

The impact of entrepreneurial marketing on innovative marketing performance in small- and medium-sized companies

Mehran Rezvani & Zeinab Fathollahzadeh

To cite this article: Mehran Rezvani & Zeinab Fathollahzadeh (2018): The impact of entrepreneurial marketing on innovative marketing performance in small- and medium-sized companies, Journal of Strategic Marketing, DOI: [10.1080/0965254X.2018.1488762](https://doi.org/10.1080/0965254X.2018.1488762)

To link to this article: <https://doi.org/10.1080/0965254X.2018.1488762>



Published online: 09 Jul 2018.



Submit your article to this journal [↗](#)



View Crossmark data [↗](#)



The impact of entrepreneurial marketing on innovative marketing performance in small- and medium-sized companies

Mehran Rezvani^a and Zeinab Fathollahzadeh^b

^aAssociate Professor in Faculty of Entrepreneurship, University of Tehran, Tehran, Iran; ^bMaster of Entrepreneurship Management, Faculty of Entrepreneurship, University of Tehran, Tehran, Iran

ABSTRACT

This study examines the impact of entrepreneurial marketing on innovative marketing in small- and medium-sized companies producing industrial tools and mechanical parts. The statistical population of this study consisted of all owners and workers of industrial tools and mechanical parts around the world. The sample size includes 195 people who were chosen through simple random sampling method and Cochran formula. This is a correlational research and the data were collected using a questionnaire designed by theoretical foundations and Likert scale. The validity of the tool was confirmed using the opinions of experts and specialists and the reliability of the questionnaire was confirmed using Cronbach's alpha (0.891). Data were analyzed through structural equation modeling. The results show that value creation that includes creating value for customers through the products and services, and marketing activities and technology has the greatest impact on innovative performance. Also, innovation, which includes innovative strategy, management believes in innovation, and using new methods to carry out activities, is in the next place. Among the factors, the leverage of resources, which include the financial and human forces, has the least effect on innovative performance.

ARTICLE HISTORY

Received 29 December 2017
Accepted 8 June 2018

KEYWORDS

Marketing; entrepreneurial marketing; innovative performance; marketing activities; small- and medium-sized companies

1. Introduction

Today, markets are changing with incredible speed. That is, in addition to globalization and technological changes, we witness the transfer of power from manufacturers to retailers, rapid growth and acceptance of brand marketing, new forms of retail, rise in pricing for the consumer, sensitivity to the benefits, decreasing role of traditional marketing and mass advertising, and less loyalty to the product brand. Such changes confuse the companies in performing their policies. To maintain their profitability, at the beginning, companies reduced their costs, reviewed their engineering processes, and reduced the number of human forces. However, companies that are successful in reducing their costs, it is unlikely to increase their revenues without any marketing insight and knowledge.

Despite disadvantages of conventional marketing, it has also some advantages. In conventional marketing, less innovation can be seen and most of the activities follow the

certain procedures and are based on pre-planning. Also, the cost of this type of marketing is very high and usually companies spend enormous sums on marketing and sales activities. Conventional marketing does not have a great performance in the turbulent and competitive environment and they are especially good for industries experiencing less environmental changes. Due to the problems of conventional marketing, entrepreneurial marketing can provide small- and medium-sized businesses with higher innovation and less marketing costs.

Although the small- and medium-sized enterprises, due to various reasons such as resource constraints, cannot use the mass marketing, guerrilla marketing, and verbal marketing, the mixed marketing communication in the business should not be ignored. Changing market trends, the competitive environment of business, diverse customer interests, and the emergence of new technologies must be considered as important factors in the development of marketing strategy. Today, small- and medium-sized enterprises think beyond the traditional means of marketing and are seeking to use different approaches such as social networking, e-commerce tools, digital marketing, mass e-mails, and so on. With proper marketing techniques and assessment of marketing, the small- and medium-sized enterprises can compete not only with international companies but also with local companies (Rezvani & Kalabi, 2012). This fact has led to many types of research in the field of marketing and the effectiveness of marketing activities has been increased greatly using the results of these researches.

