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A case study of the Dubai e-commerce market

- how cultural impacts within business contexts, and marketing activities should be considered when Swedish businesses seek to enter

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Abstract

Previous research provides a range of theories regarding businesses that seek to expand globally both online or physically. Several of them include aspects such as culture, marketing and other factors that needs to be considered, however, there is no evidence of combining them when examining how to enter a foreign market. In addition, that there has not been paid much attention to the Dubai market in general even though the development of their e-commerce has increased. Therefore, the *aim* of this study was to examine how cultural impacts within business contexts, and marketing activities should be considered when Swedish businesses seek to enter the Dubai e-commerce market. This has been examined through a *qualitative research* in form of three interviews with respondents from three stakeholder organisations'; Dubai Airport Freezone, Business Sweden and Yuki Consulting, together with online observations. The *findings* gave insights of which factors that characterizes the Dubai market in general, the e-commerce market, further it also highlights how cultural impacts in business contexts and marketing activities should be considered when seeking the Dubai e-commerce market. Finally, the authors *concluded* that, the main factors characterizing the Dubai e-commerce market are; a well-established infrastructure, and a high level of consumer- knowledge and awareness. The cultural impacts that are vital to consider are the cultural differences, especially on an individual level. Furthermore, the importance of building trust and establishing relationships to generate better deals. When considering marketing activities in Dubai it is highly recommended to incorporate local individuals and also the native language, Arabic, in promotions for instance. Lastly, organisations that enter the Dubai e-commerce market should be aware of the current development from traditional- to digital marketing which enables them to decide the most suitable marketing activities.

Keywords: *Entering foreign markets, E-commerce, Cultural impact in international business contexts, Marketing activities*

Introduction

In the last decade, the world of business in the Middle East has grown tremendously (Krane, 2009)(Aladwani, 2003). Especially towards the more digital markets and many international developments are taking place. One place that has come to be the center for this is Dubai, the business city that Krane (2009) claims to give the ultimate luxurious lifestyle. Lundt (2018) consider Dubai as a highly attractive international marketplace, that is located at the heart of the crossroads of the trade roots of east- and west Europe and Asia. Due to the large growth of business in this region, many organisations seek to establish in the market and further expand and develop their business in Dubai (ibid). The Dubai market has developed to be attractive and is continuing to grow, especially regarding businesses with focus on finance, properties and tourism (Lundt, 2018)(Krane, 2009). A significant market that has yet to grow in the same pace is the *e-commerce market*, with the digitalization and the boom of social media. E-commerce is becoming a very interesting and prosperous market for international businesses (ibid). Lundt (2018) claim the Dubai market to be a growing e-commerce market with a lot of potential. It has grown relatively fast but not as fast as the American or the European markets (ibid). Although, the Dubai and the Middle Eastern market in general is experiencing a boom of e-commerce businesses. Statistics presents that the Middle East have barley 2% of the total retail revenue comparing to 15% in fairly developed areas. Specifically, in the Gulf States, the estimation of the development of e-commerce goes all the way from the \$5 billion in profits seen in 2014 to \$20 billion

before 2020 (Euromonitor, 2018). Demangeot et al., (2015) mentions that when entering a foreign market organisations needs to deal with new consumers who might differ from their traditional ones. Thus, in order for organisations to expand internationally they need to understand both culture and markets (San-Martín and Camarero, 2012). Demangeot et al., (2015) further mentions that the aim of international marketing is to pave the way for businesses to expand their products and services globally. International marketing in practice is about adapting marketing activities to fit in new marketplaces in different nations (ibid). Moreover, San-Martín and Camarero (2012) mentions that the level of cultural impacts within business contexts differs between nations, and even more so between religion, norms and beliefs. Thus, it is important for organisations to be aware of the level of cultural impact within business contexts of the nation they are expanding in, to have a chance of establishing (ibid). However, what aspects should Swedish organisations then consider when entering the Dubai e-commerce market? Looking through previous research, there are several studies about both internationalization through e-commerce (Guercini & Runfola, 2015), and culture matters in international business contexts (Torsein, 2010)(Capraret al., 2015)(Sindjoun, 2008). There are also previous studies about the emerge of e-commerce for separate nations such as China, Azerbaijan etc. (Chen & Zhang, 2011; Jung, Lee, Kim, & Yang, 2014) (Choshin & Ghaffari, 2017). Furthermore, Sun (2011) present a study regarding cross-cultural comparisons between France and Germany were the usage of e-commerce was taken in to consideration. Finally, there

is also research on international business negotiations- cultural distance and adoption (Torsein, 2010). The focus of Torsein's (2010) study is cultural differences between relatively similar national cultures, thus she suggested future research could include a broader perspective with cultures that differs more from each other. Both Sun (2011) and Torsein (2010) suggest the exploring of nations that don't have similar cultures. San-Martín and Camarero, (2012) mentions that businesses who decide to enter a foreign market meets new challenges, especially in terms of culture and marketing. Therefore it is necessary to examine these fields in the context of entering the Dubai e-commerce market. There are few scientific studies of Dubai in general, most of them is about the financial market (Alzubi, 2018). Aladwani (2003), Krane (2009) and Lundt (2018) provides studies about Dubai as a market, their information is useful for this study, even though they are not academical, they are rather more factual and beneficial for businesses. Thus, there is a lack of deeper understanding about Dubai from an e-commerce-, business-, cultural- and marketing contexts. Therefore, the *aim* of this study is to examine how the cultural impacts within business contexts, and marketing activities should be considered when Swedish businesses seek to enter the Dubai e-commerce market. In order to fulfill this purpose two *research questions* were conducted:

- What are the main factors that characterize the Dubai e-commerce market?

- How should businesses consider cultural impacts within business contexts, and marketing activities when entering the Dubai e-commerce market?

This research is formed as a case study. With regards to the aim of this study, there are *delimitations* to certain fields; the Dubai e-commerce market, and Swedish organisations established in Dubai. This is acknowledged without going deeper into the Swedish market or focus of a consumer perspective. As mentioned previously, there is a lack of scientific studies regarding the topic of this study. Therefore, it adds to an academic *contribution* by the combination of already existing research fields as; *international markets, e-commerce, cultural impacts within business contexts, and marketing activities* that are further applied on the Dubai e-commerce market.

Outline The introduction led to the aim of this study, in the next section, the theoretical framework is presented. The theoretical framework is structured in four main themes; *globalized marketplaces, cross-cultural business contexts, international marketing and e-commerce*. After that, the methodology section is presented and it consists of a short introduction of how this research was carried out and then, *data collection, observations, interviews, data analysis and research quality* will be presented. Further, the findings are presented which consist of analysis of the empirical data that is structured into the four themes with the primary focus being, Dubai. The research continues with a discussion where conclusions are made and re-connected to

the purpose, and lastly the contributions and acknowledgements are presented.

