

Entrepreneurial Strategies for Better Marketing Practices

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Abstract: Marketing is one area where entrepreneurs can actually define a unique identity for themselves. The most common features of entrepreneurial marketing include innovation, risk taking, and being proactive. Entrepreneurial marketing campaigns try to highlight the company's greatest strengths while emphasizing their value to the customer. Focusing on innovative products or exemplary customer service is a way to stand out from competitors. This study is all about the customer preferences towards products and accordingly the entrepreneurs makes their doors open for sale. The survey made among 300 sample entrepreneurs in Kanyakumari district of Tamilnadu regarding their entrepreneurial marketing strategies. The researcher used reliability statistics to know the normality of the data, Correlation, Regression, ANOVA, Structural Equation Modeling and Regression Weights for analyzing and interpreting the results. The result reveals a good model of fit along with the significance of the chosen variables. It is inferred that the variables Quantity and curiosity towards the products determines the success of the entrepreneurs. It is suggested that before positioning their products, the best strategy is to go for a product and market analysis to give the best to the consumers in adequate quantity.

Keywords: Entrepreneurs, Marketing Strategies, Psychology, Structural Equation Modeling.

INTRODUCTION

Marketing strategies are the result of a meticulous market analysis. A market analysis forces the entrepreneur to become familiar with all aspects of the market so that the target market can be defined and the company can be positioned in order to garner its share of sales. A market analysis also enables the entrepreneur to establish pricing, distribution, and promotional strategies that will allow the company to become profitable within a competitive environment. In addition, it provides an indication of the growth potential within the industry, and this will allow you to develop your own estimates for the future of your business. Having a great product is essential, but that alone isn't enough to make your startup successful. Aside from your fantastic product, you'll also need a stellar marketing strategy to grow your startup. But for many entrepreneurs, it's simply not realistic to spend a lot of money to acquire new business. The primary challenge facing the entrepreneur is competing against larger, better known, and more resourceful companies. Marketing is one area where entrepreneurs can actually define a unique identity for themselves. The most common features of entrepreneurial marketing include innovation, risk taking, and being proactive. Entrepreneurial marketing campaigns try to highlight the company's greatest strengths while emphasizing their value to the customer. Focusing on innovative products or exemplary customer service is a way to stand out from competitors. This study is all about the customer preferences towards products and accordingly the entrepreneurs makes their doors open for sale. The survey made among 300 sample entrepreneurs in Kanyakumari district of Tamilnadu regarding their entrepreneurial activities reveals the following.

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RESEARCH GAP

Traditionally, concepts from the strategy-making process literature have been used to model entrepreneurship (Covin&Covin, 1990; Lumpkin & Dess, 1996). Entrepreneurial strategic posture can be broadly defined as a firm's overall competitive orientation, or the composition of competitive options firms use within their industry (Dess & Davis, 1984; Venkatraman, 1989). In this research, the entrepreneurial strategic posture of a business enterprise refers to the processes, practices, methods, operating philosophy, and decision-making styles that restaurateurs use in their efforts to manage entrepreneurially. The entrepreneurial strategic posture construct parallels the Entrepreneurial Orientation construct delineated by Lumpkin and Dess (1996) and is appropriate to this study because independent restaurateurs are generally considered to adopt an entrepreneurial stance. As a firm-level construct, entrepreneurial strategic posture applies to both new ventures and existing businesses. Miller (1983) suggested that an entrepreneurial firm is 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). Accordingly, he adopted the dimensions of innovativeness, risk taking, and proactiveness to describe and characterize entrepreneurship. Several researchers have subsequently adopted Miller's (1983) original conceptualization in delineating the dimensions of a firm's entrepreneurial orientation (Covin&Slevin, 1989; Lumpkin & Dess, 1996; Schafer, 1990; Zahra &Covin, 1995). This study deviated from other studies which concentrate on the basic material aspects of marketing such as product, price, quality, quantity, durability, after sales services along with the emotional aspects such as ego, status, curiosity and psychology.