Entrepreneurial marketing describes the company's marketing processes in order to identify and use the market opportunities (Becherer, 2006). Morris, Schindehutte, and LaForge (2002) defined 'entrepreneurial marketing' as 'Identifying and using the opportunities more actively to attract and retain profitable customers through innovative approaches to manage the risks, resources, and create the values'. According to Hacıoglu, Eren, Eren, & Celikkan (2012), entrepreneurial marketing includes seven dimensions: proactiveness, opportunity focus, calculated risk-taking, innovation, customer intensity, resource leveraging, and value creation. Innovation studies show that there are some criteria for measuring this variable, from whom the most widely used criterion is the number of products and services of new companies in the market, the research and development budget, the number of invention certificates, and the use of new processes in marketing (Tuominen, Hielm, Aarnisalo, Raaska, Majjala & 2003; Rajala & Möller, 2004). In industrial marketing, the role of product characteristics is very important and the suppliers who do not meet the need of customers will not be selected. In comparison to consumer marketing, industrial marketing has a different and specified role. In some cases, industrial customers are more willing to buy expensive products and ensure the timely delivery and high-quality products and even in the auction, the role of price is very important. Thus, given the importance of small- and medium-sized companies in the economy and their increasing need for innovation in marketing activities through entrepreneurial marketing methods, the aim of this study is to evaluate the relationship between aspects of entrepreneurial marketing and innovative performance of small- and medium-sized companies producing industrial and mechanical tools around the world.

Small- and medium-sized companies manufacture hydraulic components, mechanical components, mold making, and power transmission parts. This group is selected according to their industrial identity and because they do not spend much more money on

marketing and follow the traditional ways for sale, while using an innovative, and entrepreneurial marketing can affect their activities in new markets, develop new products, affect the performance of activities in new markets, and register the new inventions. This will upgrade the industry from traditional to modern form through using the new technologies and developing the economy through the modern industries. This research examines the effect of entrepreneurial marketing on innovative performance of marketing activities of small- and medium-sized companies producing the industrial and mechanical tools around the world.

2. Literature reviews

2.1. *Entrepreneurial marketing*

Like most emerging research areas, entrepreneurial marketing is faced with opposition in the early stages of development. Some researchers and experts believe that this form of marketing has no legitimacy to be accepted as a new field. For many years, the entrepreneurship research was focused on the companies, especially the successful ones (Scott & Rosa, 1996), since the researchers and entrepreneurs tried to find the reason for the success of these companies. In marketing, the major focus is on the customers and meeting their demands and needs. In other words, for many years, 'customer orientation' was the main success reason for these companies. It seems that the customer orientation approach was not limited to the business, but even nonprofit and governmental agencies around the world also focused on the customers.

Although the major part of available studies about marketing is analytical ones, now many of them evaluate the business entrepreneurs. In other words, the role of the entrepreneur, as an individual with a significant impact on the definition of an entrepreneurial vision, becomes prominent. Unlike large companies with a lot of resources, entrepreneurs look for the most creative and innovative approaches in the market. While the conventional marketing considers the customer as the center of marketing activities and focuses on the needs of the target market, in entrepreneurial marketing, the entrepreneur plays a central role in the marketing process (Morrish et al., 2002). Entrepreneurial marketing allows the business owner to express their opinions and increases the importance of the entrepreneurial process. Apart from these cases, an entrepreneur is responsible to identify, explain, and use the opportunities to establish the organization and define organizational strategies and make strategic decisions (such as exploitation and exclusion decisions) that could affect the dynamism of the market. Activation logic, which stemmed from scientific researches and used by the expert entrepreneurs to form the successful businesses, is among the theories describing the entrepreneurial marketing process. Until recently, the researchers thought that new entrepreneurs use the causal approach to start up a business. That is, in this approach, the market needs must be identified, market research must be conducted, the needed resources and capital must be gathered, and also the number of measurable quantitative targets must be determined. Although many businesses followed this approach and achieved their goal. Entrepreneurs start their activities based on an idea and create their products using the available resources within the specified time. Activation processes use certain tools and focus on selecting some mixed effects and results. Entrepreneurs

begin their activities by defining their position which includes the following parts: Who are those people? (their values, motivations, and personality); what do they know? (their strengths, such as knowledge, experience, and skills), and who do they know? (network binds). In this logic, unlike the causal approach, an agent (e.g. human motivations) leads to the selection of a set of tools that will ultimately lead to the fulfillment of various factors (Sarasvathy, 2001).

