

E-BUSINESS MARKETING PROSPECTS IN EMERGING MARKETS: CHALLENGES AND OPPORTUNITIES

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Abstract

Emerging markets are becoming more and more active economic actors in the world. Electronic business applications are becoming more attractive in emerging markets with the acceleration of digital advances. However, the factors that will make e-business activities successful differ for each emerging market. Consumers in emerging markets also have different spending habits, and expectations from businesses may vary. In this context, in this research, the success conditions in marketing activities in e-businesses in the emerging market Pakistan will be examined within the framework of a case study. Data was collected by doing an online interview with an e-business entrepreneur who operates in the food and beverage industry. Results reveal valuable clues regarding the operations of e-business in an emerging market. The findings of the study will also benefit the understanding of the behavior of crowded and consumption-oriented emerging market consumers.

Keywords: E-Business, Emerging Markets, E-Commerce, Food and Beverages Industry, Consumer Behavior.

JEL CODE: M31, M21, O11, O12

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Introduction

Emerging markets are becoming more and more active economic actors in the world. Many policies are implemented to increase the level of development in these countries, and they are trying to be stronger in the global economy. On the other hand, electronic business applications are becoming attractive not only in developed countries but also in emerging economies with the acceleration of digital advances. On the other hand, the factors that will make e-business activities successful differ for each emerging market transforming from developing countries to developed countries. Moreover, consumers in emerging markets also have different demands and expectations from businesses. Therefore, it is not sufficient for the country to provide the necessary infrastructure for the realization of e-business applications for successful operation in the emerging market. At the same time, consumer needs, wants, and expectations should be investigated in detail, and marketing activities should be adopted for this purpose.

IBM first used the term electronic business in 1996 as part of its marketing campaigns. Turban et al. (2017) define e-business as “a broader definition of e-commerce, which is not just the buying and selling of goods and services, but also serving customers, cooperating with a business partner, and conducting electronic transactions with a company.” It is defined as the transformation of core business processes through the use of the Internet. Some existing literature uses e-commerce and e-business interchangeably (Wynn and Olayinka, 2021).

Few studies examine critical success factors for e-business (Kabirlyants et al., 2021). However, the success factors expressed here are of great importance for the survival of the e-business by ensuring customer satisfaction in emerging markets. In this context, Huff et al. (2000) cite some of these success factors as convenience, mediation, price, flexibility, obtaining and using the right technologies, managing critical perceptions, providing exceptional customer service, connecting effectively, and comprehensively understanding the prevailing Internet culture.

Existing literature mainly focuses on the BRICS countries. In addition, examples of e-businesses mostly focus on developed countries. However, evaluating electronic business examples of other emerging countries, which have

become more critical in the current conjuncture, will enrich the literature. The findings obtained in the study will also benefit the understanding of the behavior of crowded and consumption-oriented emerging market consumers for all world businesses.

Emerging Markets

Since Anthony van Agtmael has first called the term emerging markets in 1981, emerging markets have taken a long way. The Economist (2017) defines emerging markets as the 'ones that are not too rich, not too poor and not too closed foreign capital.' Today they have a significant effect on the global economy. For example, among the world's top ten exporters in 2020, China as the leader exporter globally- Hong Kong and South Korea were the three emerging markets (UNCTAD, 2021). According to the IMF-WEO 2021 projections emerging markets and developing countries' growth rate in GDP is expected to be 5.2%. In comparison, advanced economies' growth rate is projected as 4.4% (IMF, World Economic Outlook, 2021). Twenty emerging market countries account for 34 percent of the world's nominal GDP in US dollars and 46 percent in purchasing-power-parity terms (Duttagupta and Pazarbasioğlu, 2021).

Cavusgil et al. (2021) define emerging markets as the 'emerging markets are those undergoing economic transformations through rapid growth and industrialization and list their four characteristics as follows (p.23):

- They have begun an economic reform process aimed at alleviating impediments to growth
- Maintained steady growth in the gross national product (GNP) per capita
- Displayed a rising proportion of middle-class households
- Increased integration in the global economy.

There are numerous emerging markets lists from different organizations. For example, Goldman Sachs, International Monetary Fund (IMF), The Economist presents lists of emerging market countries. In addition, Morgan Stanley Capital Index-MSCI listed 27 countries that now have vital importance in the global economy, such as China, India, Brazil, Russia, and South Korea (MSCI, 2021). According to the November 2021 MSCI Emerging Markets Index report, emerging market countries include Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey, and United Arab Emirates.