Theoretical Framework

The theoretical framework is divided into four main topics related to the purpose of this study; *globalized marketplaces*, *cross-cultural business contexts*, *international marketing* and finally *e-commerce*. The four main topics gives an understanding of why organisations expand in the first place, why complex processes take place, what organisations need to consider when expanding, how cultural impacts and marketing should be considered, and of course the phenomena e-commerce to give a broader perspective of what e-commerce is and how the e-commerce market operates in other nations.

Globalized marketplaces

It is important to understand globalized marketplaces in order to know why organisations seek to expand. The aspects of globalized marketplaces is vital since organisations nowadays are striving for attractive markets with high growth potential (Maharajh and Heitmeyer, 2005). As the domestic market becomes saturated, organisations are thinking more globally and realizing that there are viable and growing marketplaces in other countries in the world (ibid). As a starting point, it may be preferable for organisations to choose a market closer to home, where trading standards, regulation, culture and consumer behavior are similar to what they are used to (ibid). However, when globalizing, managers have to choose the method of entry and have several strategies ready for the establishing phase (Baena, 2015). The expense of communication, coordination and management are likely to be high

(ibid). Rahman (2003) claims that it is much easier to monitor units whom are concentrated in few different markets. Therefore, organisations tend to globalize through well-known markets that are understood by their managers (ibid). There could be a lot of differences between markets in terms of customs, values and procedures, which may lead to internal uncertainty and make the measurement of performance difficult in global markets (Baena, 2015).

However, cultural differences between nations are also very crucial when it comes to globalizing (ibid). Sashi and Karuppur (2002) claims that organisations needs to modify both products and promotion decisions in order to adapt them for both cultures and needs of the local market. Culture has for a long-time characterized differences in people's perceptions, behaviors and values. Thus, national cultures have many dimensions, some of them may only be relevant to one society and some of them are relevant to several (Benedict & Steenkamp, 2001). Sindjoun (2008) mentions that organisations should take national cultures into account, otherwise there is a great risk of misinterpretations, which could result in damaging business failures. Furthermore, Lorvoralak & Wongsurawat (2019) highlights essential aspects to consider when expanding organisations to international settings and they are; the level of commitment and resources in building the necessary knowledge and relationships but also cultural awareness and language capabilities. These are both two very time-consuming processes but crucial when entering new markets (ibid).

Cross-cultural business contexts

In order to understand how organisations should do business in international contexts it is relevant to comprehend cultural impacts. Cross-cultural business negotiations could be very complex processes with risks of misunderstandings (Torsein, 2010; Phatak and Habib, 1996; Ang, Leong, and Teo, 2000; Brett, 2000; Friedman and Berthoin Antal, 2005; Fink, Neyer and Köllning, 2007). Brett (2000) mentions that there is a high risk of misunderstandings when negotiators are from different cultures since every person brings individual cultural assumptions and prejudices to the communication process. Culture can be frustrating because of the lack of knowledge and therefore bring confusion and be unpredictable (Gesteland, 2002). Gesteland (2002) further claims that the human brain is pre-set and instructed to think in a way of patterns. It is for instance easier to the majority of people to understand complex information with systems that are logical and organised (ibid). Cultures have different values and assumptions, this could result in that individuals interpret situations differently, what one could view as polite gesture, another one could perceive to be rude. However, to resolve the issue of cultural differences, international negotiators are highly recommended to learn about other cultures through researching before meeting (Phatak and Habib, 1996; Ang, Leong, and Teo, 2000; Firoz and Ramin, 2004; Hurn, 2007). According to Phatak and Habib (1996) the nature of the relationship between the two countries before the very first negotiating session have a significant impact on the relation during the negotiations.

Furthermore, Firoz and Ramin (2004) and Hurn (2007) argues that it is essential for organisations to understand that each country is unique with its own business manners. For example, the cultural impacts in business contexts of one country could be much greater than another (ibid). Thus, learning and researching about other cultures are of high importance, especially in international business contexts. Hence, for the purchaser in an international transaction, it is essential to remember the *Iron Rule nr.1* :

“In international business contexts, the seller adapts to the buyer” - (Gesteland, 2002, p.15).

This means that the cultural differences are important if the seller wants to negotiate the best deal (Gesteland, 2002). Previous research indicates that there are business advantages by learning about other cultures. Torsein (2010) presents Uber Grosse's study about American business school graduates and about their specialization in foreign cultures and languages (2004). Uber Grosse's (2004) findings showed that every graduate that was specialized in culture and language has had an competitive advantage at work in many different contexts. This knowledge gave them benefits to understand other countries and develop their personal skills within international business contexts (Torsein, 2010). Furthermore, it is important to acknowledge the different types of patterns that exist in cross-cultural business behaviors. All over the world there is a so called '*the Great divide*' amongst business cultures, which is that they either are Deal-focused (DF) or Relationship-

focused (RF) (Gesteland, 2002). The biggest difference between the person who is deal-focused and the person who is relationship- focused is that DF is mainly focused on the actual task whilst the RF is mainly focused on people. Though it is inevitable that all businesses find relationships important, though it comes down to how much of importance it is in the particular culture. For instance, RF people needs to build relationships prior to any business affairs can take place, while DF might be considered pushy and aggressive in their negotiations as they want to get to the affairs straight away (ibid). Gesteland (2002), further mentions that the Arab world belongs to the people who are relationship-focused. People from the Arab world (and most of Africa and Latin America as well) are not keen on doing business with strangers. Therefore, it is important for them to build a relationship and create trust to make any business deals. Moreover, they get work done through their own people or people close to them, like personal networks and contacts- in other words; people they can trust. Therefore, another aspect that is of high importance is *trust*, organisations needs to consider trust (ibid). The lack of trust has further affected the level of success or failure in online channels (Sun, 2011). There is a high possibility who indicates, that e-commerce organisation that operate in countries with high or low- trust have significant differences in how they are run and how they look design wise, thus due to the different level of cultural tendency to trust. When a society has a high-level of trust it can lead to decrease in transactional costs because partners are seen to be less resourceful (Fukuyama, 1995). (Dinev *et al.*, 2006) argues about that in the mind of

Italians, trust needs to be personalized as much as possible which will generate greater results in sales and negotiations.

“Trust as a culture resource acts as a lubricant that makes economic exchanges more productive ”- (Dinev et al., 2006, p.392,).

International marketing

International marketing theory is essential in order to understand why businesses need to adapt their marketing activities when expanding to new markets. The aim of international marketing is to pave the way for businesses to expand their products or services globally (Demangeot et al., 2015). International marketing in practice is about adapting marketing activities to fit in new marketplaces in different nations, which basically mean that marketers might need to change some or all of the activities depending on which nation that is targeted (ibid). Demangeot et al., (2015) further mentions a phenomena called multicultural marketplaces which means that nations could different cultures within them. This creates complex markets with a lot of aspects to consider since different cultures comes with different needs. Thus, a marketer needs to have a lot of knowledge and experience with every culture in order to reach out the products in the right way.