This approach is inconsistent with low-cost risk tolerance rather than achieving the expected efficiency (most of the strategies are used with long-term approach hoping that they can achieve future benefits), focusing on strategic alliances rather than competitive analysis (to reduce/remove the uncertainty and barriers), using the opportunities rather than the present knowledge (activation approach mainly use the opportunities, while the causal approach is mainly used in a particular domain), and controlling an unlikely future rather than having an uncertain future (Sarasvathy, 2001). This approach is mainly true about expert entrepreneurs, according to Morrish et al., 2002, who mainly make a decision based on activation approach.

3. Innovative performance

The concept 'entrepreneurial marketing' focuses on innovation and development of ideas in line with an intuitive understanding of the market needs (Stokes, 2000) and can have a significant competitive advantage for firms that are actively seeking innovative options for their customers (Becherer et al., 2006).

Innovativeness means that a firm is actively looking for new opportunities rather than simply use the existing strengths and, therefore, likely to surpass customer expectations (Santos-Vijand and Alvarez-Gonzalez, 2007). The concept of entrepreneurship requires self-determination and freedom to pave the way, regardless of structural limitations which prevent risks, exploitation, and different thinking, to foster creativity and explore new ideas.

Identifying the market opportunities is considered as innovative performance because they arise from the gap in different aspects of the market that are potentially profitable through the new methods of developing new products (Hills, Hultman, Miles, 2008). Innovative performance can be identified through a number of totally improved or developing new products/services and also new methods of marketing (Hacioglu et al. 2012)).

4. The performance of small- and medium-sized enterprises

Scott and Davis (2007) claimed that questioning the efficacy or performance means asking questions about the quality of the organization's performance considering some standards and they also think that identifying the performance of the organization is a very complex and controversial task. In describing the effectiveness of the criteria, they refer to multiple criteria and point to the researches of Price (1968), Steers (1975), Campbell (1977), Cameron and Whetten (1983). According to Scott and Davis (2007), the multiple criteria roots in contrary ideas of analysts about the organization, and the diverse views of theorists about organizations are not the only source of variation in the effectiveness of the criteria but also some other important foundations, including time and analysis level. Changes in the theoretical perspectives during the time, stages of

development, and level of analysis will help to understand the changes and diversity of the proposed criteria in analyzing the effectiveness of the organization or providing the proper functioning of the organization. Another important source is the presence of different participants and agencies, along with the organization.

Most analysts, especially when issues related to the performance or effectiveness of the organization, stress on the importance of the distinction between market and nonmarket organizations. Finally, the last source for the variety of criteria is authoritative organizations and they say that these organizations demand high reliability and have much more pressure on all parts of the organizations. They offer systems with the highest energy and attention in monitoring their performance (Scott and Davis, 2007).

Organizational performance shows that how an organization achieves its missions and goals. It refers to the starting point from a given situation to a precise goal that can contain multiple goals, such as market share, sales volume, employee motivation, customer satisfaction, quality level, and so on.

5. The empirical literature

Khan Mohammadi (2007) studied the market orientation of companies located in growth centers of Tehran. To measure the market orientation, he used the model of 'Kohli and Jaworski' which was based on three key elements of 'intelligence, intelligent distribution, and responding to the market needs'.

The statistical population of this study includes companies located in growth centers of Tehran from whom 40 companies were selected as sample of study through stratified random sampling method. Using the questionnaire, the data were collected. To determine the validity of the questionnaire, Cronbach's alpha was used which was 0.77%. The results showed that the market orientation in these companies was low.

Rezvani, Khodad Hoseini, Adel, and Ahmadi (2009) in a study 'Conceptualization of international entrepreneurial marketing in Iranian entrepreneur firms in the food industry' explained the new emerging entrepreneurial marketing and ways of organizing the marketing activities in entrepreneurial firms. The results of this study showed that entrepreneurial international marketing elements include six categories, 24 aspects, and 191 parts which get different characteristics in several periods. Also, the hypothesis was that 'Entrepreneurial international marketing process consists of five evolution stages, including limited initial selling and marketing activities, good and opportunistic diversified marketing, innovative and integrated marketing, and more active marketing. The statistical population is limited to some successful companies in the food industry so that other sectors and industries were not intended in this study.

Lodish, Lee, Kallianpur, (2001) in a study entitled "Entrepreneurial marketing: the first strategy of emerging firms" changed the success paradigm of emerging firms from technological orientation to marketing orientation with an entrepreneurial point of view. This is done with an emphasis on advanced technology-based firms. The researchers of this study had a special attention on technological issues to advance the goals and succeed the firm.

