

Paşcalău, Simona-Valentina

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Entrepreneurial Marketing from the Perspective of Strategic Innovation

Valentina-Simona Pașcalău¹

¹*Agora University of Oradea, Tineretului Square Str., No. 8, Oradea, Romania*
E-mails valentina.pascalau73@e-uvt.ro

Abstract

The purpose of this paper is to identify the implications of strategic innovation in entrepreneurial marketing. This article aims to define and analyze concepts such as: entrepreneurship, entrepreneurial marketing, innovation, innovation management. We will also present the priorities in the reconceptualization of marketing, we will discover the approach of strategic innovation, strategic thinking in marketing and the issue of strategic thinking.

Keywords: entrepreneurial, marketing, strategic, innovation, management.

1. Introduction

Peter Drucker affirm that “Innovation is the specific tool of business people, the method by which they exploit change for the benefit of a new business or a new service. It can also be presented as a discipline that can be learned and practiced. Businesses need to look for the sources of innovation, change and clues that provide opportunities to innovate. And he needs to know how to apply the innovations and success principles of something new. ”

The main goal is to be known as a brand, it would be ideal to stand out from the start-up phase precisely through innovative ideas, it contributes to an industry that often sets the standard to be followed by other industries.

In order to maintain a competitive advantage and maximize value, innovation is the key to success, but if, on the one hand, opportunities are identified to "change the game", on the other hand, there is a risk of losing money on new technologies that have not been proven, for the time being, to be feasible in the market in which we operate.

Also, in order to survive, we must invest in the quality of manufacturing and research, the lack of action allows competitors to surpass us.

Innovation is imperative for companies that want to remain competitive and meet the demands of the changing market. Innovation is no longer just about creating a sustainable product, companies are forced to innovate across the full spectrum of processes, products, technologies and business models.

Technological innovation offers the opportunity to create something new every day, but few industries are as prone to such high-speed development as the footwear industry.

Designers have more design and development opportunities than ever before, whether it's a new material or technology.

2. The concept of entrepreneurship and entrepreneurial marketing

Entrepreneurship is a “dynamic process of vision, change and creation. It requires the application of energy and passion in the direction of creating and implementing new ideas and creative solutions”(Kuratko & Hodgetts, 2004).

In the vision of Hisrich (1992), entrepreneurship is the process by which a product / service with high added value is created, allocating the necessary time and effort, assuming financial, psychological and social risks, obtaining monetary rewards and personal satisfaction.

"In a turbulent environment, entrepreneurial actions have a high relevance, the marketer must act as an innovator, entrepreneur and as an agent of change" (Morris, Schindehutte & LaForge, 2002).

The central idea of entrepreneurship is the "new entry" into a new or existing market, with a new or existing product, the creation of new products with a high degree of innovation, the creation of new organizational forms, the creation of new markets, the creation of new sources of value for the customer.

Entrepreneurial marketing is the behavior of an individual or an organization that adopts a philosophy of challenging current market conventions during the process of developing new solutions.

The entrepreneurial behavior of an organization can be monitored by creating strategies, structures, systems and organizational cultures.

The rational model of entrepreneurial behavior is reflected in determining future organizational performance objectives, reviewing conventional factors influencing performance, analyzing the possibility of achieving objectives by complying with conventions and developing an entrepreneurial plan to meet performance objectives using unconventional concepts

Entrepreneurial organizations have specific characteristics such as: innovation in the product market and technology, risk-taking, proactivity in seizing opportunities, initiating actions that respond to competition, initiating high-risk projects and high-income opportunities and trying to place in a position of technological leadership and research and development.

The key elements of the rational approach in entrepreneurial marketing are: systematic analysis of the situation, evaluation of alternative actions and definition of appropriate, conventional or unconventional actions.

3. Innovation as a process

Innovation is a process of transformation, an improvement of an opportunity in a new idea and its capitalization by creating a practical use on a large scale.

Industrial innovation includes the technical, design, manufacturing, managerial, and commercial activities involved in marketing a new or improved product (Freeman, 1982).

Innovation allows an organization to create a competitive advantage, through the real challenge of innovation, ensuring its technical and commercial feasibility.

Innovation is also a process of developing ideas into practical use, developing and exploiting new knowledge that is not limited to inventing it.

Innovation should not be confused with invention, the latter being only a first step in the process of transforming an idea for widespread and effective use.

Innovation is determined by the ability to see connections that can lead to completely new possibilities to use / capitalize on radical technologies, to identify opportunities and to take advantage of them, to identify where and how new ones can be created and developed markets and to identify new ways to serve current and mature markets.

Innovation is a key process associated with the radical renewal or change of what it offers, of the way it creates and delivers that new offer.

Thus, the innovation process may include: generating new ideas that may be inspirational in nature, from permuting from another context, from understanding user needs, from advanced research, from combining existing ideas into a new one or from building models alternatives for the future. Innovation also includes selecting the best ideas and implementing new ideas that ensure a balance between resources, time and budget on the one hand, the probability of market success on the other.

