

Entrepreneurial Marketing and the Role of Entrepreneurial Orientation-SMEs in Thanajvur and Thiruvaur Dist.

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Introduction:

Hills and Singh (1998) suggested that organizations were more suitable for finding and exploiting new market opportunities when marketing and entrepreneurial activities are working in a combined manner. Omura, Calantone, and Schmidt (1993) said that entrepreneurial activities are very much concerned with identifying opportunities and then working for achieving the opportunities. Bjerke and Hultman (2002) said that economic conditions are very much needed for every entrepreneur and further said that “if the economic conditions are not favorable, entrepreneurship will not emerge and the economy of the society will stagnate” (p. 59).

Entrepreneurial Orientation as an Antecedent of Entrepreneurial Marketing Behaviors, Bjerke and Hultman (2002); McDaniel 2002 suggested some of the personal character attributes of an entrepreneur:

- Motivation to achieve and produce
- High level of energy
- Proper vision to do something out of the ordinary
- Willing to take some risk, but are still realistic and avoid projects with too much risk
- Determination and perseverance
- Confident and responsible
- Focus on the task and getting it done
- Takes initiatives and tolerance

(Hutton cited in Bjerke&Hultman, 2002) said that no personal attributes that predicts if a person will become a successful entrepreneur. The present study tries to address the role personal character in the entrepreneur marketing.

According to Miller and Friesen (1982), entrepreneurial firm's looks aggressively pursue innovation, and other hand non-entrepreneurial firms create innovation only to respond to challenges in their environment. Miller (1983) states that an entrepreneur looking for product innovation, takes risky

actions, and comes up with proactive innovations, while a non-entrepreneur imitates others' products, avoids risk and responds to competitors. Hills and Hultman (2006) suggest that EM behaviors are motivated by Entrepreneurial orientation. They also said that while entrepreneurial marketers uses 4Ps concepts differently with traditional marketers.

Entrepreneurial Orientation's Impact on Entrepreneurial Marketing:

Miller (1983), defined entrepreneurial firm as "one that engages in product-market innovation, undertakes somewhat risky ventures, and is first to come up with proactive innovations, beating competitors to the punch." (p.771). From this definition, we get three important orientations of entrepreneurs. Such as, an entrepreneurial innovativeness, risk-taking, and proactiveness. Morris, Schindehutte, and LaForge (2002) also found that innovativeness, proactiveness, and risk-taking are major parts of the EM.

The present study examines the effect entrepreneur dimension such as **innovativeness** risk-taking, and **proactiveness** on entrepreneurial marketing variables were tested. Hornsby and Kuratko (1990); Wiklund and Shepherd (2005) suggest six Entrepreneurial Marketing variable was used in this study, such as Growth Orientation, Opportunity Orientation, Market Immersion, Two-way Contact with Customers, Value Creation and Informal Marketing Research. First part, confirmatory factor analysis executed to test the fitness of Entrepreneurial Marketing variables. Second part, risk taking and the **innovativeness** effect on selected six Entrepreneurial Marketing variables were tested.

Objectives of this study:

To analysis the effect of entrepreneurial orientation (EO) (risk taking) on entrepreneurial marketing (EM) behaviors.

To analysis the (EO) innovativeness effect on entrepreneurial marketing variables

Research methodology:

This study is based on a questionnaire survey asking participants about their opinions and belief about their business. Subjects were drawn from 130 respondents in Thanjavur and Thiruvarur Dist. After the correction, only 107 respondents were considered for data processing. A questionnaire was prepared based on the previous studies Miller (1983); Rauch et al. (2009).

SPSS (AMOS) version 23 were used to analysis the data of this research work. First, exploratory factor analysis was tested in order to check cross loading. After that confirmatory factor also test and it shows that no reliability and validity issues in this study (Table no 1). The present study uses a structural equation model (SEM) to test the hypotheses. Before running SEM, data validity was tested. Below table (table no 1) shows that the data set has no reliability and validity issues.