Furthermore, Demangeot et al., (2015) mention that international marketing also involves intercultural accommodation theory. The intercultural accommodation theory indicate that marketers should consider ethnicity when doing marketing. Demangeot et al.,(2015); Huang et al., (2013); Karande, (2005); Peñaloza and Gilly, (1999) claims that this is very

successful since it adapts and delimits the marketing to the segment of the specific nation. However, the intercultural accommodation theory could also affect the marketing in a negative way for international businesses. If an organisation changing their marketing activities dependent on a certain ethnicity or country it could clash with another country they are operating in. This kind of problem was observed in 2012, when IKEA chose to airbrush women out of their catalogues within the market of Saudi Arabia. This decision caused several upset customers in the west who felt IKEA was disavowing their values of gender equality (Demangeot et al., 2015). This situation demonstrates how communication targeted at one particular group or nation also could cause problems with others. Consequently, it is likely that the coherence of a marketer's positioning across groups acquires particular importance (ibid).

The e-commerce market

Previous e-commerce research is essential for this study since it presents the fundamentals of e-commerce markets. The foundation for any business, whether it is e-commerce or physical stores, is their *customers*. When recognizing, acquiring and preserving customers to online services, it is considered to use e-commerce as a suitable strategy for marketing, selling and integrating (Choshin & Ghaffari, 2017). E-commerce enables relationships and communication between the organisation and different stakeholders. This results in developments and improvements for producers, distributors and customers. However, to reach success in the e-commerce market it is dependent

on defining effective factors, both internally and externally (ibid).

Choshin and Ghaffari (2017), did a study in east and western Azerbaijan on what effective factors that contributed to the success of e-commerce. The findings of the study implied that the *infrastructure*, such as couriers etc. play an important role for the effect of successful e-commerce. The infrastructure lays the ground for the whole e-commerce system and it is therefore important that every activity within it are functioning effectively with beneficial pricing strategies (ibid). Furthermore, Choshin and Ghaffari (2017) mention that it is important to have a vision of the customer satisfaction. The amount of knowledge and awareness that the customers' have, indirectly have an effect of how satisfied they are with the e-commerce. Thus, it is crucial for e-commerce businesses to consider implementing infrastructures that are suitable with the costs being as low as possible and also assuring the customer have enough knowledge and awareness for the e-commerce to be improved (ibid). Regarding the infrastructure, several countries in the Middle East including UAE do not have a traditional courier system for their mail, neither do they have postcodes which creates rare delivery challenges (Anderson. J, 1997). There are many streets that for example have names that are informal, the name of the street does not exist, or have names that have several different languages which is a result of a legacy of colonialism. According to Aladwani (2003), this creates some serious challenges for e-commerce businesses. Nevertheless, this has driven to increase the innovation in those regions by young entrepreneurs that are trying to find

solutions to this and expanding the horizon to be able to overcome these problems Aladwani (2003). For example; the start-up company *Fetchr*, had an idea of finding the exact location of delivery to target the delivery and pinpointing this the map for the courier (ibid).

Another aspect that is relatively arguable from a theoretical point, is the relation between e-commerce and the luxury market. Kapferer (2014), points out that in general terms, the main concern of luxury businesses is growth. When speaking of growth in an e-commerce matter, the growth faces some specific challenges or businesses who operates in the luxury level. There is a high risk of losing the characteristics of exclusivity that goes along with their value propositions when becoming online. Nonetheless, Kapferer (2014) states that the channels that operate online offers; substantial opportunities, including other factors such as the firm growth in the purchase of luxury products by consumers in emerging and developing markets, this aligns with Chen & Zhang, (2011); Jung, Lee, Kim, & Yang (2014).

Methodology

This study aims to examine how the cultural impact within business contexts, and marketing activities should be considered when Swedish businesses seek to enter the Dubai e-commerce market. To fulfill the purpose, the authors chose to do a case study with a qualitative approach in order to get deeper understanding of the Dubai e-commerce market. Yin (2013) mention that a case study could be defined as a way of examining an empirical topic by a set of prespecified procedures.

Furthermore, a case study aims to provide in-depth knowledge of what one is investigating (Yin, 2013), which in this case is the Dubai e-commerce market. It is essential for this study to have this type of case study structure since the Dubai e-commerce market is the main empirical topic and paved the way for the authors to examine both the e-commerce market itself together with an in-depth investigation of how Swedish organisations need to consider cultural impacts within business contexts, and marketing activities when entering. Moreover, Dalen, (2015) mention that a qualitative approach gives a deeper understanding, which in this research were followed by interviews and online observations. Further, the authors has used an abductive method, which is known as a combination between deduction and induction (Dalen, 2015). The abductive method was the most suitable one since the authors did a qualitative study, previous research and theories were collected both before- and after the interviews (Davidson & Patel, 2011).

Data collection

The collection of empirical data was approached with a qualitative method in form of three interviews and online observations. The chosen method aligns with Bryman & Bell (2015) who claim that interviews are considered suitable for case studies. The authors believe that the qualitative method and the combination of primary- and secondary data was the best way of conducting and structuring this study in order to get a deeper understanding of the main factors that characterize the Dubai e-commerce market and how businesses should consider cultural impacts within business contexts, and marketing

activities when entering the Dubai e-commerce market. Therefore, the authors started to do an online research of different businesses including stakeholders for the e-commerce market in Dubai which paved the way for the interview selection. Dubai Airport Freezone (DAFZA) is the main stakeholder since they are a premium free zone whom currently are developing an e-commerce free zone that is going to be the first one in Dubai, and thus assumed as an important actor. Furthermore, the authors found other relevant actors, Business Sweden and Yuki Consulting, which are Swedish businesses in Dubai with knowledge of how to enter the market. The authors targeted the search for Swedish organisations established in Dubai and not Sweden with concern to the delimitation of this study. The data collection of the interviews was from two senior employees and one CEO whom all had experience within the field of e-commerce, marketing, culture and different business contexts of Dubai. Thus, the three respondents together with their organisations covered every aspect of the aim for this study. However, the authors also discovered that there is a lot of online information about Dubai in general, in form of; articles, business reviews and statistical findings so they used some of it as data collection for the findings as well. The authors believe that the combination of primary- and secondary data and this research design was the best way of conducting and structuring this study in order to get a deeper understanding of the factors that characterize the Dubai e-commerce market and how businesses should consider marketing activities and cultural impact from business contexts when entering the Dubai e-commerce market.

Observations

In this study, observations were done by observing and gathering information from different websites. As stated by Eriksson and Kovalainen (2008), secondary data can offer suitable opportunities for qualitative research, founding on the idea of data transparency, with the data representing directly what studied. The authors were gathering secondary data because of two reasons. The *first* reason was because they found useful information about Dubai in general including several online articles of both possibilities and challenges with e-commerce from Lundt (2018), Krane (2009), Aladwani (2003) and Euromonitor.com (2018). The general information about Dubai also provided the authors with knowledge of the stakeholders of Dubai e-commerce market which became the organisations that the authors had interviews with. The *second* reason was because the respondents referred the authors to observe the websites of the organisations that they are working for to get more detailed information about business activities etc. The respondents also gave the authors advice to observe different successful e-commerce's like Souq.com (acquired by Amazon) and Maktoob.com that has boomed.