Anderson, Narus, Van Rossum, (2006) in a study entitled 'Marketing in new technology firms: overcoming the startup issue in Zionist regime' based on multistage methodology and using the experiences and opinions of 80 experts tried to identify the key

marketing factors in the new technology business. In the first step, the key marketing variables were identified using the literature and then, according to experts' reviews, some reforms have been made and finally, the depth interview was done with 12 prominent managers of advanced technology agencies. Based on the data, the questionnaire was formed. Interviewees were selected using purposive sampling method and based on the knowledge of researchers.

The questionnaire was given to the subjects personally or through the related organizations and they were finally filled out with 70 advanced technology firms and 10 venture investors. The results show that the role of marketing in new venture firms in the global economy is much more important and necessary. The key marketing areas in this study include marketing strategy, relationship with the customer, research and development, and location of the marketing team in entrepreneurial enterprises.

Factors affecting marketing and sales are penetration into international markets, focus on a particular market sector, focus on customer, networking and cooperation relationship, and planning marketing activities. The findings of this study are if there are a good technology and product, they would not be necessarily a success. That is, focusing on limited resources, defining the correct strategy and customer orientation for the new technology firms seems necessary.

Looking critically, we can say that this study has an orientation toward marketing experts and it ignores the factors affecting the practice of start-up firms in which their managers or owners are responsible for marketing and sales.

Gonzalez, Sismeiro, Dutta, and Stern (2008), in an article entitled 'Is the import of generic drugs profitable for the brand drugs?', studied the effect of the characteristics of physicians and their prescribing decisions on drugs of a therapeutic group when generic products are imported. The results showed that the former focus on a drug without patent protection is not sufficient to understand the impact of generics on the same therapy group and on cost savings. In this study, they found that the entry of a generic drug in the studied treatment groups not only answers the expectations of the same brand medication but also unexpectedly benefits the other brand drugs in the group therapy because some doctors prefer the alternative brands. This study indicated that to understand such paradoxes in the pharmaceutical market, the marketers and policy-makers of medicine markets must first determine the size of the pharmaceutical market in which the doctors are sensitive to the price and other marketing activities, and second, evaluate the marketing activities of all pharmaceutical companies, both brand, and generic ones.

Barry and Charleton (2009) in an article entitled 'Looking for a search engine for marketing strategies in small and medium-sized businesses in Ireland', studied the role of the Internet and search engines on marketing the small- and medium-sized firms. This study aimed to investigate the strategies of Search Engine Marketing (SEM) strategy in Irish companies, to identify SEM techniques, the moral perspectives and challenges of this strategy.

It was a quantitative research and data collection tool was a questionnaire. The statistical population contained the Irish company database and the questionnaire sent by mail or on the web. From 623 questionnaires, 95 responses were received which shows that participation rate was 15.24%. The results showed that most of the companies, that participated in the research, developed and managed their own

website, but one-third of them had outsourced the management of their website. They argued that the technical aspects of SEM should not be an obstacle to the development of online marketing techniques. The results show that 46% of the respondents had a nonstructured strategy for marketing through SEM and 39% had semi-structured or structured strategies for marketing. Based on SEM, other companies did not actually have a marketing strategy. It was clear that about a quarter of respondents believed that this strategy will succeed if their website is displayed on the first page of web search. This study showed that the strategy of using Internet search engines for marketing in small- and medium-sized companies is developing and these companies will have to spend more time and cost to implement this system. This research focused on marketing via the Internet, while other methods of marketing and sales are ignored.

Reijonen (2010), in her thesis which is conducted in North Carolina, East of Finland and entitled 'The role and function of marketing in small and medium-sized businesses', focused on the methods of marketing in small- and medium-sized businesses and addressed on three structures associated with the marketing concept, market orientation, and success. In order to have a mixed method, quantitative and qualitative method, an online and postal questionnaire were sent to 679 companies. The companies were categorized into three manufacturing industries, real estate and rental services and other services (shops, etc.). The data were obtained from Internet database of registered companies in North Carolina. A systematic sampling method was used for people who had recorded their emails in the database and approximately 30% of the companies from each industry were in the sample.

The results of this study showed that the respondents consider marketing as an integrated enterprise operation. Also, the industry does not lead to the differentiation of marketing methods, but the turnover and the financial available resources of companies directly related to their marketing activities. It was also stated that customer-orientation culture and customer relations have a pivotal role in the marketing of small- and medium-sized businesses.