The FTSE classifies emerging markets as advanced and secondary emerging markets. Brazil, Czech Republic, Greece, Hungary, Malaysia, Mexico, Taiwan, South Africa, Thailand, and Turkey are advanced emerging markets. Secondary emerging markets include Chile, China, Colombia, Egypt, India, Indonesia, Kuwait, Pakistan, Philippines, Qatar, Romania, Russia, Saudi Arabia, UEA (FTSE Russell, 2021).

Table 1: List of Emerging Markets

Emerging Markets				
Argentina	Egypt	Kuwait	Poland	Thailand
Brazil	Greece	Malaysia	Qatar	Turkey
Chile	Hungary	Mexico	Russia	United Arab Emirates
China	India	Pakistan	Saudi Arabia	
Colombia	Indonesia	Peru	South Africa	
Czech Republic	Korea	Philippines	Taiwan	

Source: Morgan Stanley Capital Index-MSCI- Emerging Markets, 2021.

E-Business

Business structure has undergone significant changes with the advances in technology. The Internet has emerged as an important alternative channel for distributing goods and services. Electronic business (e-business) is a new and fast-developing way of doing business and managing relationships between customers and partners, including using both existing and emerging technologies (Kabirlyants et al., 2021). The e-business concept has been defined by many scholars in the literature (Chaffey, 2014; Hunt and Barnes, 2001; Turban et al., 2017). Kabirlyants et al. (2021) defined e-business as conducting business using the Internet and computerized technology. E-business was also described as the integration of applications, such as enterprise resource planning (ERP), electronic customer relationship management (e-CRM), to work together and help manage, organize, direct, and transform information (Shehata and Montash, 2020). Although e-commerce and e-business are used interchangeably in some existing literature, the distinct difference between e-commerce and e-business is also discussed in the literature (Shehata and Montash, 2020; Wynn and Olayinka, 2021). E-business is considered a broader concept than e-commerce. While e-commerce is the process of buying and selling goods and services or information through computer networks, e-business also encompasses servicing customers, conducting electronic transactions with the companies, and cooperating with suppliers and business partners (Shehata and Montash, 2020; Wynn and Olayinka, 2021).

E-business implementation provides several benefits to the businesses, such as customer engagement, promoting innovation, achieving differentiation, and improving organizational agility, thus increasing sales, market share, and profitability. Information technology adoption may bring opportunities to gain competitive advantages, reduce costs, and meet the changing market demand (Lin et al., 2020). On the other hand, e-business barriers and requirements are also emphasized in the literature. The complexity of the implementation of the e-business, potentially substantial changes in the business process, considerable financial investments, need for multifaceted software, and data storage capacity and network bandwidth capacity are some of the barriers and requirements to implementation of e-business (Kabirlyants et al., 2021; Shehata and Montash, 2020).

E-Business in Emerging Markets

A great body of literature on e-business focuses on advanced countries (e.g., Amit and Zott, 2001; Wu et al., 2003; Phan, 2003; Fillis and Wagner, 2005; Oliveira and Martins, 2010; Cherif and Grant, 2014; McElheran, 2015). However, some other studies mainly discussed e-business in BRICS (e.g. Fey, et al., 2006; Raven, et al., 2007; Borges, et al., 2009; Wu, et al. 2011; Novaes Zilber and de Araújo, 2012; Barhatov, et al., 2018; Kabirlyants, et al., 2021). In this sense, other emerging markets are understudied by academicians. Thus, following the research gap, this study presents a case from Pakistan.

Doing business report on 2020 indicated that the economies with the most remarkable improvement in 2020 are Saudi Arabia, Jordan, Togo, Bahrain, Tajikistan, Pakistan, Kuwait, China, India, and Nigeria (World Bank, 2021 a). In 2018/19, these countries implemented one-fifth of all the reforms recorded worldwide. In general, Pakistan ranks 108 in the ease of doing business index and ranks 72 in starting a business among 190 countries (World Bank, 2021 b).

E-business can be used as a means to build up brand awareness, promote offers, provide information and opportunity to interact and engage with customers (Bakeman & Hanson, 2012). Hadjimanolis (1999) focused on e-business in developing countries. This study suggests that e-business applications lead to significant savings in costs of not only marketing and advertising but also production processes and delivery of goods and services (Ejeh and Omede, 2020).

