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Investigate the relationship between marketing strategies on entrepreneurial development

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Abstract

Marketing managers are increasingly held accountable for the productivity or effectiveness of their expenditures. Indeed, the more impactful the marketing, the higher the attainable revenue, or conversely, the lower the marketing cost for a given revenue target. Effective marketing sometimes requires a volatile deployment of marketing budget such as a pulsing approach, i.e. a regime characterized by on-again, off-again marketing campaigns (including advertising campaigns, sales promotions and new-product launches). This study investigates the relationship between marketing strategy and development of entrepreneurship in Mysore, India's industrial enterprises. In this context, the design and distribution of the study sample consisted of 196 members know we have a questionnaire. Data Spss software been analyzed. Statistical analysis showed a significant and positive impact on the development of marketing strategies has entrepreneurship.

Keywords: Market, Marketing, Marketing mix, Development.

Introduction

Since the 1990s, researchers have witnessed earlier and more rapid engagement by new firms in international activities. A particularly interesting type of firm is the international new venture (INV), which can be defined as “a business organization that, from inception, seeks to derive significant competitive advantage from the use of resources and the sale of outputs in multiple countries” (Oviatt & McDougall, 1994: 49). Early internationalization of INVs poses great challenges for marketing, and knowledge of marketing strategies becomes an important aspect in the growth and success of these firms (Ripollés & Blesa, 2011). While the extensive research conducted in the past two decades has offered important insights into the characteristics and behavior of INVs, research on their marketing strategies has received less attention and is still in a nascent stage (Rialp, Rialp, & Knight, 2005). Research has found that INVs face liabilities of newness, size, and foreignness (Zahra, 2005). Due to their small size, these firms have limited resources and capabilities and their newness and foreignness also restricts their access to supplementary resources and networks, thus making their marketing activities especially difficult. To overcome these challenges, application of novel approaches to marketing is likely to be especially important. The concept of entrepreneurial marketing has been considered especially powerful in describing smaller, younger, and resource-constrained entrepreneurial firms (Hills, Hultman, & Miles, 2008). Hence, this concept has the potential to be very important to our understanding of the marketing strategies of INVs. It is surprising to note that the relatively scarce research focusing on the marketing of INVs has discussed the entrepreneurial aspects of marketing strategies to only a limited extent (Kocak & Abimbola, 2009). This tool will help you define what it is that your customer will get or experience from the intervention – it’s features and benefits. The mix is based on the 4P’s of marketing: product, price, place and promotion but can also include other P’s such: people, processes, physical environment, partnerships etc. The marketing mix will help you develop how you will deliver your intervention.

Pick up from where you reached at the end of the scoping phase and review your plans with your team and key stakeholders in light of the development work to date.

Based on the possible intervention options you have identified using the intervention mix (a strategic focus of 5 domains of influencing behaviour) use the marketing mix (a tactical tool)

to develop the intervention options further using the 4P's or more to shape what it is you're offering the target customer/audience.

As you did in scoping, assess the potential impact of each proposed element of your marketing mix on the target audience.

Literature review

Marketing Mix

The concept of marketing Strategy is gradually becoming an essential part of every existing enterprise of today. The concept of strategy is ancient and it comes from Greek word *strategia*, which means art of Army General. Effective Army Generals are needed to win battles and protect territories. Strategic Marketing is defined by Achumba (2000) as a chosen line of action selected by an organization for pursuing a marketing objective. Strategic marketing management can also be viewed as the art of formulating, implementing, and evaluating cross-functional decisions that will enable an organization to achieve its desired objectives. It must be pointed out here that *Marketing* involves activities that provide satisfaction to consumers. It is a matching process. Marketers must recognize and understand consumers' needs and wants and then determine how best to satisfy them. Satisfaction becomes available through the process of exchange in the society. Based on this discussion, this study aims to build an understanding of the importance of the entrepreneurial marketing strategies in INVs during their global growth. The study first seeks to explore whether INVs apply international entrepreneurial marketing strategies and whether they develop as INVs grow. Then the study analyses how international entrepreneurial marketing strategies develop and what factors explain this development and the marketing performance of INVs. The study employs a theory-development type of empirical research (Eisenhardt & Graebner, 2007) based on a multiple case study conducted in Finland, a typical small and open economy (SMOPEC). The resource scarcity in these countries (Laanti, McDougall, & Baume, 2009) and the high proportion of successful INVs (Fan & Phan, 2007) make SMOPECs an especially fruitful venue for revealing the crucial aspects of entrepreneurial marketing in INVs. Marketing, with its emphasis on satisfaction, exists because society has needs that must be met and wants that must be satisfied. Thus, the goal of marketing is to facilitate exchange so that satisfaction is increased for all the parties involved (Ibidunni 2004). Exchange requires two or more individuals or groups that have certain want satisfying products. In order for