Hacioglu et al. (2012) examined the role of Turkey's entrepreneurial marketing in small- and medium-sized enterprises. The relationship between variables was assessed using the data collected through structured questionnaire and interviews with 560 small- and medium-sized enterprises in various industries. The results showed that being a pioneer, being innovative, strict attention to the customers, and leverage resources are factors affecting the performance of innovative small- and medium-sized enterprises in Turkey.

6. Hypotheses

According to the theoretical framework, the hypotheses are formulated as follows:

- (1) Being a pioneer affects the innovative performance of marketing activities in small- and medium-sized companies producing industrial tools and mechanical parts around the world.
- (2) Focus on innovative opportunities for marketing affects the small- and medium-sized companies producing industrial tools and mechanical parts.
- (3) Calculated risk effects on innovative performance of marketing activities in small- and medium-sized companies producing industrial tools and mechanical parts.

- (4) Being innovative affects the marketing activities of small- and medium-sized companies producing industrial tools and mechanical parts.
- (5) Strict attention to the customer affects the innovative performance of the small- and medium-sized company's marketing activities producing industrial tools and mechanical parts.
- (6) Leverage resources affect the innovative performance of marketing activities in small- and medium-sized companies producing industrial tools and mechanical parts.
- (7) Creating value affects the innovative performance of marketing activities of small- and medium-sized companies producing industrial tools and mechanical parts.

7. Methodology

The present study is an applied research in terms of purpose, a descriptive in terms of data collection and a correlational research. A total of 195 people were selected as sample size through simple random sampling method because the results of this research are not related to the organizational status or education of individuals. The questionnaire was measured through five-point Likert scale (1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree). To assess the research questionnaire, the theoretical foundations were used.

The validity and reliability of the questionnaire were assessed by Cronbach's alpha, which was higher than 0.7 for all variables of the conceptual model. It shows the appropriate validity and internal consistency of the structures (Table 1).

7.1. Test of hypotheses

To examine the hypotheses, first, the data distribution is evaluated. To decide on the use of parametric or nonparametric tests, we assessed the normality of the data by Kolmogorov–Smirnov test. The results of this test are shown in Table 2. H_0 and H_1 refer to the normal and abnormal population distribution, respectively. According to test results, the null hypothesis, normality of variables, is verified.

Table 1. Cronbach's alpha.

Variable	Number of questions	Cronbach's alpha
The questionnaire	28	0.891

Table 2. The results of data distribution.

Variable	Sig.	Error probability level (α)	Kolmogorov statistics	Test result
Value creation	0.12	0.05	1.600	A normal distribution
Resource leveraging	0.085	0.05	1.912	A normal distribution
Opportunity focus	0.08	0.05	1.643	A normal distribution
Calculated risk taking	0.062	0.05	1.180	A normal distribution
Innovative performance	0.15	0.05	1.732	A normal distribution
Innovation	0.92	0.05	1.141	A normal distribution
Customer intensity	0.90	0.05	1.022	A normal distribution
Proactiveness	0.88	0.05	1.852	A normal distribution

7.2. Structural reliability and convergent validity

To assess the reliability, composite reliability coefficients (>0.7), and Cronbach’s alpha (>0.7) were used. If the coefficients were appropriate, it can be said that the research questionnaire is stable. To determine the convergent validity, the extracted average variance is used. The acceptable extracted average variance is 0.4 (Adcock and Collier, 2001). Table 3 shows the extracted average variance coefficients, composite reliability, and Cronbach’s alpha.

For hypotheses analysis, structural equation modeling technique using the Partial least squares (PLS) and path analysis test was used. Figure 1 shows the structural model of hypothesis in standard mode. Figure 2 also shows the structural model of hypotheses insignificant mode.

According to the results and based on R^2 , independent variables considered for innovative performance can explain 61% of changes in these variables. Value creation, which includes creating value for customers through products and services, marketing activities, technology, and creating value in the industry, has the greatest impact on innovative performance. Also, innovation, which includes innovative strategy,

Table 3. Technical criteria of model.