Table 1: Descriptive Statistics, Correlations and Reliability Analysis (N=300)

Variables	Mean	Std. Deviation	α	Age	Gender	Education	Marital status	Religion	Community	Taluk	Occupation	Housing	Nature Family	Status in Family	Earning Members
Age	3.45	1.00	.88	1											
Gender	1.12	.33	.38	-.29**	1										
Education	3.32	1.05	.89	.33**	-.12*	1									
Marital status	1.90	.39	.53	.02	0.10	-.16**	1								
Religion	2.08	.99	.84	-.13*	0.04	-0.10	0.03	1							
Community	2.41	.80	.84	.28**	0.07	.14*	.15*	-0.04	1						
Taluk	1.76	.95	.76	-.04	-.12*	-.34**	-.12*	-0.11	-.23**	1					
Occupation	4.72	1.77	.71	-.13*	-0.03	-0.1	-.16**	-0.11	0.05	.22**	1				
Housing	1.12	.33	.38	-.13*	.17**	.22**	.12*	0.03	-.18**	-.28**	-.19**	1			
Nature of Family	1.23	.42	.52	-.03	0.06	-0.1	0.04	0.03	-.13*	0.01	-0.02	0.09	1.0		
Status in Family	1.35	.48	.60	.03	-0.02	-.12*	0.10	0.06	0.08	0.04	-0.03	-0.01	.32**	1.0	
Earning Members	1.59	.61	.74	.01	0.05	-.16**	.16**	-0.04	.15*	.13*	0.03	-0.09	.15**	.39**	1.0

Source: Primary Data

As per the descriptive statistic, it is noted that mean is high for Occupation (4.72) and is low for gender and housing (1.12), standard deviation is high for Occupation (1.77) and is low for gender and housing (0.33). The reliability test is done with the help of the test of normality and the result Shapiro-Wilk Statistic test shows that all the individual variables are significant and reliable.

Table 2: Reliability Statistics

Item-Total Statistics				
Items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Product	24.6567	66.634	.752	.862
Price	24.3833	76.123	.300	.894
Quality	24.3633	68.573	.717	.865
Quantity	24.3067	69.926	.655	.870
Durability	24.4467	71.733	.495	.881
After sale service	24.3967	70.173	.564	.876
Ego	24.3633	69.108	.649	.870
Status	24.4400	67.023	.681	.867
Curiosity	24.5533	67.158	.736	.863
Psychology	24.2900	69.130	.626	.871
Reliability Statistics				
Cronbach's Alpha	.884			

Source: Primary Data

The correlation is statistically significant for age with gender, education and community, gender with housing, education with marital status, taluks, housing and number of earning members, marital status

with occupation and number of earning members, community with taluk and housing, taluk with occupation and housing, occupation with Housing, Nature of family with Status in Family and number of earning members and Status in Family with number of earning members.

As the value of Cronbach's Alpha is 0.884, it is confirmed that the chosen variables such as Product, Price, Quality, Quantity, Durability, after sale service, Ego, Status, Curiosity and Psychology are reliable for further testing. Individually, correlation values are good except for price, durability and after sales service.

Table 3: Correlation among Marketing Strategies of Entrepreneurs

Correlations											
Variables		Product	Price	Quality	Quantity	Durability	After sale	Ego	Status	Curiosity	Psychology
Product	r	1									
	Sig.										
Price	r	.323**	1								
	Sig.	.000									
Quality	r	.507**	.254**	1							
	Sig.	.000	.000								
Quantity	r	.537**	.320**	.565**	1						
	Sig.	.000	.000	.000							
Durability	r	.493**	.120*	.511**	.232**	1					
	Sig.	.000	.038	.000	.000						
After sale Services	r	.518**	.122*	.566**	.311**	.480**	1				
	Sig.	.000	.034	.000	.000	.000					
Ego	r	.536**	.125*	.478**	.478**	.275**	.404**	1			
	Sig.	.000	.031	.000	.000	.000	.000				
Status	r	.671**	.145*	.539**	.436**	.533**	.556**	.525**	1		
	Sig.	.000	.012	.000	.000	.000	.000	.000			
Curiosity	r	.581**	.253**	.567**	.597**	.347**	.356**	.708**	.536**	1	.650**
	Sig.	.000	.000	.000	.000	.000	.000	.000	.000		.000
Psychology	r	.498**	.345**	.491**	.664**	.182**	.280**	.561**	.326**	.650**	1
	Sig.	.000	.000	.000	.000	.002	.000	.000	.000	.000	
**. Correlation is significant at the 0.01 level (2-tailed).											
*. Correlation is significant at the 0.05 level (2-tailed).											