Master validity table

| | CR | AVE | MSV | MaxR(H) | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-----|-------|-------|-------|---------|---------|--------------------|--------------------|--------------------|--------------------|--------|-------|---|
| GO | 0.827 | 0.551 | 0.055 | 0.868 | 0.742 | | | | | | | |
| TWC | 0.919 | 0.796 | 0.025 | 1.017 | 0.078 | 0.892 | | | | | | |
| OO | 0.855 | 0.663 | 0.299 | 0.857 | -0.234* | 0.027 | 0.814 | | | | | |
| VC | 0.858 | 0.690 | 0.025 | 1.067 | 0.031 | 0.157 [†] | -0.048 | 0.83 | | | | |
| MI | 0.855 | 0.690 | 0.031 | 1.117 | 0.103 | -0.022 | -0.055 | 0.150 [†] | 0.831 | | | |
| RT | 0.767 | 0.535 | 0.299 | 0.856 | -0.166 | 0.059 | 0.547*** | 0.009 | 0.071 | 0.732 | | |
| INN | 0.943 | 0.893 | 0.079 | 1.111 | 0.03 | -0.021 | 0.132 | -0.028 | 0.177 [†] | 0.280* | 0.945 | |
| MR | 1 | 0.999 | 0.037 | 1.986 | -0.092 | -0.031 | 0.193 [†] | 0.078 | -0.072 | -0.024 | 0.058 | 1 |

Table no: 1

GO- Growth Orientation, OO-Opportunity Orientation, MI-Market Immersion, TWC-Two-way Contact with Customers, VC-Value Creation and IMR-Informal Marketing Research, RT-Risk Taking and INN-Innovativeness

Hypotheses of this study:

Innovativeness :

Lumpkin and Dess (1996) define innovativeness as " tendency to engage in and support new ideas, novelty, experimentation, and creative processes that may result in new products, services or technological processes." (p.142)

H1) innovativeness significantly positively influence the growth orientation behavior of the entrepreneur

H2) innovativeness significantly positively influence Two-way Contact with Customers,

H3) Innovativeness significantly positively influence the Opportunity Orientation behavior of an entrepreneur

H4) Innovativeness significantly positively influence the marketing research

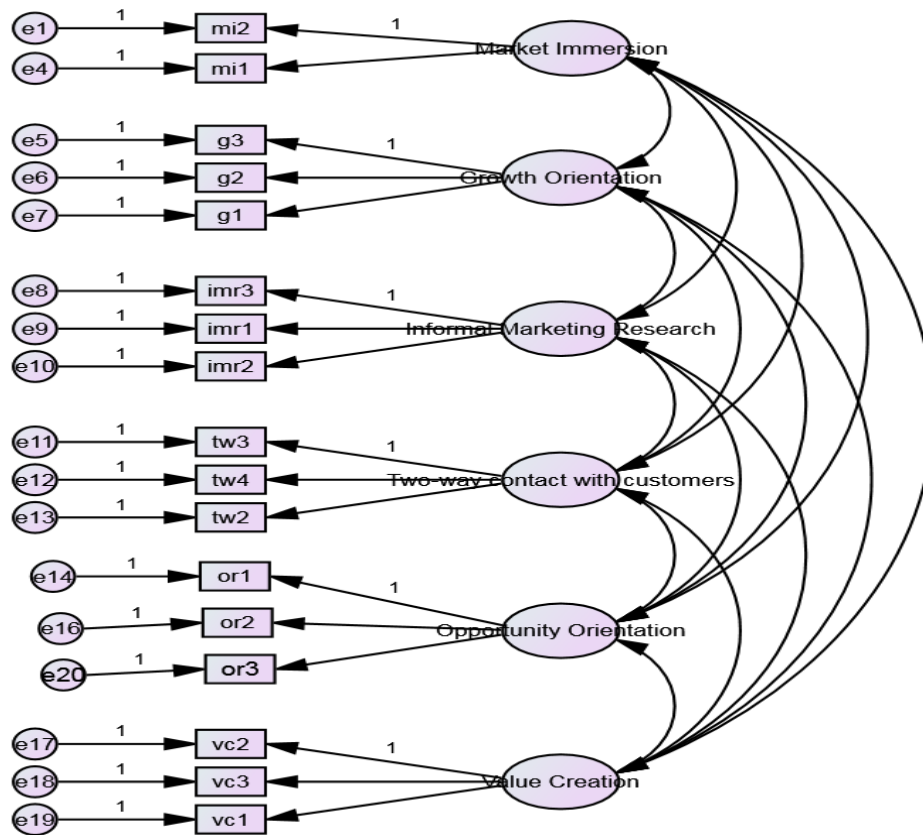
H5) Risk-taking ability significantly positively influence the growth orientation behavior of the entrepreneur

