ENTREPRENEURIAL MARKETING: A CONSTRUCT FOR INTEGRATING EMERGING ENTREPRENEURSHIP AND MARKETING PERSPECTIVES

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The purpose of this paper is to critically explore the construct of entrepreneurial marketing (EM). This term is used as an integrative conceptualization that reflects such alternative perspectives as guerrilla marketing, radical marketing, expeditionary marketing, disruptive marketing and others. Seven core dimensions of EM are identified, and an underlying theoretical foundation based on resource advantage theory is proposed. A conceptual model is introduced of key factors surrounding the phenomenon of entrepreneurial marketing. Conclusions and implications are drawn for theory and practice, and priorities are proposed for continuing research.

Keywords: customer intensity, entrepreneurship, entrepreneurial orientation, innovation, market orientation, opportunity, resource leveraging, resource advantage, risk-taking.

Companies today must operate in an environment consisting of increased risk, decreased ability to forecast, fluid firm and industry boundaries, a managerial mindset that must unlearn traditional management principles, and new structural forms that not only allow for change, but also help create it. It is a competitive landscape that has been characterized by four over-riding forces: change, complexity, chaos, and contradiction (Hitt and Reed 2000).

These forces are also having an important effect on marketing. Markets are shifting, overlapping, fragmenting, and frictionless; distribution channels are being reshaped, reconfigured, and bypassed; firms interact as competitors, customers, and collaborators in a global, knowledge economy; and customers are becoming ever more demanding (Day and Montgomery 1999; Kinnear 1999). Marketing is context dependent, but the context is continually changing. Time, location, market, or competition-centric law-like generalizations and rules-of-thumb no longer apply (Sheth and Sisodia 1999). Despite these challenges, marketing thought and practice has been criticized as focusing on mundane issues, defining problems narrowly, and emphasizing tactical responses (Deshpande 1999).

Some have argued that the fundamental precepts of marketing remain unchanged, but that more attention must be given to specific areas, such as customization and one-to-one approaches (Sheth, Sisodia and Sharma 2000), relationships (Gronroos 1999), networking (Piercy and Cravens 1994), strategic alliances, globalization, and technology (Day and Montgomery 1999; John, Weiss and Dutta 1999). Others have suggested that marketing itself should be reconceptualized. Srivastava, Shervani, and Fahey (1999, p. 168) conclude: "Extending existing theoretical frameworks may no longer be sufficient to reflect marketplace shifts and guide marketing practice in the fundamentally new competitive context and conditions that will characterize the new millennium."

Our objective is to present entrepreneurial marketing (EM) as an integrative construct for approaching marketing activities under certain conditions. EM synthesizes critical aspects of marketing and entrepreneurship into a comprehensive conceptualization where marketing becomes a process that firms can use to act entrepreneurially. This conceptualization is intended as an effective approach for marketing in an era of environmental turbulence and a time when firms face unique pressures for improved resource productivity. We first summarize current developments in marketing and entrepreneurship. Then, the dimensions of the entrepreneurial marketing construct are discussed. The paper concludes by suggesting when EM is appropriate, and barriers to and drivers of EM.

DEVELOPMENTS IN MARKETING THOUGHT AND PRACTICE

The American Marketing Association defines marketing as "the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals" (Bennett 1988). This definition forms the foundation for much of conventional market practice. Typically, marketers attempt to blend product, price, promotion, and distribution decisions into an integrated mix that meets the needs of target customers better than competitive offerings. Yet, approached in this manner, conventional marketing has been subject to a variety of criticisms in recent years.

Criticisms (McKenna 1991; Hamel and Prahalad 1992; Webster 1997; Hill and Rifkin 1999; Moorman and Rust 1999; Gronroos 1999; Sheth, Sisodia and Sharma 2000) of contemporary marketing practice include: over-reliance on established rules-of-thumb, formula-based thinking, lack of accountability for marketing expenditures, an emphasis on the promotion element of the marketing mix, focus on superficial and transitory whims of customers, the tendencies to imitate instead of innovate and to serve existing markets instead of creating new ones, a concentration on short-term, low-risk payoffs, and marketing as a functional silo with static and reactive approaches. Many of these criticisms are not new. For example, Webster (1981) concluded that marketers were not "sufficiently innovative and entrepreneurial in their thinking and decision-making" over twenty years ago.