Source: Derived

From the above table, we can infer that the variable product has significant relationship with Status (.671), Curiosity (.581), Quantity (.537), Ego (.536) and Quality (.507), Price has significant relationship with Psychology (.345) and Quantity (.320), Quality has significant relationship with Curiosity (.567), After sale Services (.566), Quantity (.565), Status (.539) and Durability (.511), Quantity has significant relationship with Psychology (.664) and curiosity (.597), Durability has significant relationship with Status (.533), After sale Service has significant relationship with Status (.556), Ego has significant relationship with Curiosity (.708), Psychology (.561) and Status (.525), Status has significant relationship with Curiosity (.536), Curiosity has significant relationship with Psychology (.650) and the last variable Psychology has significant relationship with Psychology (.650).

Table 4: Regression based on Marketing Strategies of Entrepreneurs

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.263	.175		1.497	.135
Product	.123	.060	.123	2.043	.042
Price	.112	.042	.111	2.690	.008
Quality	.093	.062	.087	1.501	.134
Quantity	.386	.058	.353	6.669	.000
Durability	-.069	.049	-.070	-1.418	.157
After sale service	.006	.050	.006	.117	.907
Ego	.195	.058	.190	3.361	.001
Status	-.178	.054	-.189	-3.274	.001
Curiosity	.283	.063	.279	4.506	.000

a. Dependent Variable: Psychology
Source: Derived

psychological factors are individually important in each person. Their influence is strong, but difficult to study. As psychology determines the purchase behavior of the people, psychology has been taken as the base and as against that other variables are measured. The general form of the equation derived through regression analysis is Marketing Strategy (y) = .263 Psychology (a) + .123 Product + .112 Price + .093 Quality + .386 Quantity - .069 Durability + .006 after sale service + .195 Ego - .178 Status + .283 Curiosity. The result derived from the analysis concluded that the variables Durability and Status have negative impact based on psychology when purchasing things. The variables such as Psychology (.135), Quality (.134), Durability (.157) and after sale service (.907) were not significant as the p value is greater than 0.05 while the variables Product (.042), Price (.005), Quantity (.000), Ego (.001), Status (.001) and Curiosity (.000) were statistically significant as the p value is less than 0.05. Hence it is inferred that the variables Quantity and curiosity towards the products determines the success of the entrepreneurs.

Table 5: Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.769	.591	.579	.866	.591	46.619	9	290	.000

a. Predictors: (Constant), Curiosity, Price, Durability, After sale Service, Quantity, Status, Ego, Quality, Product
b. Dependent Variable: Psychology

Source: Derived

This table provides the *R* and *R*² values. The *R* value represents the simple correlation and is 0.769, which indicates a high degree of correlation. The *R*² value indicates how much of the total variation in the dependent variable, Psychology, can be explained by the independent variable, 59.1% can be explained, which is reasonable.

Table 6: Regression based ANOVA

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	314.358	9	34.929	46.619	.000
	Residual	217.279	290	.749		
	Total	531.637	299			

a. Dependent Variable: Psychology
b. Predictors: (Constant), Curiosity, Price, Durability, After sale service, Quantity, Status, Ego, Quality, Product

Source: Derived

This table indicates that the regression model predicts the dependent variable significantly well. Here *F* (9,290) is 46.62 with the *p* value of 0.000. This indicates the statistical significance of the regression model that was run.