Interviews

The authors chose to do three physical interviews with respondents from three different organisations. According to Dalen (2015) interviews do not have to be in in physical setting, sometimes it is easier to have a skype- interview, over the phone as a conversation, or through sending questions by e-mail. However, the authors decided to study- visit Dubai for this study in order to gain as much intel as possible.

Interviews that are conducted in a physical setting creates a way of a more in-depth understanding this seemed to be the greatest option to create a valid study (Dalen, 2015). Furthermore, the authors were very clear about the purpose of the interview as well as the structure and the respondent had full opportunity to ask questions if something was less easy to understand. *All three respondents* were given the option of being anonymous which they said yes to, however they were fine with this study announcing their business titles and company names. The authors determined that a strict and formal interview risked limiting the information they sought from the respondents. They therefore chose to carry out semi-structured interviews, which means that the interviews were based on the prescribed questions, but also had an opportunity to deviate from the interview guide for further follow-up questions. The interview guide was based on four themes that were formed by the previous research and the research questions and thus became the main fields for this research; market, e-commerce, cultural impacts in business contexts, and marketing. Each interview took approximately two hours and in order to strengthen the reliability, the authors chose to ask for permission to record the interviews which was later transcribed into text. The recording contributed to a better interpretation basis where the authors were able to take account of details such as different pitches and forms of expression from the respondents (Bryman & Bell, 2015).

Presentation of respondents

Respondent A works as a trade commissioner of Sweden to the UAE and market area director middle east. The

respondent works for the organisation Business Sweden which is a management consultancy organisation with a primary focus to encourage Swedish exports through establishing businesses in the middle east but also to attract foreign businesses to Sweden. They work a lot with different embassies as they are owned 50% by the Swedish government. They serve Swedish businesses that wants to expand in the UAE by offering management consultancy services with four different aspects.

Respondent B is an engineer from Sweden and did her Master thesis in Japan studying industrial marketing with a comparison to Sweden. The respondent has worked several years with customer centricity and strategies for the car brands Toyota and Lexus. Today, the respondent has established her own business in a Dubai free zone, she is the CEO while still working as a consultant for Lexus. Her firm is named Yuki Consulting, it is a management consultant firm where she is selling her services and expertise within customer centricity.

Respondent C is a Sales & Marketing Professional at Dubai Airport Freezone (DAFZA). DAFZA is a premium free zone in Dubai. They are currently working with a new project called Dubai commercity, which is first regional e-commerce free zone in the MENA region. A free zone is a area where organisations have low taxes or even no taxes at all. In other words, a free zone is an area where goods can be handled, manufactured, recomposed and also re-exported without having to deal with the authorities.

Data analysis

This research is based on a qualitative study with a hermeneutic approach which Bryman & Bell (2015) mention is strongly associated with the hermeneutic approach. Thurén (2010) mention that the hermeneutic approach is about science of interpretation which is highly relevant to have in concern while interpret interviews. It is important that the authors are able to understand reactions, articulations and body language from the respondents in order to use the qualitative approach properly and collect data with an objective mindset (ibid). The authors of this research had those aspects in mind while conducting the interview, which lead to deeper interpretations. Since the interviews was semi-structured the authors were not restricted from asking questions in order to clarify statements if something seemed unclear which contributed to a proper collection of data. The structure of the data analysis was divided into the four themes of the interview guide which are the same ones that goes throughout this study but with focus on Dubai: The Dubai marketplace, The Dubai e-commerce market, Cultural impacts in business contexts and Marketing in Dubai. As suggested by a hermeneutical approach, the data analysis involves a constant rotation, linking empirical analysis to theoretical framework (Thurén, 2010). In accordance, an adaption of the theoretical framework and the empirical result were interlinked throughout the analysis process to further increase the contribution of this research. The coding of the interviews were done by listening to the recordings while typing word to word of what was said. Initially, the complete transcribed text were interpreted with the intention to understand the logic of the four themes. Moreover, the

transcription from every interview were structured and connected with the others in each theme. Then the authors formed the transcriptions into text presented in the findings including literal quotes. When coding the material, the theoretical framework assisted this process to a deeper understanding and a higher level of interpretation (Eriksson and Kovalainen, 2008). The coding of the secondary data was done by the authors analyzing both material and sources of websites before using it. The results of the online research that were used for this study were re-written into text and interpreted with assistance of the theoretical framework as well. Finally, it was structured into the four themes together with the transcriptions of the interviews.

Research Quality

It is important that researchers select a method and previous research carefully with a critical mindset in order to create reliability for the study (Bryman & Bell, 2015). To ensure a quality of this research, the quality measures were structurally differentiated into four categories: credibility, transferability, dependability, confirmability, as in line with qualitative research tradition (Guba, 1981). *Credibility* makes the study trustworthy to readers, *transferability* refers to the generalizability, the external validity of the research (Guba, 1981), *dependability* refers to the stability or consistency of the research processes and finally *confirmability* concerns is the investigative bias that a researcher might have and the measures that can be taken to avoid this (Guba, 1981). The authors met these four quality measures by handling the data collection with the greatest caution and while having an objective mindset who

aligns with the theory from Davidson and Patel (2011). In practice, the authors carefully reflected the information from the respondents. They also evaluated the factors that affected the respondents' answers to the interview questions. Respondents in general always have the opportunity to distort information they choose to give. To avoid misleading the authors explained the aim of the study before each interview and since it is not a sensitive matter with any risk of 'exposure' questions there has been no reasons for the respondents to tell anything else but the truth. Furthermore, the authors were very careful when they formulated the interview questions for this study, they made sure that they were clear, both in language and construction to prevent any misunderstandings (Dalen, 2015). However, secondary data was also used for this study, Bryman & Bell (2015) mention that secondary data are already existing information that researchers collect and they need to be very critical when deciding how to use it. The authors decided that their secondary data was useful findings so instead of excluding it they used it carefully by reviewing and comparing both information and sources. Moreover, since the interviews were conducted by personal meetings the authors were given the opportunity to observe body language and other observations that could strengthen the information quality (Dalen, 2015). The authors presented the empirical data to the respondents before publishing in order to have feedback and approval, which according to Bryman & Bell (2015) ensures the material and results in an increased reliability. Furthermore, the conduct of the interviews was, as previously mentioned carried out in semi-structured forms, which

resulted in flexibility and openness for discussion and additions. This also provided an opportunity to create a good structure of the transcribed data and thus the empirical material (Lincoln & Guba, 1985).

Findings & Analysis

The findings are presented in themes that emerged from the theoretical framework. Furthermore, it presents both primary and secondary data together with a comparison to the theoretical framework, which pave the way for the analysis.

