

Entrepreneurship implications on marketing function

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Abstract

In the current context of globalization, entrepreneurship appears as a factor able to address economic and social challenges, contributing to a greater extent to the consolidation of a knowledge-based economy. In these circumstances, entrepreneurship can be seen as a factor of economic growth, social progress and employment work. The importance of entrepreneurship is given the ability to stimulate certain sectors of the local economy due to the load of innovation that can transmit contributing decisively to the endogenous development of the area. An entrepreneur which incorporating effective marketing in his business will easily identify needs, preferences and characteristics of target segments and will induce changes needed to serve these segments. These skills contribute to the survival of the market and achieve a performance level higher than competitors, being characteristic of entrepreneurial marketing, the key to success in complex and dynamic competitive environment in which firms operate today.

Key words: *entrepreneur, marketing, globalization, innovation*

JEL Classification: D 470, F 23, M 310;

1. Introduction

In the current context of globalization, entrepreneurship appears as a factor able to address economic and social challenges, contributing to a greater extent to the consolidation of a knowledge-based economy. In these circumstances, macroeconomic entrepreneurship can be seen as a factor of economic growth, social progress and employment work.

Entrepreneurship involves existence, at the same time an entrepreneurial event - the market opportunity - and an entrepreneurial agent - entrepreneur. They can be delineated two components of entrepreneurship:

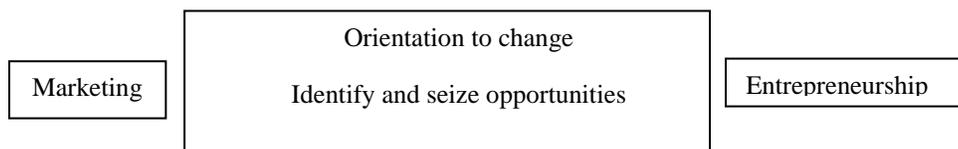
- ✓ Entrepreneur's attitude and desire to capitalize on new market opportunities to create value. Individual entrepreneur is viewed as innovative or as an intermediary in relations between operators have control over resources. Entrepreneurial intention is emotionally driven by the desire to act in order to create an activity previously identifying opportunity.

- ✓ Entrepreneur and the firm's behaviour by understanding imbalances that create market opportunities and ability to attract the resources needed to exploit them. This component highlights the individual effort of the entrepreneur in its vision beyond the knowledge gained and routines, involving strategic nature of activities carried out continuously learning. If adopted a strategy of exploiting accumulated knowledge, it creates routines and improvements at the organizational level, being exploited business opportunities by capitalizing on previously acquired knowledge in terms of reduced risk. Entrepreneurs can create and / or seize opportunities in the external environment company they follow whatever resources initially controlled. Consequently, behavioral approach to entrepreneurship envisaged by default, and looking for opportunities to expand company's resources.

Entrepreneurial marketing is approached as an integrative concept to adapt the approach to marketing new environmental conditions in which the company operates. Entrepreneurial Marketing is focused on proactively identifying and exploiting opportunities to attract and retain profitable customers through an innovative approach to risk management, more efficient use of resources and create a higher value for the customer.

The marketing entrepreneurial is defined based on seven dimensions: proactively, taking calculated risk, innovation and orientation towards entrepreneurship (derived from research on entrepreneurial orientation of the firm), using high efficiency of resources (item addressed both in marketing literature, and in the on entrepreneurship), customer orientation and value creation (derived from market orientation of the firm). The marketing and entrepreneurship interface presents three areas: orientation change; identify and seize opportunities; orientation towards innovation.

Figure 1: Interface entrepreneurship - marketing



Source: Collinson and Shaw, 2001

Entrepreneurial approach is based on certain fundamental concepts of marketing theory: identifying opportunities, using innovative techniques to bring to market the product or service and immediacy of response to the needs of the target market. Recent research suggests the shift towards the new paradigm of entrepreneurial marketing.

2. Market orientation and learning - strategic support of innovation in small and medium firms

Research entrepreneurial nature having as object the company and its entrepreneurial level measurement led to crystallize the concept of entrepreneurial orientation and delineation of the concept of

entrepreneurship. In turbulent environments, entrepreneurial firms adopt a proactive behaviour, search of new opportunities for continuous innovation and risk taking to achieve higher rates of growth. The concept of entrepreneurship connects entrepreneur attitudes and behaviour in terms of content strategy for creating new economic activities leading to the identification and assessment of market opportunities. Consequently, entrepreneurial orientation is considering processes, practices and decision-making activities that lead to new businesses that create value. Entrepreneurial orientation reflects, on the one hand, the priority it attaches to the company to identify and exploit opportunities in the market, on the other hand acquiring the ability to cause uncertainty in the environment become more favourable to them.