E-business success depends on various factors (Grant and Cherif, 2013):

---The economic environment, market and industry conditions, and the internal and external factors are affecting organizations.

---Internal and external factors influence the need for business model change. Internal functions include product/service innovation, performance, and the availability of resources.

---External factors include new entrants, competitors, customer preferences, customer segments, technology, regulatory/legal, and the business environment. For example, when customer preferences for goods and services change, they force changes to the customer value proposition and the e-business model.

Gregerio et al. (2005) focused on e-business activities in emerging markets. They claim that drivers of the number of e-business Internet sites in a given country can be said as its ICT infrastructure, human capital, logistics/fulfillment infrastructure, historical conditions, regional differences, and entrepreneurial activity. Another important finding of this research is that Asian emerging markets (including China, India, Malaysia, Korea, Pakistan, Indonesia) are ahead of Eastern European emerging markets.

Although it is well discussed in the literature that e-business operations in developed countries, few studies have quantified, particularly in an emerging market; thus, still little is known about the operations and e-business pros and cons in practice in an emerging market context. Hence, the present study contributes relevant literature by providing insights from an Asian emerging market case.

Doing e-business in emerging markets has various challenges as well as the opportunities it offers. Current challenges are mainly related to technological factors and customer trust. Several challenges to e-business are customer reluctance, IT Skills shortage, lack of regulatory security framework, lack of effective electronic data management, and lack of public infrastructure, such as internet access (Wynn and Olayinka, 2021; Shehata and Montash, 2021). In addition, customer trust appears to be a major challenge as many customers are reluctant to engage in online exchanges due to the uncertainties, including information privacy and security concerns (Shehata and Montash, 2021). Hence depending on the given discussion research question is set as follows:

RQ: What are the current challenges and opportunities for e-businesses in merging markets particularly regarding the marketing aspects?

Methodology

The aim of the research is to determine the success factors of the marketing activities of electronic businesses in Pakistan, which is an emerging market. In addition, the secondary aim of the research is to reach the findings that will help illuminate the opportunities and difficulties in consumer satisfaction and expectations in electronic businesses in emerging markets.

The case study method is adopted in the research. Case study “investigates a contemporary phenomenon within its real-life context and addresses a situation in which the boundaries between phenomenon and context are not clearly evident” (Yin, 1993:59; Meyer, 2001:331). Case studies can involve single or multiple cases. Single cases limitations are related to generalizability and biases in information-processing (Eisenhardt 1989; Meyer, 2001:332). The main feature of the case study, which is a type of field research, is to examine in detail a single event, a business, an organization, or even a person or country. Monographs of a company or a political party, researches such as anthropological issues are also included in this group (Arıkan, 2013). A case study can also be defined as a detailed study of one or a small number of related individuals. Information about a person, group, or institution is obtained with the detailed inquiry. Thus, it is tried to determine the factors that explain the current situation of the individual studied and the relationships between these factors. In this way, answers to “what,” “why,” and “how” questions regarding the individual subject to the research are obtained (Deveci and Deveci, 2018).

Among case study methods this study adopts practice oriented case study methodology. A review on case studies in business research demonstrates that most of the reasearch adopts practice oriented case study method. Case selection in descriptive practice oriented research is also limited to either the practice to which the research is directed or the area of similar practice from which something can be learned. Confirming or rejecting a hypothesis in an practice-oriented study certainly tells whether the hypothesis is true for that practice (if the test is done in a case or cases from that application) or very similar situations (if any). The test is done in a case or cases very similar to the practice situation to which the study is directed (Dul and Huk, 2008).

A qualitative approach is being adopted in this case study, and an interview is used as a data collection tool. Data was collected by the researcher via an internet-based application that allows audio and video recording of the online conversation. In addition, content analysis was used to analyze the data.

In the research, the questions to be directed in the in-depth interview were determined based on the literature in the fields of emerging markets, electronic business, and consumer behavior. The interview lasted one hour. Before proceeding with the study, written approval was obtained from Aksaray University Human Research Ethics Board (Date: 26.08.2021, No. 2021/06-20).

Results

In this case study presentation of the results starts with the characteristics of the interviewee and then examine the interview on Yum Foods.

1. Characteristics of the Interviewee

The socio-demographic characteristics of the interviewee can be seen in Table 2.