The Dubai Marketplace

Maharajh and Heitmeyer, (2005) mentions that many organisations are seeking for attractive markets with high growth potential which Krane (2009) claims the Dubai market to be. In terms of growth, it is highly noticeable in how much organisations have evolved in the aspects of for example; the financial market and tourism (ibid). Rahman (2003) argues about the fact that organisations tend to internationalize through well-known markets that are understood, this goes along well with what *respondent A* claims about how Dubai is both a well-known and a popular place of doing business, especially regarding the tourism.

"The economy is built on tourism; Dubai is like a billboard for the rest of the world, it will always be attractive and it is growing to be even more" - Respondent A

Respondent A further mentions that Dubai is the second largest economy in the Middle East and the city that is ranked to be the best when it comes to doing business. *Respondent A* further explains that it is long-term investments that has made the

region explode in the latest 10-15 years and is continuing to grow. It is important to know the Dubai market prior to entering, since it has its own characteristics that differs from many other markets. First off, foreigners are not allowed to own anything in Dubai, this is limited only for the royal family and the emirates. There are two options regarding the ownership in Dubai. The first one is to have a local partner, which will own the majority of the business (51%), essentially a local partner which will support the business (Krane, 2009). The advantage of having a local partner is that the business owner can set up anywhere in the city and that is an advantage considering the budget, that one would considered from start might differ. this is mostly relevant for physical consumer dependent businesses such as; restaurants and retail stores that must be in the city market. But also businesses that are involved with the government, in any type of work will need to be in the 'main' city (Krane, 2009). *Respondent B* claims that the biggest factor of what characterize the Dubai market is the ownership of businesses. There is a regulation that locals, also known as emirates need to own the majority of the organisation. This means that the businesses need to find a relevant partner to develop a partnership with. *Respondent B* also mentions that the local partners often are more passive than active. The local partners are accountable for the majority therefore, they will always have the power. Thus, *Respondent A* claims that it is essential to have a local partner that the organisation feel comfortable with and who understands the vision of the business.

However, the second option, which is the more common way of developing business

in Dubai is to become a member in a *free zone*. Krane (2009) argues that free zones enable the business owner the startup to be 100% owned by themselves, meaning they don't need a local partner or paying any corporate taxes. Free zones exists in Dubai and they usually offer package deals where the businesses gets several services in exchange for a fee. The package deals can differ between the free zones but often include things such as; office space, storage, distribution currier, bank services etc. *Respondent B* mentions that the free zones helps create opportunities for businesses to try the Dubai market and see if their product or service is strong enough to grow either with a local partner or expand even larger within the free zone. The free zones also comes with rules and regulations, the rules are quite simple though, the organisation can only do business with other organisation within the same free zone, possibly with other free zones as well if one of the organisation is active and has a partnership with other free zones. If the organisation wants to sell something directly on the mainland of Dubai they need a distributor that are allowed to sell there, in other words a *local partner*. The free zones further provides new establishments with creative networks and exchange services. The free zones further indicates more obvious things such as 100% return of investment, profit and capital. Furthermore, the free zones do not have any restrictions in currencies.

Though, there are some disadvantages with opening a business within a free zone , both Krane (2009) and *all the respondents* argue for this, since businesses are restricted to operate in particular areas and not the main land. *Respondent C* mentions some benefits

that the free zone brings; tax incentives, no corporate tax, no income tax, investor-oriented management, fast and efficient business set-up solutions, seamless customer experience throughout the entire customer journey and across all touch points, investment incentives, 100% foreign company ownership, 100% repatriation of capital and profits and finally no currency restrictions. The advantages of operating in a free zone are also far more cost effective for new establishments which *respondent A* also emphasized on, especially the respondent from Business Sweden as they are operating within a free zone. Business Sweden offers four ways of entering the Dubai market: The first package they offer is what they call *market expansion*, they offer the client to try the product on the market. The second package they offer is called *sales acceleration*, the main goal for this package is to support businesses to increase their sales, they try to find certain loopholes that the organisation might have not had in mind previously. The third package they offer is *B2G, Business to government*. this is a very accurate package as business and politics are very closely connected to each other in Dubai. The fourth package is *Business incorporation*, this package gives BS a lot of control as the business will be operating under them and their trade license, which enables businesses to be operating and selling their products through them.

The Dubai e-commerce market

Findings show that the Dubai e-commerce market is definitely in a booming stage. *Respondent C* mention that they have seen large investments to the region for online businesses as; Amazon, Noon, Souk etc.

The large investments made them create an investigation to see if the already operating companies at DAFZA had an interest for going into e-commerce as well, which they had. Therefore, DAFZA are currently developing the e-commerce free zone Dubai Commercality (DCC). According to Dubai Commercality, (2018), Dubai is one of the most diverse cosmopolitan cities in the world and has become a center of trade and commerce for the entire region. DCC is strategically intended to promote Dubai's position as a leading platform for international e-commerce and to support economic diversification and smart transformation strategies. According to *respondent C* the e-commerce retail market in the Middle East & Africa is expected to grow by 20% in the next 5 years to reach USD 26 billion in 2022, which outpaces the global growth of 13%, this is also strengthen by Euromonitor, (2018). The project's total area is 2.1 million square feet and the total investment is 3.2 billion AED. DCC is still in the pilot phase and *respondent C* mentions that the first stage of the project is set to be completed by the late 2020, whereas the second state is set to finish by the end of 2021. DCC will have a social cluster, a logistics cluster and a business cluster. According to *respondent C*, the Dubai Commercality will take the e-commerce market to a greater level and help organisations who seek to enter the Dubai e-commerce market.

“What we have developed is far more than just an e-commerce free zone, it is more like an ecosystem that includes every step in establishing process as well as the business activities, Dubai is very efficient for an e-commerce in terms of sea and air, it can save companies from both time and cost while they are reaching many markets in Middle East, Africa and even Europe - Respondent C”

Furthermore, one organisation that anticipated the boom of e-commerce in the Middle East is, Souq.com. The Middle East represent more than 135 million people in which they operate in seven countries including UAE and the city Dubai. *Respondent A* mentioned that Souq.com, is the largest and fastest growing e-commerce contributor in the Middle East and thus Dubai as well. Souq has created major job opportunities in this market, and also made it possible for others, such as different merchants to use their site to expand their businesses. According to a report from Lundt (2018) Souq was acquired by Amazon in March 2017. Instead of them Amazon entering the market in this region directly they decided to acquire Souq (ibid). It turned out to be a success as Souq had a base installed for infrastructure with integrated payment and delivery options that worked for this particular market. Souq and Amazon benefited from each other and grew together rather than creating a division separately. However, Lundt (2018), claims Souq was not the first e-commerce business in the region, it was a site called Maktoob that was launched back in year 2000. The story behind Maktoob was that they targeted the native people by using the Arabic language instead of just English, since the natives mostly spoke and

understood Arabic. Though the Maktoob site didn't generate a lot of sales, because people did not come there to shop, rather to connect and communicate with different people as it was a forum as well. The issue of launching an e-commerce in Dubai back then was the lack of knowledge, people was scared to shop online since it was relatively new and felt unsure (ibid). This further relates to the lack of trust which Choshin and Ghaffari (2017) mention is a big factor in the matter of success in e-commerce. Lundt (2018) further mention that the lack of trust and knowledge of people led organisations in Dubai to rather invest in physical stores, since it was too big of a risk to focus on e-commerce. However, in the past two years, this has changed as the ecosystem of entrepreneurship has developed, which has resulted in that people are more aware of the emerge and efficiency of the digital market (ibid).

