UAE, 2001
<http://www.american.edu/carmel/lr2962a/internet.html>

Liang, T. And Hung, J. (1998), An empirical study on consumer acceptance of products in electronic markets: A transaction cost model, *Decision Support Systems*, 24: 63 – 74.

Levy, Steven (1996), Breathing Is Also Addictive, *Newsweek*, December 30, pp. 52-53.
Komenar M (1997), *Electronic Marketing*, John Wiley & Sons, New York, NY.

Mahajan, Vijay and Jerry Wind (1989), Market Discontinuities and Strategic Planning: A Research Agenda, *Technological Forecasting and Social Change*, Vol. 36: 185-199. Massey,

O'Connor and Krotki (1997), Response Rates in Random Digit Dialing (RDD) Telephone Surveys, *Proceedings of the Survey Research Methods Section of the American Statistical Association*.

Peterson, A Robert, Sridhar Balasubramanian and Bart J Bronnenberg (1997), Exploring the implications of the Internet for consumer marketing, *Academy of Marketing Science. Journal*, vol. 25 (4): 329-341.

Peterson, A Robert, Sridhar Balasubramanian and Bart J Bronnenberg (1997), Exploring the implications of the Internet for consumer marketing, *Academy of Marketing Science. Journal*, vol. 25 (4): 329-341.

Roger Darby, James Jones, Ghada Al Madani (2003), E-commerce marketing: fad or fiction? Management competency in mastering emerging technology: An international case analysis in the UAE, *Logistics Information Management*, Vol 16(2), p 106 – 113, MCB UP Ltd, ISSN: 0957-6053

SMITH, P.R. And CHAFFEY, D. (2005), *e-Marketing excellence: at the heart of e-Business*. Butterworth Heinemann, Oxford, UK, 2nd edition

Sudha Chandran, Yousef Khalili (2001), Dubai e-Government emphasizes use of electronic means of communication
<http://www.ameinfo.com/2064.html>

Safura Rahimi, 2007, e-commerce spend hits \$1.5 billions in UAE
<http://www.ameinfo.com/69481.html>

Tassabehji, Rola (2000), E-Commerce in Dubai: Realities and Impediments, *Electronic Markets*, vol. 10 (1/2): 144-145.

Tanur, J.M. Advances in methods for large-scale surveys and experiments, in R. Mcadams, N.J. Smelser, & D.J. Treiman (eds.), Behavioral and Social Science Research: A National Resource, Part II. Washington, D.C.:National Academy Press. 1982.

UAE Government website
<http://www.uae.gov.ae/Government/telecomm.htm>

Varadarajan, P Rajan and Manjit S Yadav (2002), Marketing Strategy and the Internet: An Organizing Framework, Academy of Marketing Science. Journal, Vol. 30 (4): 296-311.

Wang, Huaiqing, Matthew K O Lee And Chen Wang (1998), Consumer Privacy Concerns about Internet Marketing, Communications Of The ACM, vol. 41 (3):63-70.

Watson, Richard T, George M Zinkhan and Leyland F. Pitt (2000), Integrated Internet Marketing, Communications Of The ACM, vol. 43 (6): 97-102.

Watson, Richard T, Leyland F Pitt, Pierre Berthon, George M Zinkhan (2002), U-commerce: Expanding the universe of marketing, Academy of Marketing Science. Journal, vol. 30 (4): 333-348.

World IT Report, Broadband Internet usage in the UAE to grow, ProQuest Information and Learning Company, Aug 18, 2003

Wientzen, H.R. (2000), "What is the Internet's impact on direct marketing today and tomorrow?", Journal of Interactive Marketing, 14 (3):74-8.