Table 2. Characteristics of the Interviewee

Characteristics	Interviewee
Gender	Male
Age	25
Education	Master's Degree
Work experience	5 years

2. E Bussiness Case: Yum Foods

- *Can you briefly tell the story of the establishment of your business?*

I started this business in 2019 October. It was a Sweets Business. I hired a Chef who can make these sweets, made video ads of the sweets, most of the videos were customer reviews, and posted those videos on social media and started advertising. The Ad method was PPC. There were some drawbacks in this business model which I did not know before; hence I learned during the process.

- *Was your business in the electronic business category from the first time it was founded? Or was it established as a physical store first?*

I did not have any physical stores, it was such a product that people would buy it online too, but if they know that you have a physical store, they will be more comfortable to buy. Also, sweets are a thing people buy to gift to family and friends; I thought nobody preferred a relatively new sweet product that does not even have a brand presence to gift to others.

- *Can you provide information about your competitors in the sector you operated in?*

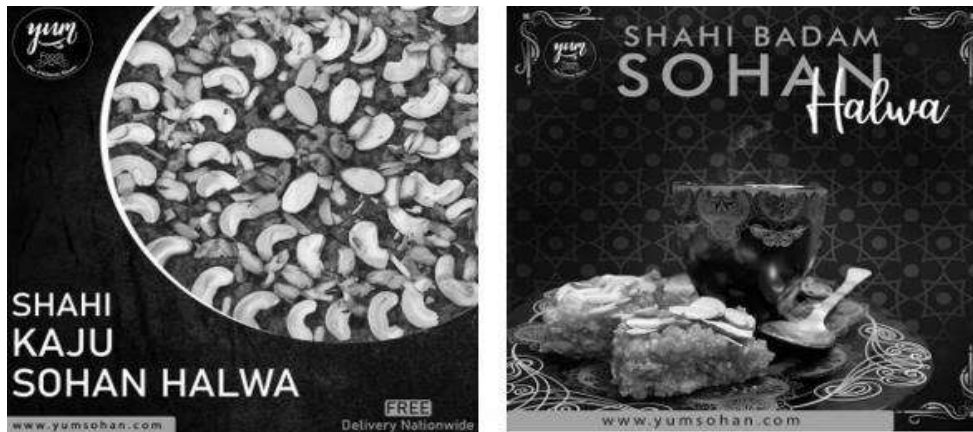
I had three big competitors already established. They had their physical stores all around Pakistan. They were doing e-commerce of their products as well. They had an established name. Prices were very reasonable. I offered very slightly high prices. We could not compete with their Biggest Economies of Scale, their purchase power and their high budget marketing (PPC).

- *What do you think are the advantages of e-business?*

Pros of ebusiness... As we know, in the traditional business we have high investments. In e-business, we can start as low as 100 dollars only, so low investment to start. You do not need a high budget, a whole factory, an office,

or anything. You can just start from your own laptop or mobile, so no high investments, but costly operations in the traditional business. E-business is cost-effective. You do not need to hire many people to do the job. You can just do the job. Single handle in starting so you do not need office expense, all operation expense. Inventory all that you do not need to do that.

Figure 1. Some examples of sweets of Yum Foods



*With the permission of the authorities of Yum Foods

- *Can you evaluate the electronic business activities in Pakistan? Are there any challenges?*

Specifically, in Pakistan, the case is a bit complex about e-commerce. This is because the challenges that e-business have to face are a bit different from elsewhere in the world.

Since e-commerce came a bit late in Pakistan and is still at its initial stages, there are many fraudulent players in the Pakistani E-Commerce Market. Their target is to deceive the customers one at a time. They market a good product, people order it, they send trash instead. For example, a Dress Shirt is sold online, but it would be a dirty old cloth when one receives it.

The government is not doing a lot to catch and stop these fraudulent businesses; hence there is a very severe fear in customers' subconscious that they could be affected by online fraud.

Moreover, as E-Commerce does not offer the leisure of touch and feel before purchase, this is also a big hurdle right now. Some businesses are going above and beyond to rectify this concern, and they are offering Simple Mobile Camera Videos of the product and Honest Reviews of Customer before purchase.