“Dubai has an very high online presence both from businesses and consumers, there is a demand and buying behavior and the e-commerce market is about to expand very soon- Respondent C”

However there are still *challenges* facing the Dubai e-commerce market. First off, *Respondent A and C* mentions a challenge called the ‘souk mentality’. The souk mentality is about consumers whom wants to be able to see and feel the product before purchasing it. This gives the consumers a full-on experience- as well as knowledge of the features of the product. Thus, the souk mentality could be one aspect to why e-commerce has not been so successful in the past. *Respondent A* further mention that this mentality still exists but it could be perceived differently depending on

previous knowledge about the product. If the customers already know the product or the brand they feel more secure. However, if the customers are buying a product that they do not have knowledge about it could be more difficult. Therefore, *respondent A* advises organisations to have some sort of a showroom where customers could see and feel, especially regarding new products or brands.

Another challenge for the Dubai e-commerce market is the payment system. Regarding the payment system, *respondent C* argues that there is usually always the option to pay with cash when the product gets delivered. People in Dubai often prefer to pay with cash, since the souk mentality is still implemented. It all have its grounds on the level of trust but also on the lack of knowledge of online payments (Lundt, 2018). Though *respondent C* argues that based on their calculations it shouldn't be more expensive to use a cash-payment system. Lundt (2018) critically discuss this matter whether the customer should pay prior to receiving the products or after. The different approaches was attempted by some e-commerce businesses. The approach where the customers paid in cash before their products were shipped out. The outcome received a fair amount of criticism since customers felt that it was a scam to pay prior to receiving their product (ibid). Further the idea whereas the payment would occur at same time the products were delivered was attempted, but it became too costly for the sellers as they lost great amounts of money because of the high shipping costs and delays that occurred until the money reached their accounts. this is a challenge for the e-commerce market to overcome. In 2015, Mastercard made

research on the market regarding the shopping behaviors of consumers in the Middle East (ibid). The results showed that in the Middle East around 80% of the e-commerce market was conducted with cash-on delivery. Nevertheless, times are changing but this is still one of the major challenges for e-commerce businesses (Aladwani, 2003). Furthermore, there are other *challenges* that the Dubai e-commerce market encounter. First off, the relationship with currencies whether they are virtual or physical is individual for each country and it is essential to understand how it works in one country might not always work in another (Aladwani, 2003) (Rudyuk, 2019). The credit cards in Dubai for example, have relatively small issues with traditional e-commerce transactions as the cards are widespread. Hence why businesses that work with e-commerce in the region had to find or develop new systems that support payment in the Middle East to make sure that they can have effective transactions (Lundt, 2018). Though, as Dubai is highly international and many organisations have major transactions with other countries in especially the Middle East, where credit cards is seen to be of high risk (Aladwani, 2003). This is for instance common when individuals from Dubai or the nearby the region, visit the U.S. as they often find themselves with rejected cards by several companies simply because of the high risk of fraud. The risk is especially high for transactions that are of high-costs (ibid).

Furthermore, another challenge that the Dubai e-commerce market encounter are issues that involve shipping and storing across borders. When it comes to Dubai and the regional sites that are operating around

Aladwani (2003) mentions that the products need to be shipped from different sellers and retailers from all over the world as the sellers and retailers are usually from different countries. This makes it difficult to manage the logistics around the sourcing and moving of products and further there can occur issues which may possibly seem risky for the business owner from the retailer's end (ibid). However, other nations seem to handle this easily, for instance, if one would order from Amazon in the United States, it is easy and usually no problems occur simply because they have several warehouses around the country which enables them to send their customers products without these problems (Lundt, 2019).

Cultural impacts within business contexts in Dubai

When doing business in Dubai, one essential factor that needs to be considered is the different cultural impacts. San-Martín and Camarero (2012) mentions the importance it has for organisations to be aware of the business culture of the nation they are expanding to. This will lead to a greater chance to succeed. Gesteland (2002) further mentions, that even though Dubai is located within a Muslim country, they have a remarkable acceptance for the foreign culture. They for example offers; alcoholic beverages at certain places such as hotels and nightclubs, although alcoholic beverages are prohibited according to Islam. Furthermore, the main language in Dubai is English, though it is appreciated if one knows some typical Arabic words. Showing respect for their culture is essential, one can show respect by for example; wearing clothes that are covering knees and shoulders when appearing in

certain public places, such as the mall or the mosque (ibid), *respondent A* also emphasizes on this matter and explains that it is of high importance to show respect for Dubai as country including the culture, otherwise one will never be able to do any business affairs. Sashi and Karuppur (2002) argues on this as well and claims that organisations needs to consider modifying their products and promotions to be suitable for the needs of the local market. When promoting for instance, it is preferable to have some parts in Arabic, not only will this show an understanding for the inhabitant but also the reach of the promotion will be greater. Another point worth mentioning when considering promotions is to consider the religious aspects, for example; promoting a product with a female wearing less clothes would not be appreciated. Thus, there is a significant difference from what one might do it in Europe or in the US, not only based on religious matters but also cultural aspects that are far implemented in traditions (ibid).

Furthermore, Benedict & Steenkamp (2001), argues that a country's culture has for a long-time characterized differences in people's' behavior. Cultural norms are very strong and affect people's perceptions and behaviors. National culture has many dimensions, some of them may only be relevant to one society and some of them are relevant to several (ibid). *Respondent B* mentions that the culture of Dubai from a business perspective is quite different compared to the Swedish. The *respondent* believes that it is difficult to read people in the same way that she can do from their own country. The business climate is relatively open and the respondent feels very respected as a woman. Though, this is

not always the case according to *respondent A* who has different experiences with his female co-workers. They mention that men do not make eye contact with them or even look at them in some professional situations such as; businesses meetings. This is usually dependent on religious matters of the individual. *Respondent B* further mentions that the level of cultural actions is more on an individual level but, in general, there is a lot of harmony and respect for both women and men from all cultures and religions.