Variable	Average Variance Extracted	Combined reliability	Cronbach’s alpha
Value creation	0.59	0.81	0.86
Resource leveraging	0.57	0.79	0.88
Opportunity focus	0.47	0.75	0.70
Calculated risk taking	0.57	0.76	0.74
Innovative performance	0.58	0.82	0.84
Innovation	0.58	0.93	0.74
Customer intensity	0.70	0.96	0.72
Proactiveness	0.44	0.73	0.78

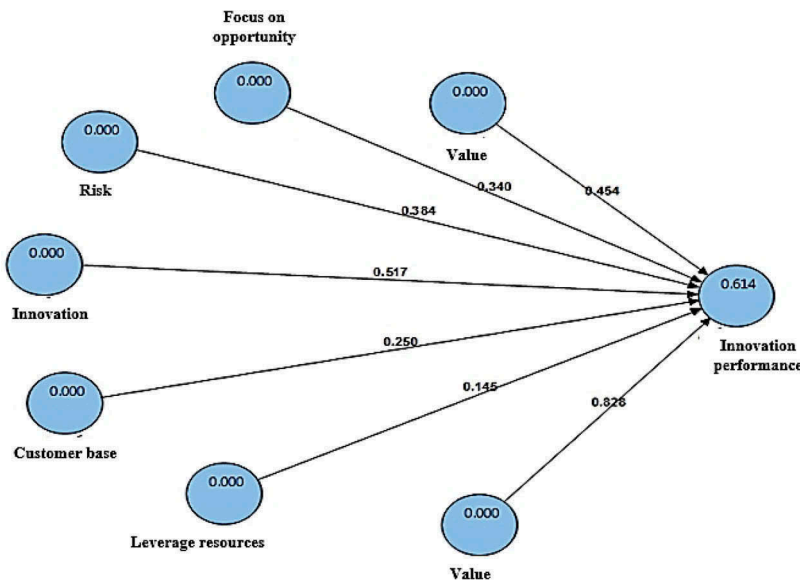


Figure 1. Structural model of the main hypothesis in the standard estimation.

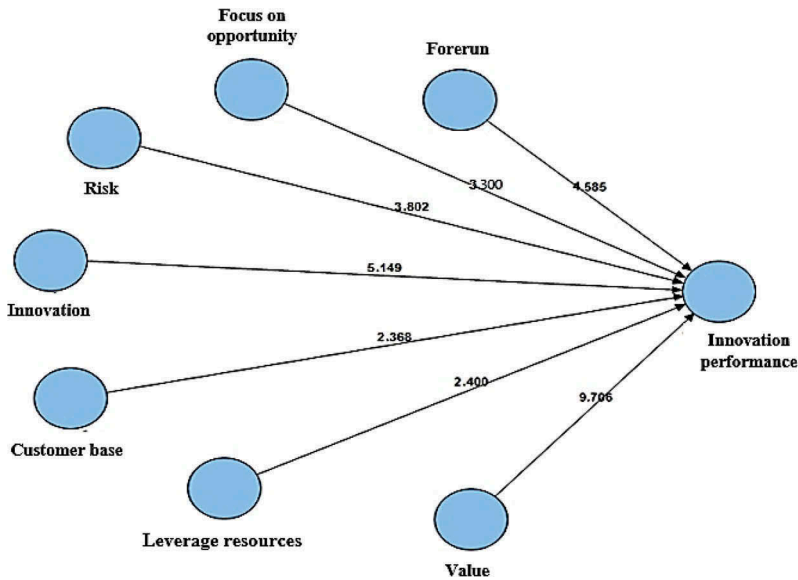


Figure 2. Structural model of the main hypothesis in the state of significant coefficients.

management belief in innovation, and the use of new methods to carry out activities, is in the next place and they have the least impact on innovative performance, which includes the use of financial and human resources. Table 4 shows the results of the relationship between latent variables. Accordingly, the relationship between the size of the administrative structure shows that being pioneer (0.45), focus on opportunities (0.34), calculated risk (0.38), innovation (0.51), strict attention to the customer (0.25), leverage of resources (0.14), and value creation (0.82) are related with innovative performance. And according to this fact that the *t*-values are more than 1.96, they are approved.

7.3. The general fitness of path analysis

According to Tanenhaus, Vincenzo, Chatelin, Lauro, (2005), to measure the fitness of the Partial Least Squares (PLS) model, the following formulas can be used:

$$GOF = \sqrt{\text{communality} \times R^2} \tag{1}$$

$$GOF = \sqrt{0.92 \times 0.91} = 0.91 \tag{2}$$

Table 4. The path coefficients of the research model.