One more challenge for E-Commerce Businesses is almost 95% population, among the ones who are willing to purchase online, do not want to pay online. Meaning there needs to be a substitute payment system because people will not pay in advance to the E-Commerce Shops. Therefore, the Cash on Delivery (COD) method is implemented almost all over Pakistan in E-Commerce. However, deliveries through Courier companies are expensive when the courier company has to deliver your product, collect cash, and deposit it in your Bank account. As a result, E-Commerce stores have to pay an extra price to cope up with customer requirements.

One more problem that exists because of no advance payments is higher return ratios. I have lived abroad as well and have studied different E-Commerce stores models; there are less than 3% returns of orders abroad, that too for valid reasons. For example, someone ordered shoes in Turkey, got a smaller size than ordered, so the customer will return or exchange them. Or, if someone does not like the product, they will try to return and get a refund. However, in Pakistan, there are various types of returns that add to the pool of increasing Return Ratios.

- Return Type 1; when the customer order was fake.

- Return Type 2; when the customer refuses to receive the parcel.
- Return Type 3; when the customer demands from the delivery man to open the consignment, he will pay (Opening of the consignment is not allowed by courier companies).
- Return Type 4; when the customer's address is un-traceable.

One more challenge for E-Commerce Businesses is that the houses are not numbered specifically in rural areas. According to the 2019 census report, nearly 61 percent of Pakistan's population lives in rural areas (Pakistan Bureau of Statistics, 2019). So when an order is dispatched to such areas where there is no house number, delivering the product to the right house is quite challenging; therefore, this issue also pitches in increasing Return Ratio.

Last but not least, since E-Commerce Business is easy to start, therefore, anybody can start. This means you get a constantly increasing number of competitors in the field. When you have two competitors starting a typical business, you will probably have two more in the next two years. However, if you have two competitors in the online world, there is a great possibility that you will have ten more in the next two years. This accelerating number of competitors pushes E-Commerce Players to think innovatively all the time to maintain and increase their online presence.

- *What do you think are the opportunities for electronic businesses in Pakistan and other emerging markets?*

In Pakistan, since E-Commerce is still a new concept, there are a lot of opportunities for E-Commerce Businesses. Ones who are already doing it or the ones who are planning to do it, both have their advantages in the sector.

As compared to traditional ones, E-Commerce businesses require significantly less amount to start with. The initial capital, which people put as Investments, takes around 2 to 3 years to recover in traditional businesses, whereas in E-Commerce, the amount required is very low. I will give an example here; I studied that to open up a Physical Store of Shoes in a Big City in Pakistan, you need 30,000 Shoes to start with. Then the expense on the Shop Building, its interior, exterior, designing, hiring of loads of staff who will sell all this. On the other hand, I opened up my Online Shoe Store with only 1,000 shoes, with no spending on Physical Shop interior and exterior and designing, etc., and by hiring only one person who manages all the inventory and orders.

The business operations do not require huge costs compared to traditional businesses, very low salaries, very low bills, and no shop rents in fancy places, just a warehouse.

- *How would you define your target market?*

I also concluded from Yum Foods that prices have a psychological effect on people's minds. Since they can not touch and feel, if it is too cheap, you will be targeting the poor or lower middle class of the society. If it is highly-priced and offers such quality, you will target wealthy, upper-middle-class, and upper-class clients.

- *Can you make a general assessment of customer needs wants and expectations in Pakistan?*

I understood this now business is not just two plus two. Business is about humans as well. For example, I have not understood being here in Pakistan doing online business. If you are selling something for, let's say, 100 TL, you are giving good quality, and someone is selling a good quality for 500 TL. So they will be more appealed to 500 TL. That is what elite classes and that is human psychology. They want the best of the best. So even if you say we are giving the best for a low price, they will not believe you.

- *How did you go about customer satisfaction in your marketing activities?*

It was a Pakistani sweets business. The pay-per-click marketing method was used on different social media platforms. We used to make it in a small kitchen and sell it online through social media marketing. We delivered

through various courier companies in Pakistan to customers' doorstep with a cash-on-delivery method. This business is not very smooth. It was kind of a fail. So my quality of all that food was very high but the price range I would say it was not as high.

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I suppose the idea failed, I believe, even though I haven't closed it yet, I was offered a partnership. In the same model, sell Sweet Halwa Online Plus to open a Restaurant/Café with the same name. My investment in Online Business was considered as Capital and Investment in the Restaurant. I was 100% owner of Online Business; now I am 33% owner of Online Business and 33% Owner of Yum Foods Restaurant.