Another important aspect of cultural impacts in business contexts in Dubai, is relationships. *Respondent B* claims that it is crucial for businesses, especially new establishments, to invest both time and money in creating long-term relationships. In Dubai, transactional relationship is not common, since they prefer to get to know the people behind the businesses and whom they are working with prior to any deals. This becomes very transparent when it comes to negotiations. Therefore, it is of high importance, to have valid frameworks to understand national culture from a business perspective. The frameworks contribute with a definition of the dimensions of national culture variation and creates a way for integrating diverse behavioral and attitudinal phenomena, which provides a basis for developing hypotheses that explains the systematic variation between different behavior and attitudes (Smith et al., 1996). Which further gives a deeper understanding of the other part. Torstein (2010) further argues that international negotiation requires communication, several researchers claim that culture differences could be very complicated between nations during

business negotiations. Brett (2000) mention that it is a high risk of misunderstandings when negotiators are from different cultures since every person brings individual cultural assumptions and prejudices to the communication process. Firoz and Ramin (2004) and Hurn (2007) believe that organisations needs to understand that each country is unique with its own business manners. For example, the cultural impacts in business contexts of one country could be much greater than another (ibid). Differences in cultural backgrounds thus bring barriers to the communication between the parties. All *respondents* further agree that negotiations in Sweden are very formal and straight forward.

“Swedes tend to small talk but not much, and usually, they like to get to business straight away and focus on leaving a professional impression- Respondent A”

This differs from Dubai as businesses there tend to focus on building a relationship with the counterpart prior to any affairs. Therefore, organisations should have in mind to stock up on all resources mainly in terms of time, money and patience, since the locals like to take their time in negotiations. Furthermore, when the relationship is established, it is much easier to do business as the locals see it as entering some kind of partnership. The partnership is built on trust, and trust needs to be personalized as much as possible which takes a great amount of time to create. Therefore, it is of high importance to put a great amount of resources to create trust, since greater trust will lead to greater relationships and partnerships which in turn will lead to greater results in negotiations and sales (Dinev et al., 2006).

“When it comes to culture there is around 190 different nationalities in Dubai that work for the emirates. What is important in this aspect is to research extensively about the counterpart and their nationality since it is more considerable on an individual level. Though it is essential to remember that it is a Muslim country and it is run by Muslims - Respondent A”

Marketing in Dubai

Respondent B and C mentions that it is important for organisations to be aware how they can create the most effective marketing when establishing in Dubai, which Demangeot et al., (2015) also argues for that international marketing is all about adapting activities to fit in new marketplaces in different nations. The marketing activities in Dubai goes hand in hand with the traditional approach rather than the digital. According to *all respondents*, it is common among organisations in Dubai to use traditional marketing activities, such as print media, billboards and radio. *Respondent B* mention that the everyday life in Dubai comes with spending a lot of time in traffic due to long distances to work etc. Thus, the radio is of high interest for organisations to market themselves in, as it has a big influence and reaches a lot of people.

“The radio may seem to be outdated, but here in Dubai it is a very popular marketing tool- Respondent B”

However, *all respondents* claim that other types such as digital- and influencer marketing are growing, yet they have a younger audience. Social media and influence marketing matters, but it is not as high of a priority in comparison to other

cities, countries or continents. Organisations are in the stage of directing the marketing towards a more digital approach, but that may not target all segments since many people in Dubai prefer traditional approaches. Furthermore, the locals are valuing physical service during their shopping experiences which also complicates the sake of digital marketing. As mentioned previously there is a ‘souk mentality’, which means that people want to see and feel. Therefore, when organisations launch products, the respondents recommend them to promote them with physical showrooms with samples.

Furthermore, *all respondents* agree with another aspect to highly consider when planning for marketing activities in Dubai, which is to incorporate locals. Organisations can incorporate locals by use them- as well as objects- and situations that symbolize the lifestyle of Dubai. This aligns with the intercultural accommodation theory and Demangeot et al., (2015) who encouraged marketers to consider ethnicity when planning marketing activities based in different countries. *All respondents* believe that it is important that potential consumers can relate to both products and services, although, previous studies mentions challenges that comes with it. Demangeot et al., (2015) claims that intercultural accommodation theory needs to be considered carefully since it could affect the marketing in a negative way for international businesses. Demangeot et al., (2015) further presents an example of failure, several years ago IKEA’s view of gender equality were criticized by the west world since IKEA were airbrushing women

out of their catalogues in Saudi Arabia. This situation demonstrates how communication targeted at one particular group or nation also could cause problems with others. In regard to Dubai, the authors have not received any information about a similar situation. It is important to highlight that Saudi Arabia and Dubai differs, according to *respondent A* and *C*, Dubai is one of the most 'open' cities of the nations in the middle east. The authors believe that marketers could consider the intercultural accommodation theory but with moderation and remember the organisation's and the brand's core values, to adapt isn't wrong but to provoke or go against human rights isn't optimal in any kind of strategy.

Finally, there is another option for organisations to do in order to succeed when entering the Dubai e-commerce market and that is to use the competences available within the free zones for their marketing activities. Though, this is only possible if the organisation is operating from one. DAFZA offers marketing services upon request but it is not included in their main packages. They will continue to do so in their e-commerce project *Dubai Commercitiy* as well. *Respondent C* mention that they work with established brands who have their in house marketing and are responsible of their own marketing activities. Thus, DAFZA, decided to only provide what they call '*the ecosystem of marketing*'. This means that they provide press releases and the usage of their social media platforms when a new business enters the market, but not much more than promoting than the 'new' organisations presence.

Concluding discussion

The aim of this study is to examine how cultural impact within business contexts and marketing activities should be considered when Swedish businesses seek to enter the Dubai e-commerce market. In order to fulfill this purpose two *research questions* was made:

What are the main factors that characterize the Dubai e-commerce market? & How should businesses consider the culture within business contexts, and marketing activities when entering the Dubai e-commerce market?

The main factors that characterize the Dubai e-commerce market

The authors believe that in order to understand and draw conclusions about the *Dubai e-commerce market* it is first important to understand the market in general, the one thing that defines the Dubai market as well as the e-commerce market is the ownership. Organisations have two options, either to have an emirate owning 51% or pay a fee for entering a free zone. DAFZA is the free zone that are responsible for developing the Dubai e-commerce market which make them a highly important stakeholder in this case. Further, their project *Dubai Commercitiy* could take the e-commerce market to the next level by providing all the necessary e-commerce tools such as infrastructures from shipment and storage to deliveries to the end consumer. The authors conclude *two* major factors that characterize the Dubai e-commerce market of the findings. The first one is the *infrastructure*, this plays a vital role since it is essential for e-commerce businesses to operate, for example; the delivering of goods needs to be done in an efficient manner. This requires an optimal

infrastructure which enables the courier to deliver to the customer, furthermore the import and export goods to reach the seller. Moreover it is suitable to implement an infrastructure that is as cost effective as possible, especially if it is a new establishment. Though one could argue that if the business is new it is essential to make sure that the infrastructure that is chosen is reliable (Choshin & Ghaffari, 2017). Therefore, one might have to put more into the budget from start. The second vital factor is the amount of *knowledge and awareness* that the customer have in regard to what the business has to offer. This factor is essential as without the customers' the business will not thrive or even exist for that matter. The internet was seen to be a high risk investment since both individuals and businesses perceived it as unsure, which again had its grounds in the lack of knowledge. This uncertainty resulted in a low level of trust in the development of technology, and the entire globalization were questioned (ibid). Though, since the change of perspective about a couple years ago individuals have become more knowledgeable and also more trustworthy of the digital aspects of business. One could say that Dubai is a low-trust society where they need to have a high level of trust before doing anything in terms of business such as investments. Though, this has been of a great challenge as e-commerce is considerably new to the market and businesses need to build trust from the beginning to be able to create a valuable relationship. Furthermore, it is noticeable that Dubai has some future developments to consider in the field of e-commerce in comparison to the rest of the world, especially regarding trustworthiness. This concerns the trust issues with the souk

mentality and payment methods. The authors conclude that the *souk mentality* is the largest challenge for e-commerce businesses since payment methods will be the least of their issues if individuals do not have any trust in their business. Further, the *souk mentality* makes it challenging for e-commerce businesses, as consumers feel the desire to see and feel the product to create a trust, that defeats the whole purpose of the online presence. Finally, in regard to e-commerce, organisations can improve the level of trust for their customers by for instance; providing virtual images, video graphic material and customer reviews. This further gives the customer some kind of reassurance which will create a greater level of trust.

