

# DECONSTRUCTING RESEARCH ON INFORMATION TECHNOLOGY (IT) CAPABILITIES: IMPLICATIONS FOR MARKETING STRATEGY

Sreedhar Madhavaram, Cleveland State University, USA  
Radha Appan, Cleveland State University, USA

## ABSTRACT

In the marketing strategy literature, researchers have long since recognized the role of information/knowledge as a potential source of competitive advantage (e.g., Glazer 1991; Li and Calantone, 1998; Li and Cavusgil 2000; Madhavan and Grover 1998). For example, for Glazer (1991), the economy will continue to be information intensive based on the inherently non-scarce and seemingly unlimited, renewable, and regenerative aspects of information/knowledge. In addition, researchers from disciplines such as economics (e.g., Cohendet 2001; Fransman 1994) and corporate Strategy (e.g., Baden-Fueller and Pitt 1996; Grant 1996; Nelson and Winter 1982) have started paying greater attention to the firm as a knowledge processor, and as a body of knowledge respectively. According to these perspectives, the firm is (1) essentially a locus of setting up construction, selection, usage, and development of knowledge and (2) sensitive to sharing and distribution of knowledge/information. Accordingly, we contend that *technology* that facilitates the efficient and effective construction, selection, usage, and development of knowledge and sharing of information/knowledge can also provide firms with competitive advantages.

In the management information systems (MIS) literature, there have been a number of articles that established the relationship between IT capability and firm performance (e.g., Bhatt and Grover 2005; Bharadwaj 2000; Jarvenpaa and Ives 1990; Karimi, Gupta, and Somers 1996; Mata, Fuerst, and Barney 1995; Rai, Patnayakuni, and Seth 2006; Ray, Muhanna, and Barney 2005; Saraf, Langdon, and Gosain 2007; Stoel and Muhanna 2009). However, with the exception of a few researchers (e.g., Bharadwaj, Bharadwaj, and Bendoley 2007; Bharadwaj 2000; Goslar 1986; Ray, Muhanna, and Barney 2005), not many have addressed the issue of the influence of IT capabilities on marketing strategy. Although the research on IT capability is fairly well established, some issues still require researchers' attention: conceptualization and measurement of IT capability, scope of IT capability at the macro as well as micro levels in strategy execution, and research at the interface of firm's IT capabilities and marketing strategy. Therefore, in this paper, first, we review IT capability literature and, then, deconstruct IT capability research. Second, we briefly review the marketing strategy literature for the role of IT in general and the role of IT capabilities in particular. Third, we discuss the implications of the deconstruction of IT capability research for marketing strategy. Here, we discuss the implications for firm's overall marketing strategy in general and for specific forms of marketing strategy in particular.

In conclusion, the deconstruction of IT capabilities research presented and the implications of the deconstruction for marketing strategy introduced in this article extend and elaborate on the IT capabilities concept for marketing strategy. We hope that this article acts as a catalyst for further exploration of IT capabilities in the contexts of marketing strategy in general and specific forms of marketing strategy in particular.

References Available on Request.