Figure 2: Yum Foods Restaurant-Physical Store



Discussion and Conclusion

Cao et al. (2019) put novel and dynamic electronic markets applications and the emergence of markets such as China, India, Brazil, and Russia as drivers of global economic growth as the two important trends in the last two decades. Following the trends, this study mainly stresses an electronic business case study in an emerging market-Yum Foods from Pakistan. Study results can be interpreted as follows.

Emerging markets have a huge potential in terms of educated and enthusiastic entrepreneurs. For example, Zengin and Yüksel (2021) found that Turkey has great entrepreneurship potential regarding the youth population. In this study, Mr. Bin Suayb is a young, determined entrepreneur who holds a graduate degree in Pakistan. Furthermore, as emerging markets began to liberalize and transform their respective economies, they witnessed a substantial

increase in entrepreneurial activity. As a result, early-stage entrepreneurial activity in emerging markets surpasses comparable levels in advanced economies (Cavusgil et al., 2021).

One of the research findings points out the spending habits of consumers in emerging markets. As Bin Suayb reported, consumers tend to buy expensive products. In addition, they do not feel eager to pay less and save more, even for high-quality products. This is consistent with the suggestion of the literature regarding the middle class in emerging markets. One of the main themes in this context is luxury spending of the new middle class in emerging markets (e.g., Gehaney and Bigan, 2014; Cavusgil et al., 2018; Gupta and Banerjee, 2019). Cavusgil et al. (2021) explain this phenomenon with “as the emerging markets began to build a robust middle class consumers began to demand a host of new products and services facilitating entrepreneurial start ups.”

Cavusgil et al. (2021) state the effect of information and communication technologies on the improvement of emerging markets by supporting knowledge acquisition. Results can be interpreted as the development level of the information and communication technology infrastructure closely related to the success of services operations in the e-business context. However, since the GPRS technology advancement still falls behind in this emerging market to distribution on time in the services industry cannot be as sufficient as it is supposed to be.

Results of this study, in general, reveal consistent findings that claim price, flexibility, obtaining and using the right technologies, managing critical perceptions, providing exceptional customer service, connecting effectively, and comprehensively understanding the prevailing Internet culture as some of the success factors (e.g., Huff et al., 2000). However, the success factors expressed here are of great importance for the survival of the e-business by ensuring customer satisfaction in emerging markets.

Regarding marketing activities, price is one of the main factors that should be considered in operating in an emerging market, even for e-businesses. Businesses should better set prices to meet the expectations regarding high-quality products to attract consumers in emerging markets as in Pakistan. Particularly if the target market is middle class in emerging markets, businesses price decisions should be taken carefully. Besides, the price decision payment method is another issue regarding e-business. As mentioned by Mughira Bin Suayb, customers want to shop rather than want to pay online in Pakistan. This reflects that technology acceptance is still lagging in emerging markets compared to developed countries. This concept also reflects prevailing Internet culture, as Huff et al. (2000) suggest.

In terms of product, choice findings demonstrate that Pakistani consumers do not prefer traditional or classic products as usual before. Since Yum Foods serves traditional sweets, it faced a demand for these that were far lower than expected. Because the targeted 'new elite class' market does not want to buy old-style sweets, they prefer fancy ones. Cavusgil et al. (2021) explain this phenomenon with "as the emerging markets began to build a robust middle class consumers began to demand a host of new products and services facilitating entrepreneurial start ups." So that one can presume that western-style products (in this case, e.g., brownies) can be preferable for emerging markets' middle-class consumers. As of 2020, some emerging markets are listed in the top 5 countries regarding personal luxury goods consumption, including in this list China ranked as the 2nd with 44 billion Euros market value and South Korea as 5th with 11 billion Euros market value (Statista, 2021). Pino et al. (2017) discuss this issue in India. They claim that lifestyle changes of Indian people, increased disposable income and Westernization of culture (especially the young generation is more familiar with Western culture) are the main drivers of the growth of luxury consumption. In addition, rising population in the middle class is getting more and more interested in foreign luxury brands.

Delivery of the product was mentioned as one of the main struggles that Yum Foods faced. In this context, the urbanization degree in Pakistan has become prominent to investigate. According to the World Bank data urban population is 37% of the total population (World Bank, 2021c). Hence when the rate increases, then probably the on-time delivery can increase. In addition, this can help to drop high return ratios. Besides, urbanization-based targeting may use in these circumstances. For example, the urbanized middle class or the upper class should be better for selecting as the target market for today's conditions.