exchange to come about, each party must want what will be received more than what will be given up; that is, both parties must feel that their total satisfaction will be enhanced as a result of the exchange. The constituent parts of a marketing strategy are based on a thorough and objective understanding of the current situation. They usually include: (i) The scope of the business: (ii) Marketing objectives: (iii) Target segments and positioning: (iv) Marketing mix strategy.

In today's very competitive marketplace, the use of marketing strategy must ensure a consistent approach to offering one's product or service in a way that will outsell that of competitors. However, in our attempt at defining marketing strategy one must also have a well-defined methodology for the day-to-day process of implementing it. It is of little value to have a strategy if we lack either the resources or the expertise to implement it. In the process of creating a marketing strategy, one must consider a number of factors, some of which are more important than others. Because each strategy must address some unique considerations, it is not reasonable to identify 'every' important factor at a generic level. However, many are common to all marketing strategies.

The marketing objectives will focus on how a firm will increase its sales by getting and keeping customers. To explain how to do this, experts talk about how best a firm can package its products and services, how much to charge for them and how to take them to market. A marketing strategy will help the company to tailor its messages and put the right marketing communication mix of marketing approaches in place so that the company can bring its sales and marketing activities together effectively. [Pride and Ferrell , 2002].

You begin the creation of your marketing strategy by deciding what the overall objective of your enterprise should be. In general this falls into one of four categories, [Porter, 1998].

- If the market is very attractive and your enterprise is one of the strongest in the industry you will want to invest your best resources in support of your offering.
- If the market is very attractive but your enterprise is one of the weaker ones in the industry you must concentrate on strengthening the enterprise, using your offering as a stepping-stone toward this objective.
- If the market is not especially attractive, but your enterprise is one of the strongest in the industry then an effective marketing and sales effort for your offering will be good for generating near term profits.

- If the market is not especially attractive and your enterprise is one of the weaker ones in the industry you should promote this offering only if it supports a more profitable part of your business (for instance, if this segment completes a product line range) or if it absorbs some of the overhead costs of a more profitable segment. Otherwise, you should determine the most cost effective way to divest your enterprise of this offering.

ENTREPRENEURIAL DEVELOPMENT

The study of entrepreneurship reaches back to the work of Richard Cantillon and Adam Smith in the late 17th and early 18th centuries, but was largely ignored theoretically until the late 19th and early 20th centuries, [Aaker, 1989]. In the 20th century, the understanding of entrepreneurship owes much to the work of economist Joseph Schumpeter in the 1930s and other Austrian economists such as Carl Menger, Ludwig von Mises and Friedrich von Hayek. In Schumpeter, an entrepreneur is a person who is willing and able to convert a new idea or invention into a successful innovation. Entrepreneurship employs what Schumpeter called "the gale of creative destruction" to replace in whole or in part inferior innovations across markets and industries, simultaneously creating new products including new business models. In this way, creative destruction is largely responsible for the dynamism of industries and long-run economic growth, [Kotler, 2006]. The proposition that entrepreneurship leads to economic growth is an interpretation of the residual endogenous growth theory and Kirzner as such, is hotly debated by academic in economics. An alternate, description posited by, according to Baumol, (1990) suggests that majority of innovations may be much more of incremental improvement.