H6) Risk-taking ability significantly positively influence Two-way Contact with Customers,

H7) Risk-taking ability significantly positively influence the Opportunity Orientation behavior of an entrepreneur

H8) Risk- taking ability significantly positively influence the marketing research character of an entrepreneur

Measurement Model.



Model fit summary:

| Measure | Estimate | Threshold | Interpretation |
|---------|----------|-----------------|----------------|
| CMIN | 199.222 | -- | -- |
| DF | 181 | -- | -- |
| CMIN/DF | 1.101 | Between 1 and 3 | Excellent |
| CFI | 0.989 | >0.95 | Excellent |
| SRMR | 0.071 | <0.08 | Excellent |
| RMSEA | 0.031 | <0.06 | Excellent |
| PClose | 0.898 | >0.05 | Excellent |

Table no:2

Gaskin & Lim 2016 Model Fit summary has used to fit the model fitness of the study.

Risk-taking:

A willingness to take on a risky projects differentiates entrepreneurs from hired employees. Miller and Friesen (1982) define risk-taking as “the degree to which managers are willing to make large

and risky resource commitments, i.e., those of which have a reasonable chance of costly failures." (p.923).

Results and interpretation:

Structural Equation Model (SEM) was used to test the hypotheses of this study. The study is based on two main independent variables (risk-taking and innovativeness) and four dependent variables such as GO- Growth Orientation, OO-Opportunity Orientation, MR-Market Research, TWC-Two-way Contact with Customers,

The results shows that all paths between innovativeness to GO- Growth Orientation, OO-Opportunity Orientation, MR-Market Research, and TWC-Two-way Contact with Customers were positive but not significant. (H1, H2, H3, and H4 were rejected)

The results shows that all paths between Risk-taking to GO- Growth Orientation, OO-Opportunity Orientation, MR-Market Research, TWC-Two-way Contact with Customers were positive but not significant except marketing research (H7 accepted). (H5, H6, and H8 were rejected)

Regression Weights: (Group number 1 - Default model)

| | | Estimate | S.E. | C.R. | P |
|-----|---------------------|----------|------|-------|------|
| GO | <--- Innovativeness | .032 | .099 | .320 | .749 |
| TWC | <--- Innovativeness | .020 | .106 | .189 | .850 |
| OO | <--- Innovativeness | .079 | .093 | .855 | .393 |
| MR | <--- Innovativeness | .070 | .083 | .852 | .394 |
| OO | <--- Risk taking | .038 | .127 | .300 | .764 |
| TWC | <--- Risk taking | .177 | .146 | 1.212 | .225 |
| MR | <--- Risk taking | .324 | .118 | 2.735 | .006 |
| GO | <--- Risk taking | .075 | .136 | .550 | .583 |

Table no: 3

GO- Growth Orientation, OO-Opportunity Orientation, MI-Market Immersion, TWC-Two-way Contact with Customers, VC-Value Creation and IMR-Informal Marketing Research, RT-Risk Taking and INN-Innovativeness

Conclusion:

Morris et al. (2002) suggest that innovativeness, proactiveness, and risk-taking are dimensions of Entrepreneurial orientation. The present study considered the effect Risk-taking and innovativeness on the other Entrepreneurial Marketing characteristics. The results shows that all paths in between above said variables and risk-taking character strongly influence marketing research behavior.

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Brockhaus (1980) finds that a firm's risk-taking tendency may vary depending on the duration it has been in business. Cook (1992) agrees and further states that an individual who inhibits organizational and managerial skills and knowledge of how to reduce risk is one who will be successful as an entrepreneur in any profession.

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