Social media marketing selected by Yum Foods. Social media enables customers to interact with businesses directly. Also, Yum Foods used more than one platform to reach customers. According to the Digital 2021 report, as of January 2021, 61.34 million people are internet users in Pakistan, which accounts for 27.5% of the total population. The number of active social media users is 46 million (20.6% of the total population). Number of internet users increased 21%, the number of social media users increased 27% from 2020 to 2021. The highest increase in advertising reach is in Snapchat (35%), Instagram (13.4%), LinkedIn (3%), and Facebook (2.6%), respectively (Wearesocial, 2021). Thus, it can be concluded that implementing a social media marketing strategy may support marketing communication activities in Pakistan.

Physical evidence may sometimes play a vital role in the services industry. Initially, Yum foods preferred not to open a brick-and-mortar store. However, as time passed, Bin Suayb thought to open a physical store more and more. Due to the fact that he believes physical stores may build trust and brand awareness and increase brand recognition. However, finally, to set a clue for the service quality and gain the customers' trust, Yum foods physical restaurant has opened. Srinivasan (2004) claims that in an e-business context, consumer trust is facilitated by the existence of a brick-and-mortar presence. Hence it is still applicable for emerging markets to present a physical store along with e-business.

Similar to the Pakistan consumers, Turkish consumers still rely more on brick on mortar style businesses. As stated in the JP Morgan 2020 report, electronic commerce weighs 5.3% of the Turkish retail market. On the other hand, growth is prospecting. Mainly due to the fact that young Turkish consumers use mobile phones and social media to find and purchase products. Accordingly, e-commerce revenues rose 42% in 2018 and, 31%. The online buyers' rate is 67% among the Turkish population (J.P.Morgan, 2020). Besides, as of the first 6 months of 2021, the number of businesses engaged in e-commerce activities reached 321,742 in Turkey. While 23,373 of these enterprises operate as service providers to Electronic Commerce Information System- ETBIS, 312,532 of them operate in e-commerce marketplaces. As a result, the number of venues for ETBIS reached 28,029. In addition, 14,154 of the businesses carry out their own business-trade activities and sell in e-commerce marketplaces (E-Ticaret Bilgi Platformu, 2021).

Luo (2021) interprets the e-business in Covid 19 process and suggests that pandemic presents extreme opportunities for businesses to be actively involved in different marketing initiatives during the crisis and potentially facilitates a modern era of business growth in the long run. Further, they offer some tips to increase trust in e-businesses. For example, improving security systems and privacy can increase customer confidence, such as rewarding customers based on the quantity purchased or purchasing products consistently each month and offering discounts or promotions to customers for purchasing large quantities of products.

In terms of practical contributions it is expected that the case study in Pakistan and by examining the experiences of a business manager will provide clues about consumer behavior and electronic business practices of similar emerging market countries. At the same time, it provides guidance for businesses that want to operate as electronic businesses in emerging markets in the future.

Theoretically, the contribution of this study is two folds. First and foremost, little is known about the practical ground of electronic businesses in emerging markets particularly, the ones as Pakistan-secondary emerging market. A vast body of the literature focuses on China, like emerging markets (eg. Lal, 2002; Zhao et al., 2008; Kshetri, 2007; Novaes Zilber and de Araújo, 2012;). Thus, this case study presents insights from the first-hand e-business entrepreneur in terms of challenges and opportunities. Second, rather than the other factors, this study adopts a marketing and consumer-centered approach regarding e-businesses. Hence, the inferences provide additional empirical support for existing consumer behavior in emerging markets and consumer behavior in electronic markets literature. As an example of this, one of the findings of Reisenwitz et al. (2021) claims that consumers of emerging markets -in this case, Turkish consumers- are more focused on the information search stage of the purchase decision process rather than online shopping and suggests implementing more traditional marketing approach in these countries. The findings of this study, therefore, enrich the existing literature.

The main limitation of this research is it only discusses the food services industry. However, future research may focus on e-businesses that operate in the goods industry. The other limitation is this study stresses the challenges and opportunities in a single emerging market. Future studies can provide additional insights regarding the e-business atmosphere in different emerging markets and enhance the existing literature. Nevertheless, this study provides a further understanding that is helpful to policymakers, businesses, and entrepreneurs in emerging markets.

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