The research undertaken while involved revisions and extensions of entrepreneurial orientation dimensions that operational construct being proposed following: the innovation and proactively, risk taking calculated as widely accepted dimensions, namely autonomy and competitive aggressiveness size less accepted.

Entrepreneurial innovativeness reflects of the one part, the trend of the company to promote and support new ideas faster than the competition in experimentation and creative processes that can generate new products, services and processes exploiting the creativity of human resources at a high level. On the other side, the innovation requires the ability of the company to introduce new products to the market or to create new markets through timely identification of external opportunities and harmonizing them with appropriate internal capabilities to achieve strategic objectives. So, as stated by the Schumpeter, the entrepreneurs create new companies and jobs and contribute to restructuring economic environment. He is the origin of rupture innovations that generate "creative destruction" through new products and business models launched in various markets, new sources of supply and market structures that replace existing ones. Exploiting these innovations applicable to new and existing companies leads to value creation by entrepreneurs.

Starting from the idea that companies must remain active on the market entrepreneurs direct them to anticipate market needs, developing their inclination to be proactive.

Proactively is the entrepreneurial firm's ability to be visionary to anticipate future needs and actively seek new market opportunities related to or different from its current field of activity. Entrepreneurs are actively seeking new opportunities by anticipating the changing needs of the market, the desire to dominate and potential direct competitors. Proactively reflect how a company by reference to market opportunities, influence and shape the environment in which they operate, without causing direct competitors. The tendency of firms to relate strictly to competitors and challenge them directly in order to obtain a better competitive position and maximize results, due to the exploitation of market opportunities, defines competitive aggressiveness.

Proactively influence market trends, while the competitive aggressiveness meet existing trends. Although the literature distinguishes between proactively and *aggressiveness competitive*, it is considered that these dimensions are interdependent, proactive companies on a competitive aggressively with other companies already on the market.

The entrepreneurial autonomy aims freedom of an individual, of a team or managerial employees to implement an idea. Having the ability to act independently in order to put into practice innovative ideas, entrepreneurs are inclined toward taking risks associated with new economic activities. They direct significant

resources to exploit opportunities with the estimated failure possibilities reasonable for businesses to remain competitive and achieve higher growth rates.

At the firm level, both learning and knowledge results become strategic sources to ensure a competitive advantage. Innovative and entrepreneurial firms are inclined toward taking risks, providing an internal environment in which learning through exploration and experimentation is most likely to manifest itself.

Entrepreneur experiences come not only from previous successes, but also failures. Failure can occur as a prerequisite for learning because it provides an opportunity to identify the causes of his being a powerful mechanism to resolve uncertainties. Business failures that contribute to stimulating learning are those that provide a knowledge base for new entrepreneurs in choosing strategic action distinct from those adopted in the past. Learning occurs when the company has an efficient and effective information exchange and knowledge resulting from the systematic review and structuring the information perceived, and sharing them among company departments. Collect and exchange information relates to customer needs, market changes and actions of competitors and the development of new technologies to create new products that differentiate them from the competition. Learning is a dynamic process, the acquisition of new knowledge overlaps with removal routines, organizational practices and prior knowledge. At the firm level, this requires a greater commitment to learning, openness and a shared vision of all stakeholders. Such values guiding the behaviour of firms and various processes of acquiring information, developing common understanding of information acquired and generating new knowledge and insights organization. In these circumstances, learning orientation of companies can be operational through the following dimensions:

- (i) Engagement with learning or the degree to which an organization promotes learning, to foster an appropriate environment;
- (ii) The common vision which refers to the focus on learning throughout the organization;
- (iii) Openness or the desire to critically evaluate operational and organizational routines to accept new ideas;
- (iv) Interorganizational exchange of knowledge level for businesses to cope with rapid change in technology and market turbulence.

Market orientation of companies is based on the continuous collection of information about the environment in which they operate mainly on the needs of current and potential customers or competitors capabilities. The aim is to anticipate and exploit opportunities, taking into account the threats continue to create superior value for customers and achieve a higher level of performance.