Path	Path coefficient	Standard deviation	T-values
Value creation → Innovation performance	0.82	0.08	9.7
Leverage resources → Innovation performance	0.14	0.10	2.40
Focus on opportunity → Innovation performance	0.34	0.14	3.30
Accidental risk → Innovation performance	0.38	0.10	3.80
Innovation → Innovation performance	0.51	0.11	5.14
The intensity of customer attention → Innovation performance	0.25	0.12	2.45
Forerun → Innovation performance	0.45	0.12	4.58

Since the minimally acceptable level for these measurements is 0.36 (Akin, Bloemhof-Ruwaard, Wynstra, 2009) and 0.91 points obtained for this indicator, we can say that the model is fit.

8. Conclusion and recommendations

According to the analysis of hypothesis, the results are as follows:

- There is a significant relationship (0.45) between being a pioneer and innovative performance. The result of *T*-test was 4.58.
- There is a significant relationship (0.34) between focusing on opportunities and innovative performance. The *T*-value was 3.3.
- There was a significant correlation (0.38) between calculated risk and innovative performance, the *T*-value was 0.38.
- A significant correlation (0.51) was obtained between innovation and innovative performance of groups (*T*-value = 5.14).
- There is a significant relationship (0.25) between strict attention to the customer and innovative performance (*T*-value = 2.36).
- There is also a significant relationship (0.14) between leveraging the resources and innovative performance (*T*-value = 2.4).
- The relationship between value creation and innovative performance of the groups was significant (0.82 and *T*-value = 9.7).
- In 95% confidence interval, the critical value was more than 1.96, so it shows the impact of these variables on the performance of innovative marketing activities in small- and medium-sized manufacturer producing industrial tools and mechanical parts around the world.

On the other hand, according to [Table 4](#), it is suggested that the top executives in the industry must try to be more competitive, initiative, and risky, and have aggressive act in the competition. Also, they can do investment on the options that have not been considered yet and they may potentially have a sustainable profit in the future.

They should try to discover the defects of the market that are potentially profitable. They must develop programs that can improve the learning and constant adaptation of the marketers before actual implementation of an innovative concept. Also, during and after the implementation of an innovative concept, marketers must have the ability to adapt to the new conditions.

Senior executives must be risky in investing in new ideas; be patient and tolerate the losses in innovative marketing activities; be able to estimate the innovative marketing; use their innovative strategies; believe innovations; and use the new ways to solve problems. They must establish measures to be aware of customer satisfaction in all parts of the organization. They can use innovative ways to engage customers in the company's advertising and promotional activities and create a positive impression of having a relationship with the company. To improve their activities, companies can use the human resources with the dynamic communication network. Take advantage of multiskilled human resources and if possible, they

can use the borrowed resources. The companies can exchange the resources with business partners and share resources of the supply chain. Finally, companies operating in the industry wanted to create new values through their products or services. They create value for the customers with the best services. Through marketing activities and changes in technology, they create new value for their companies. Also, in comparison to competitors, they can create distinctive values and price their products based on the value creation, not the customer's purchasing power.

9. Limitations of the study

This study, like other researches, had its limitations. Some of the limitations referred to the statistical population from whom the carelessness of the subjects in answering the questions can be mentioned and another limitation is the exclusivity of the study to a certain group of companies. Other limitations are considered as scientific limitations which include the extent of theoretical concepts of research, few studies assessing these variables, abstract concepts, the questions of the questionnaire, and the limited means of data collection.

Disclosure statement

No potential conflict of interest was reported by the authors.