How businesses should consider cultural impacts within business contexts, and marketing activities when seeking to enter the Dubai e-commerce market

Cultural impacts within business contexts need to be considered when entering the Dubai e-commerce market. The authors conclude that the culture of Dubai from a business perspective differs relatively from Swedish culture. In Dubai, transactional relationships are not common since individuals prefer to know the businesses and the individuals that they are working with prior to any deals, especially when it comes to negotiations. It therefore could be defined as what Gesteland (2002) called the relationship-focus. Thus, it is essential for businesses to invest both time and money in creating long-term relationships with the counterpart. Moreover, the aim of business relationships in Dubai is to result in trust, which is a very important aspect in this matter. The locals prefer to trust whomever they are doing business with and it is

therefore something important for organisations to have in mind as well. Furthermore, as in all countries, contexts differs, the level of cultural actions is more based on an individual level. The treatment of genders for instance is more based on the individual rather on a specific culture norm. In order to understand and prevent potential barriers the authors recommend organisations to gain a deeper understanding about the counterparts culture but also the religion in order to be as prepared as possible which further also is emphasized in the theoretical framework (Torstein, 2010; Phatak and Habib, 1996; Ang, Leong, and Teo, 2000; Firoz and Ramin, 2004; Hurn, 2007). Organisations can prepare by gathering knowledge online, learning from people with experience or use the help of other experts for example; DAFZA, Business Sweden or Yuki Consulting. Finally, in regard to cultural impacts in business contexts, the authors would like to highlight that respectful actions for other cultures shows a high level of commitment, and in this case, it could be as simple as using Arabic phrases.

The *marketing activities* in Dubai has more of a traditional- rather than digital approach. Print media are one common tool, but most used is the radio since individuals in Dubai spend a lot of time in their cars due to the heavy amounts of traffic. Other marketing activities such as digital- and influencer marketing are growing but are more acknowledged by the younger audience. However, the findings conclude that several organisations are trying to direct their marketing towards a more digital approach, but this may not attract all target groups. The role of social media is present but not as high of

relevance as in other cities, countries or continents. The authors believe that the development from traditional to digital marketing will evolve over time since the digitalization is expanding in the region. As mentioned previously, there is a 'souk mentality' in Dubai which correlates with traditional marketing rather than the digital. The authors further believe that the development of the e-commerce market will lead organisations and the individuals to a more digital marketing approach. The authors also conclude that locals value physical services during their shopping experiences, which also could put spanners in the wheel for the development of digital marketing. This might be a slow transition dependent on if it is high end- or budget products, as well as known brands or unknown brands. High end- or unknown brands might want to put more effort into physical settings, such as showrooms and pop-up stores.

When considering marketing in Dubai, it is essential to incorporate the locals. This can be done by involving them in different marketing activities and to further showcase their lifestyle. this is argued by (Demangeot et al., 2015; Huang et al., 2013; Karande, 2005; Peñaloza and Gilly, 1999) in the intercultural accommodation theory that encourage marketers to consider ethnicity when planning marketing activities based in different countries. The authors believe that this would not cause any issues as it did in the case of IKEA and Saudi Arabia, as Dubai values gender equality and other human rights. Further, Dubai is also seen to be more international with has resulted in open mindsets.

Another option is to consider the competences within the free zones for marketing activities, this is only possible if the organisation is operating from one. For instance, DAFZA offer marketing services upon request but it is not included in their main packages. Further, they provide press releases and some usage of their social media platforms when a new business enters. However, they are not assisting with much more than promoting the 'new' organisations presence. The authors believe that the assistance of the free zone is a good starting point for new organisations since it enables them to establish their brand. Finally, in regard to marketing activities, the authors conclude that organisations should adapt their marketing activities in an approach to fit into the Dubai market. This accounts for tools, channels and content with a moderation in regard to the organisations' core values.

The bottom line that the authors would like to emphasize on:

- The main factors that characterize the Dubai e-commerce market is a well-established *infrastructure*, and a high level of consumer *knowledge and awareness*.
- When seeking to enter the Dubai e-commerce market, the cultural impacts that are vital to consider are the *cultural differences*, especially on an *individual level*. Furthermore, the importance of *building trust* and *establishing relationships* to generate better deals.
- When considering marketing activities in Dubai it is highly recommended to incorporate *local individuals* and also the *native language, Arabic*, for instance in

promotions. Lastly, be aware of the development from traditional marketing to more digital to enable a decision of the most suitable marketing activities.

Finally, the combination of the main fields within this research implicates that; The personal communication in e-commerce contexts in Dubai is affected by cultural impacts and if this is applied appropriately it will translate into a greater relationship between consumers and e-commerce organisations. The organisational relationship to both the Dubai e-commerce market and consumers will result in well adapted marketing activities.

Contributions and implications

This research provides an *academic contribution* in the field of how to enter a foreign e-commerce market with a business perspective of culture and marketing differences. It contributes with a theoretical understanding of how e-commerce, cultural impacts in business contexts, and marketing activities relates to each other. As for managerial implications, this study contributes to important *practical implications* for Swedish businesses that seek to enter the Dubai e-commerce market, since it provides knowledge of how the e-commerce market operates. This include the main factors which characterize the e-commerce market and how to consider cultural impacts from business contexts, and marketing activities.

Limitations and future research

As this study is delimited to the fields of; the Dubai e-commerce market, and Swedish organisations established in Dubai, the authors would like to recommend future researchers to focus on deeper understanding of online consumer behaviors. In addition to this study, it would be interesting to use quantitative method and explore the consumer behaviors of both Dubai and Sweden and comparing them. For example; what are the differences in online consumer behavior in Dubai versus Sweden? Furthermore, and based on our findings, future research can also examine the relationship between social trust and e-commerce development in Dubai. For example, How does social trust of consumers affect the development of e-commerce in Dubai? Since there are lack of research in these fields, it is our hope that more researchers can dive deeper into understanding how consumers from different cultures behaves online but also how social trust affect the development of e-commerce in Dubai.

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