The definition of market orientation was adopted three perspectives: a behavioral perspective, a perspective of organizational culture of the company and a strategic perspective. From the behavioral perspective, market orientation focuses on three dimensions:

- (i) Generation of information on current and potential customers to identify new opportunities in domestic or foreign markets;
- (ii) Dissemination of information within the company across all departments engaged in learning about the market;
- (iii) Firm answer on such information strategies, tactics and techniques appropriate marketing.

Implementation of market orientation behavioural perspective is conditioned by the values, norms and principles on the organizational culture of the company. An individual needs can be expressed due to the fact that it is aware of the unmet need and their associated solutions or latent that the individual is not aware.

Theoretically, from the perspective of market orientation and marketing capabilities they bring, company trying to discover, understand and meet the expressed needs of consumers through a reactive attitude to the market, namely the dormant through proactive.

From the strategic perspective, market orientation has a behavioural nature and is focused on establishing and implementing the strategy that will lead to increased value for the customer as a result of collection and interpretation of information from the environment.

3. Entrepreneurial innovation in small and medium firms

In a changing environment, entrepreneurship and innovation are two dynamic processes, complementary and vital to the success and sustainability of a company. Innovation of small and medium entrepreneurship reflects their propensity to promote and support new ideas, experimentation and creative processes.

Innovation involves significant change in products, procedures, methods or organization marketing firm to create value. On the one hand, innovation is a strategic factor of growing the company, and on the other hand, the magnitude of change is determined by the level of novelty of innovation that generates various facets of innovation. Small and medium companies tend to restrict more to innovate on products and less of organizational processes and marketing.

The strategies adopted by small and medium influence the development and success of innovations. Proactive customer or market orientation affects the number of new products resulting from innovation and successful market launch of their being subject to external linkages of the entrepreneur to acquire strategic information on latent needs of customers.

Innovative entrepreneur creates future demand content to fill the void left by unsatisfied desires of consumers / customers. He engages in a creative and visionary act generated by consumer dissatisfaction. The novelty arises from a complex process of individual learning and subjective interpretation of the outside world. Profit generated by innovation is the reward offered to entrepreneurs by the consumer in recognition of efforts to create solutions to meet their needs. Profit innovation is the result of the transformation in consumer desires that the contractor a novelty on the market and launches its consent to purchase at launch on the market. Considering the central role of entrepreneurs in the small and medium entrepreneur regarded as innovative concept underlying the paradigm that it can identify opportunities and using innovation as a tool for creating a new business success. Entrepreneurs think strategically innovative process, assumes the risk associated Ides support us in the company, directly influencing the innovation process because of the way it manages connections with various stakeholders inside and outside the company.

Proactively entrepreneur and strategic orientation of prospective leads him to identify opportunities and to initiate changes in driving forward innovation. The flexibility and aggressiveness on the market as way to

manage the company, is reflected in an innovative production. Organizational culture and management style are crucial factors affecting the development of entrepreneurial and innovative behaviour.

Creativity has its origins in multiple actions committed by employees, accumulated as a continuous improvement process or as totally new ideas that transform business strategy or create a new business.

Entrepreneur's ability to process, interprets, encode, manipulate and access information in a predetermined manner so as to contribute to the adaptation to the environment, reduce uncertainty and ambiguity innovation. Liaise between vision, strategy and innovation is important for effective innovation.

Strategy determines the configuration of resources, products, processes and systems that firms use to cope with environmental uncertainties. The limited resources in the case SMEs can hold back innovation and to continue necessary to optimize their use.

Conclusions

Current socio-economic context, national and global level, emphasized the entrepreneurial phenomenon as a driver to support measures on the labour market, facilitating the creation of new jobs and thus stimulate the real economy.

The importance of entrepreneurship is given the ability to stimulate certain sectors of the local economy due to the load of innovation that can transmit contributing decisively to the endogenous development of the area.

Entrepreneurship is one of the pillars underpinning European strategies in the field of employment, together with improved employability (employability), promoting the adaptability of enterprises and their employees (adaptability) and providing equal opportunities for women and men (equal opportunities).

Entrepreneurship contribution to increasing economic performance and well-being and social cohesion can be evidenced by the relationship between the values of the indicators for entrepreneurship and macroeconomic outcomes.

Entrepreneurs think strategically innovative process, assumes the risk associated Ideas support us in the company, directly influencing the innovation process because of the way it manages connections with various stakeholders inside and outside the company.

Greater flexibility to SMEs, their rapid adaptation to changes in the external operating environment, internal cohesion and ability to find quick solutions to internal problems are features with a decisive role in adopting innovations.

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