References

- Adcock, R., & Collier, D. (2001). Measurement validity: A shared standard for qualitative and quantitative research, the American political review. *The International Journal of Social Economics*, 33(1), 529–546.
- Akin-T, M., Bloemhof-Ruwaard, J., Wynstra, F., & Raaij, E. V. (2009). The impact of supply chain-related factors on the environmental performance of manufacturing firms in Turkey. Paper presented at the 18 th IPSERA Conference Supply Management awards an Academic.
- Anderson, J. C., & Narus, J. A., & Van Rossum, W. (2006). Customer value propositions in business markets. *Harvard Business Review*, 91–99
- Barry, C., & Charleton, D. (2009). In search of search engine marketing strategy amongst SMEs in Ireland. *ICETE 2008, CCIS48*, 113–124.
- Becherer, R. C., Finch, J. H., & Helms, M. M. ABI/INFORM Complete. (2006). The influences of entrepreneurial motivation and new business acquisition on strategic decision. *Journal of Small Business Strategy*, 16(2), 1.
- Cameron, K., & Whetten, D. (1983). Models of the organizational life cycle: Applications to higher education. *Review of Higher Education*, 6(4), 269–299.
- Campbell, J. P. (1977). On the nature of organizational effectiveness, in *New Perspectives on Organizational Effectiveness*. In P.S. Goodman and J.M. Pennings, (Eds.), (pp. 13-55) San Francisco: JosseyBass.
- Gonzalez, J., Sismeiro, C., Dutta, S., & Stern, P. (2008). Can branded drugs benefit from generic entry? The role of detailing and price in switching to non-bioequivalent molecules. *International Journal of Research in Marketing*, 25(4), 247–260.
- Hacioglu, G., Eren, S. S., Eren, M. S., & Celikkan, H. (2012). The effect of entrepreneurial marketing on firms' innovative performance in Turkish SMEs. *Procedia-Social and Behavioral Sciences*, 58, 871–878.

- Hills, G.E., Hultman, C.M., & Miles, M.P. (2008). The Evolution and Development of Entrepreneurial Marketing. *Journal of Small Business Management*, 46(1), 99–112.
- Khan Mohammadi, H., (2007). Investigating the extent of market orientation in companies based in Tehran's growth centers, M.Sc. Thesis, Semnan University.
- Lodish, L., Lee, M. H., & Kallianpur, A. (2001). Entrepreneurial marketing: Lessons from Wharton's pioneering MBA course. *John Wiley and Sons*, 15–17
- Morris, M. H., Schindehutte, M., & LaForge, R. W. (2002). Entrepreneurial marketing: A construct for integrating emerging entrepreneurship and marketing perspectives. *Journal of Marketing Theory and Practice*, 10(4), 1–19.
- Price, J. L. (1968). *Organizational effectiveness: An inventory of proposition*. Homewood, IL: R. D. Irwin.
- Rajala & Möller. (2004) Market-driving versus market-driven: Divergent roles of market orientation in business relationships. *Industrial Marketing Management*, 33 (3), 207–217.
- Reijonen, H. (2010). Do all SMEs practise same kind of marketing? *Journal of Small Business and Enterprise Development*, 17(2), 279–293.
- Rezvani, M., & Colabi, A. (2012). Conceptualize of entrepreneurial strategies in food industries' SMEs. *Journal of Business Management*, 10, 137–158.
- Rezvani, M., Khodad Hoseini, S. H., Adel, A., & Ahmadi, P. (2009). Conceptualization of international entrepreneurial marketing in Iranian entrepreneur firms in the food industry. *Journal of Entrepreneurship Development*, 25(4), 247–260.
- Santos-Vijande, M. L., & Álvarez-González, L. (2007). Innovativeness and organizational innovation in total quality oriented firms: The moderating role of market turbulence. *Technovation*, 27(9), 514–532.
- Sarasvathy, S. D. (2001). Causation and effectuation: Toward a theoretical shift from economic inevitability to entrepreneurial contingency. *Academy of Management Review*, 26(2), 243–263.
- Scott, M., & Rosa, P. (1996). Opinion: Has business level analysis reached its limits? time for a rethink. *International Small Business Journal*, 14(4), 81–89.
- Scott, W., & Davis, G. (2007). *Organizations and organizing: Rational, natural, and open system perspectives*. Upper Saddle River, NJ: Pearson Prentice Hall.
- Steer, R. M. (1975). Problems in the measurement of organizational effectiveness. *Administrative science quarterly*, 20, 546–558.
- Stokes, D. (2000). Putting entrepreneurship into marketing: The processes of entrepreneurial marketing. *Journal of Research in Marketing & Entrepreneurship*, 2(1), 1–16.
- Tanenhaus, M., Vincenzo, E.V., Chatelin, Y-M., & Lauro, C. (2005). PLS path modeling computational statistic & data analysis. 48,159–205.
- Tuominen, P., Hielm, S., Aarnisalo, K., Raaska, L., & Maijala, R. (2003). Trapping the foodsafety performance of a small or medium-sized food company using a risk-based model. *The HYGRAMw System, Food Control*, 14(8), 573–8.