Academics have also been criticized in recent years. A persistent concern is that academic research is far removed from and contributes little to marketing practice. As marketers find themselves operating in increasingly turbulent environments, the theoretical, conceptual, and empirical research published by the academic community is viewed as irrelevant (Webster 1997). In his examination of research priorities within the discipline over time, Deshpande (1999) suggests that scholars are addressing quite mundane issues, frequently of a tactical sort, with an increasing focus on narrower and narrower definitions of problems. Srivastava, Shervani, and Fahey (1999) conclude that marketing theory (and practice) fails to connect marketing to cross-functional business practices and to the cash flow consequences of marketing actions. As a result, some worry that the marketing discipline is being marginalized, losing control of the important research agendas, and becoming responsible only for tactical implementation of the marketing mix elements (Lehmann 1997; Day and Montgomery 1999).

Although many of the criticisms of contemporary marketing thought and practice would seem warranted, recent developments are encouraging.

Developments in Marketing Practice

A number of alternative marketing approaches have been introduced over the past ten or so years. Examples (see also Table 1) include, expeditionary marketing (Hamel and Prahalad 1992), guerrilla marketing (Levinson 1993), disruptive marketing (Dru 1996, 2002), radical marketing (Hill and Rifkin 1999), counterintuitive marketing (Clancy and Krieg 2000), buzz marketing (Rosen 2000), viral marketing (Gladwell 2000) and convergence marketing (Wind, Mahajan, and Gunther 2002). Each of these approaches to marketing is intended to provide a prescription for success in the new environments within which firms must compete.

These alternative approaches often capture the attention of marketers looking for new ways to market effectively in a difficult environment. They vary in terms of their focus on tactical versus strategic considerations, on the emphasis on promotion versus the entire marketing mix, and on the extent to which they focus on smaller ventures versus established firms. Yet, there are several commonalities among these approaches that represent enduring characteristics of successful marketing efforts in the contemporary environment:

TABLE 1
PERSPECTIVES ON THE EMERGING NATURE OF MARKETING

Term/Date	Underlying dimensions/ characteristics	Factors leading to its use	Type	Source
Relationship marketing (1983)	Identifying, establishing, maintaining, enhancing and terminating relationships with customers and other stakeholders, at a profit; achieving objectives of both parties	Sophisticated customers want individualized attention; new technology; maturing markets	Paradigm, perspec-tive, approach	Berry (1983) Gronroos (1990, 1994, 1999)
Expeditionary marketing (1992)	Creating markets before competitors; Continuous search for innovative product concepts; Overturning price/performance assumptions; Leading rather than following customers; Tolerance of failure	Increased focus on speed (cycle time), quality and cost	Strategy	Hamel and Prahalad (1992)
Guerrilla marketing (1993)	Low cost, effective communications; cooperative efforts and networking; leveraging resources, using energy and imagination	Changes in markets, media, methods, marketing; limited budgets, resources, time	Tactic	Levinson (1993)
One-to-one marketing (1993)	Marketing based on knowing the customer through collaborative interactions (dialogue and feedback) to tailor individualized marketing mix on 1:1 basis; product-centric	Technology-generated discontinuities; emergence of 1:1 media	Strategy/ approach	Peppers and Rogers (1993)
Real-time marketing (1995)	Technology-facilitated, real-time dialogues with interactive services	Information technology; High speed communication; Customized software	Strategy	McKenna (1995, 1997)
Disruptive marketing (1996)	Shattering culturally embedded biases and conventions; setting creativity free to forge a radical new vision of a product, brand or service	Discontinuities	Process/ Method-ology	Dru (1996, 2002)
Viral marketing (1997)	Self-replicating promotion fanning out over community webs and spreading like a virus, multiplying and mutating as like-minded people market to each other	Internet boom	Tactic	Jurvetson & Draper (1997); Godin & Glad-well (2001)
Digital marketing (1998)	New forms of interaction lead to deeper relationships and greater personalization	IT-enabled interactivity	Strategy	Parsons, Zeisser and Waitman (1998)
Permission marketing (1999)	Approach to selling goods and services in which a prospect explicitly agrees in advance to receive marketing information	Advent of the Internet and e-mail	Approach	Godin and Peppers (1999)
Radical marketing (1999)	Redefine competitive rules; challenge conventional wisdom of the industry; strong visceral ties with target audience; maximal exploitation of limited budget	Focus on growth and expansion rather than short term profits; limited financial resources	Approach	Hill and Rifkin (1999)
Buzz marketing (2000)	Consumer-generated information dispersal through individual network hubs by creating excitement, infatuation and missionary zeal	Rise of Internet; cost-effective WOM; growing dissatisfaction with standards set of solutions	Tactic	Rosen (2000)
Customer-centric marketing (2000)	Marketing function seeks to fulfill needs/ wants of individual customers. Focuses on the needs, wants and resources of customers as starting point in planning process.	Increased pressure to improve marketing productivity; increased market diversity; emerging technologies	Orientation	Sheth, Sisodia and Sharma (2000)
Convergence marketing (2002)	Fusion of different technologies or combination of channels creating new possibilities for the hybrid consumer	Internet as commercial platform; Empowered / hybrid consumer	Strategy	Wind, Mahajan & Gunther (2002)