4. Strategic innovation and management

The success of innovation depends on the company's resources (human resources, financial resources, knowledge, equipment, etc.) and the company's capabilities to manage these resources. Innovation management must ensure a balance between the manifestation of creativity and the discipline that ensures the achievement of things.

An innovative company combines good ideas with a motivated staff and an instinctive understanding of what the customer wants (Richard Branson).

Success in innovation management depends on the following factors: understanding what we are trying to manage, understanding the strategy that shapes the innovation we achieve by answering the questions “What? Why? and When?”, understanding the conditions under which this can be achieved and understanding innovation management as a process of building dynamic capabilities. The continued development of the new digital economy intensifies the need for strategic innovation to improve performance, but many managers fail to provide adequate support for efforts in this direction. Managers do not focus on providing the necessary support for the strategic renewal and reinvention of the company, and this is due to a specific mentality of the industrial economy that seeks to routinize and stabilize the company.

Strategic innovation is not limited to product innovation, but transforms knowledge creation and innovative action into a way of life, seeking to create and expand markets rather than just responding to customer demand, by redirecting resources from profitable business lines to potentially more profitable business lines in the future.

Successful strategic managers use creativity and innovative action to access and capitalize on organizational potential. These managers reinvent the business model and renew relationships to increase customer value and maintain the company's competitiveness.

Regarding the approach to strategic innovation (Abraham & Knight 2001), the growth of the new digital economy intensifies the need for strategic innovation in order to improve performance, many managers failing to provide adequate support for efforts in this direction. The failure to provide the necessary support for the strategic renewal and reinvention of the company is due to a mentality specific to the industrial economy that seeks to routinize and stabilize the company.

Strategic innovation is not limited to product innovation, ensuring the link between resources and efforts of the overall business strategy.

Strategic innovation turns knowledge creation and innovative action into a way of life, seeking to create and expand markets rather than just responding to customer demand, redirecting resources from profitable business lines to potentially more profitable business lines in the future.

Successful strategic leaders use creativity and innovative action to access and capitalize on organizational potential. They reinvent the business model and renew relationships to increase customer value and maintain the company's competitiveness.

5. Strategic thinking in marketing and the issue of strategic thinking

In the literature we find various definitions of the concept of strategic thinking.

Strategic thinking is the distinct managerial activity that aims to discover new, imaginative strategies that can rewrite the rules of the competitive game and view the potential future in a significantly different way from the present (Goldmann , 2007).

Abraham (2005) states that strategic thinking is a process of discovering alternative ways to compete and provide value for the customer, and in the opinion of South (1981) it is a thought process that ensures the focus on the right strategic themes and a common frame of reference for discussing and reviewing the strategy.

From the perspective of Struebing (1996), strategic thinking is the dynamic process of continuous review of the mission, strategies and activities related to customer needs and market forces, and Bonn (2005) states that it is a way of solving strategic problems that combines the rational approach convergent with the process of creative and divergent thinking.

According to Moon (2013) is a way to solve strategic problems that combines a rational and convergent approach with a creative and divergent process to discover alternative ways to compete and ensure value for the customer.

Strategic thinking is characterized by: creativity, experimental nature, disruptive character, focus on intention, intelligent opportunism (Liedtka,1998), focus on the future, systemic / holistic approach and hypothesis-oriented approach.

The work experiences that contribute to the development of strategic thinking are: general work experiences, mentoring experience, monitoring results / Benchmarking, holding a senior executive position (CEO), managing a strategic initiative for major company growth, challenges that the employee must cope with them, managing a threat to the company's survival and involvement in strategic planning (Goldman & Casey , 2010).