Here, $p < 0.0005$, which is less than 0.05, and indicates that, overall, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

Table7: Structural Equation Modeling

Model	Normed Chi-square (χ^2/df)	P-Value	GFI	AGFI	CFI	NFI	RMSEA
Study model	2.405	0.00	.978	.933	.982	.971	.069
Recommended value	Less than 3	>0.05	0.8-0.9	0.8-0.9	0.8-0.9	0.8-0.9	Less than 0.080

Source: Derived

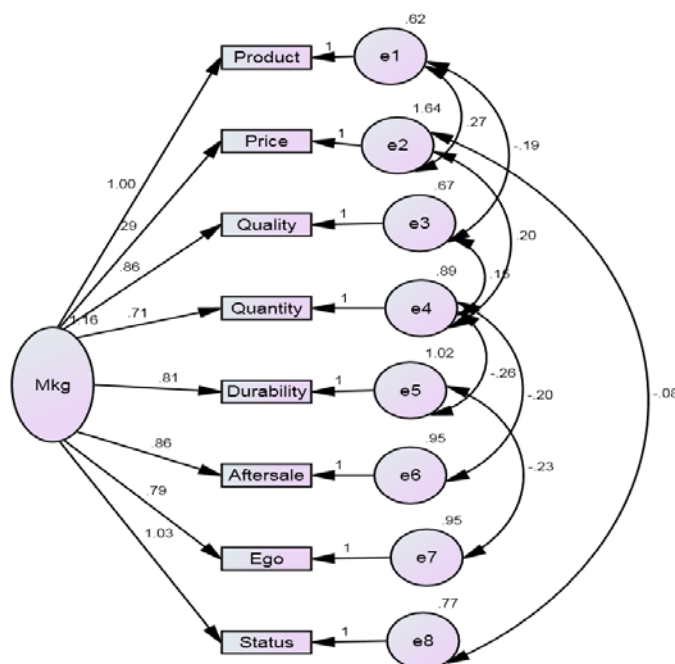
The above table highlights the CFA or measurement model results. It can be inferred from the above table that the values of various goodness of fit indices are well within the desired limits. The normed chi-square is 2.405, GFI is .978, AGFI is 0.933, NFI is .971, RMSEA is .069 and CFI is .982 with p value 0.00. Furthermore and more importantly, the factor loadings in respect of all the items included in the model exceed 0.5 and are highly significant at 0.05 level of significance. Hence, these results suggest that there is no need for any modifications in the model and the available data aptly fits into the proposed conceptual model. Further as p values are statistically significant, this is considered as the fittest model of motivators of entrepreneurship. As the p values are highly significant and so the above said model is the fittest model.

Table 8: Regression Weights for the model fit

	Estimate	S.E.	C.R.	P
Product	1.000			
Price	.287	.074	3.867	***
Quality	.859	.071	12.111	***
Quantity	.713	.067	10.650	***
Durability	.811	.071	11.498	***
After sale service	.865	.070	12.422	***
Ego	.790	.068	11.655	***
Status	1.027	.070	14.711	***

Source: Derived

The regression weights further gives validation to the model by exhibiting significant result for all the variables such as Price, Quality, Quantity, Durability, after sale service, Ego and Status. The model diagram is presented below.



CONCLUSION

The heart of every successful business lies in marketing. Entrepreneurship is the process of designing, launching and running a new business, which is often initially a small business. The people who create these businesses are called entrepreneurs. It is important to understand that the total feasible market is the portion of the market that can be captured provided every condition within the environment is perfect and there is very little competition. When discussing market strategy, it is inevitable that positioning will be brought up. A company's positioning strategy is affected by a number of variables that are closely tied to the motivations and requirements of customers within the target market as well as the actions of primary competitors. The result reveals a good model of fit along with the significance of the chosen variables. It is inferred that the variables Quantity and curiosity towards the products determines the success of the entrepreneurs. It is suggested that before positioning their products, the best strategy is to go for a product and market analysis to give the best to the consumers in adequate quantity.

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