Entrepreneurship concept, like other concept has no specific or single definition. It has been defined in different ways by many authors, according to their understanding of the view or of the subject matter. For instance, Baumol (1990) defines entrepreneurship as "a practical creativeness, which combines resources and opportunities in new ways. It involves the application of personal qualities, finances and other resources within the environment for the achievement of business success". Barro (1997), sees entrepreneurship as the process of using available capital in any form, for the business endeavors in an open and free market economy for the sole purpose of making profit and it includes all enterprises in new fields.

Entrepreneurship is the act of being an entrepreneur, which is a French word meaning "one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods". This may result in new organizations or may be part of

revitalizing mature organizations in response to a perceived opportunity. The most obvious form of entrepreneurship is that of starting new businesses (referred as Startup Company); however, in recent years, the term has been extended to include social and political forms of entrepreneurial activity. When entrepreneurship is describing activities within a firm or large organization it is referred to as intra-preneurship and may include corporate venturing, when large entities spin-off organizations.

Methodology

This research was carried out in the first quarter of this year, precisely March, 2013. The paper uses survey research method. A set of questionnaires was well structured and administered to four categories of respondents, which were in Trading, Service firms, Manufacturing, and Retailing. Likert Scale structured questionnaire was used with options of five variables: which ranges from Strongly Agree (SA); Agree (A); Undecided (U); Disagree (D); and Strongly Disagree (SD)? The researcher used the whole population of registered enterprises in the local government. In all 120 questionnaires were sent among the categories of respondents 103 questionnaires were returned while 11 of these questionnaires were rejected because they were not properly filled. In all, the research made use of 92 returned questionnaires. Below is the summary of demographical data showing classification of participants?

The qualitative case study was selected as the methodological approach. It is particularly appropriate when the aim is to develop or extend theory in a situation where the context plays a crucial role in understanding a phenomenon (Eisenhardt, 1989). To examine the relationships between focal concepts and strengthen the development of theory and propositions, multiple cases were selected (Eisenhardt and Graebner, 2007, Yin, 2003). This study adopts the idea of abduction through back and forth

Analysis of the international entrepreneurial marketing strategy dimensions

The background information of the four case firms was presented in Table 1. Next, the results of the analysis of international entrepreneurial marketing strategies are presented.

Discussion and proposition development

The results suggest that international entrepreneurial marketing is applied in INVs during their global growth. Innovativeness and adaptation were found to be key dimensions of the international entrepreneurial marketing strategies in these firms. Three elements emerged as crucial for innovativeness – value innovation, co-created marketing, and low-cost marketing – whereas two elements were important in the adaptation dimension, namely country and customer adaptation.

Finding

In the present study used regression analysis to test the hypothesis. Results of regression analyzes are shown in the following table:

Table 1: Results of regression analysis

Sig.	t	Standardized Coefficients	Unstandardized Coefficients		Model
			Std. Error	B	
.027	2.239		.362	.809	(Constant)
.033	1.691	.178	.117	.198	Product
.026	1.529	.073	.113	.078	Price
.889	.140	.013	.105	.015	Place
.000	4.776	.438	.096	.458	Promotion

a Dependent Variable: ENTREPRENEURIAL DEVELOPMENT

Conclusion

The study has contributed to our knowledge on the effects of marketing strategy on entrepreneurial development. The results demonstrated that there is a significant effect of promotion on the sales growth of an enterprise, likewise a significant relationship between the usages of direct distribution channels on the profitability of an enterprise.

Findings of the paper implies that government should formulate policies that will encourage, enterprises in adopting marketing strategy by creating awareness programmers' to intimate them of the benefits to enterprises. Also, the enterprises should know that no firm can survive without adequate marketing strategy. The earlier the enterprises start making marketing the

central of their activities, the better for the enterprise. The workers should be properly inform about marketing and everything it entails so that they can be making the most of it in their daily operations because marketing strategies are used to increase sales, launch new products and generally provide profit for a company (Cyprus 2010). Test assumptions with regression analysis showed:

1. Producing a significant positive impact on entrepreneurial development.
2. Price a significant positive impact on entrepreneurial development.
3. Place a significant positive impact on entrepreneurial development.
4. Promotion a significant positive impact on entrepreneurial development.

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