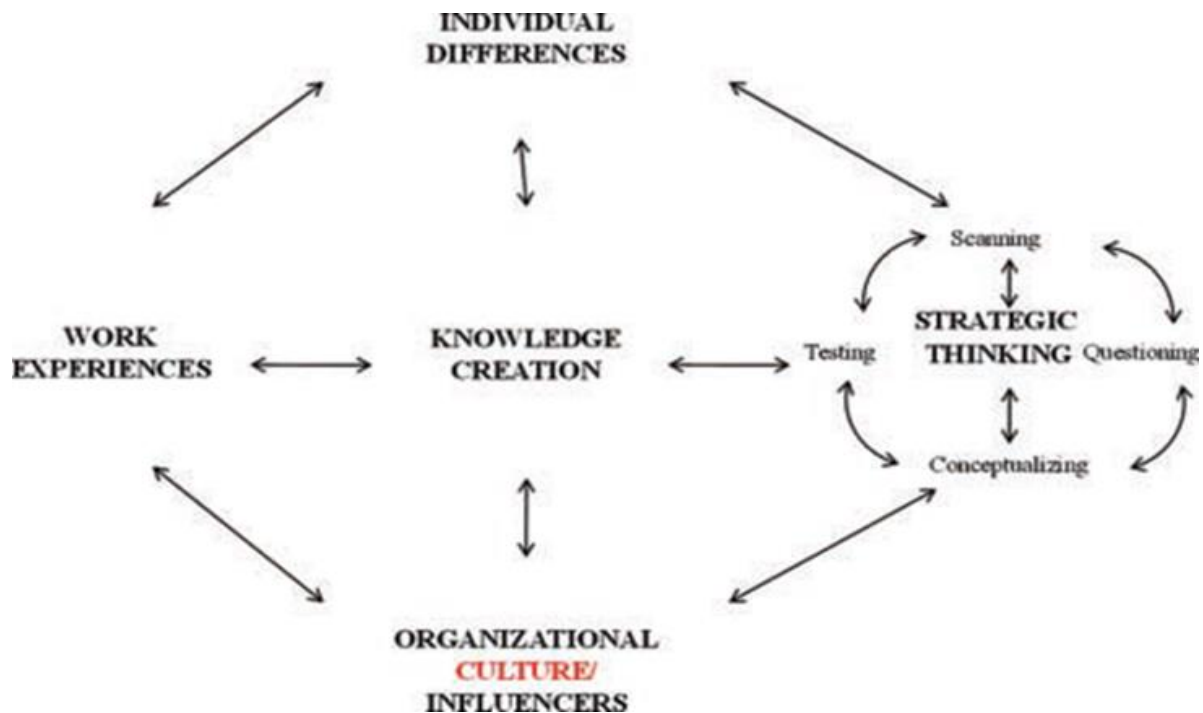


Fig.1. Model of learning to think strategically (Goldman&Casey)

The elements of strategic thinking at organizational level are: systemic thinking, approaching the organization as a holistic system, an integrative perspective that requires understanding internal and external organizational dynamics, creative thinking, seeking new approaches and seeing better ways of action, creating new combinations of existing ideas, vision-oriented thinking and market-oriented thinking.

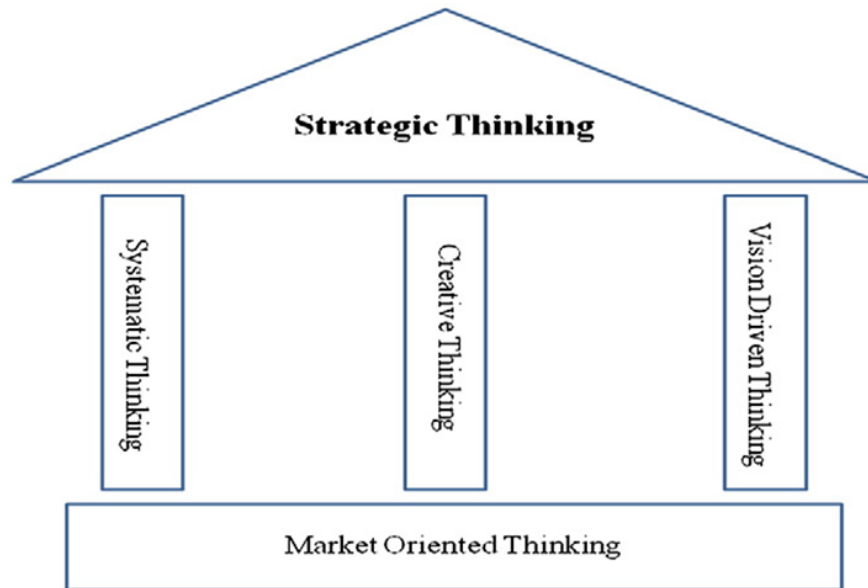


Fig.2. Model of strategic thinking (Moon 2013, p.1699)

6. Conclusions

Understanding the object of innovation is reduced to four dimensions of change, namely: product innovation materialized in changes in products or services offered, process innovation materialized in changes in the way things are created and delivered, innovation of position materialized repositioning of product / service perceptions / brand in the context of the user and the innovation of the paradigm materialized in the changes of mental models that determine what the organization is doing today.

Managerial practices for motivating strategic thinking refer to ensuring congruence between employees and tasks whose performance involves the use of their experience and skills, ensuring employee autonomy in how to approach their work, providing the necessary resources, establishing support work teams, encouraging recognition by supervisors and creating a climate in which the entire organization supports creative efforts.

Based on our findings, we offer the following managerial recommendations. First, avoid too extensive analyzes of a very large volume of data that can unduly complicate the decision-making process.

The second recommendation refers to the use of knowledge obtained by managers from previous experiences in order to increase effectiveness and, finally, the use of intuition to identify entrepreneurial solutions in the situation where the solution generated by rational analysis is not viable.

When an entrepreneurial idea is recognized as superior to existing conventions, the new idea is quickly adopted by other organizations and becomes the new convention in the sector.

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