efficiency in marketing expenditures by leveraging resources; creative and alternative approaches for managing marketing variables; ongoing product and process innovation, customer intensity and an ability to effect change in the environment. These commonalities address some of the criticisms of contemporary marketing. However, none of the individual marketing approaches presents a framework comprehensive enough to guide marketing practice in the future.

Developments in Marketing Thought

Recent research suggests the need for marketing thought to move in new directions (Webster 1992; Day and Montgomery 1999). There is increasing evidence marketing should embrace a more cross-functional, cross-border, and cross-disciplinary orientation (Deshpande 1999; Kinnear 1999) and focus on networks of strategic alliances and relationships (Achrol and Kotler 1999). Further, the relationship paradigm suggests marketing must replace a focus on short-term exchange with an emphasis on acquiring and retaining customers ((see Gronroos 1999; Srivastava, Shervani, and Fahey 1999) and building customer equity in the long run (Blattberg, Getz, and Thomas 2001). It has also been argued that marketing must play an important role at the organizational level in product development, supply chain management, and customer relationship management (Srivastava, Shervani, and Fahey 1999), but also at the functional level in processes that link a firm to its customers such as customer-product, customer-service, and customer-financial (Moorman and Rust 1999). These developments in marketing thought emphasize the importance of intra- and inter-organizational partnerships to acquire and retain desired customers. Wilkie and Moore (1999) describe the key marketing processes required to build customer-centric organizations as supply chain management, customer relationship management, customer service delivery and innovation management. Moreover, marketing efforts must be more closely linked with financial considerations, with marketing playing a leading role at the business level and as a functional area.

Questions have also been raised regarding the adequacy of the theoretical foundations that guide the ongoing development of the marketing discipline. Sheth and Sisodia (1999) note that marketing is context dependent, and that when changes occur in the contextual elements surrounding it, the discipline may find much of its toolkit and conceptual inventory becoming obsolete. They call for new explanatory frameworks and paradigms. Academic research in marketing has been based on many different theoretical foundations, such as perfect competition, neoclassical economic theory, and industrial organization economics. Today, new theoretical perspectives are needed which recognize that competitive dynamics are disequilibrium-provoking with innovation endogenous and exogenous, rather than equilibrium-producing and innovation exogenous. The need for theories that accommodate marketing's responsibility for innovation, risk management and environmental change, and its corresponding contributions to the dynamism of competition, would seem especially critical.

THE NATURE OF AND NEED FOR ENTREPRENEURSHIP

Entrepreneurship has been defined as the process of creating value by bringing together a unique package of resources to exploit an opportunity (Stevenson, Roberts, and Grousbeck 1989). It results not only in the creation of new, growth-oriented firms, but in the strategic renewal of existing firms (Guth and Ginsberg 1990; Pinchot 2000; Morris and Kuratko 2001). The process includes the set of activities necessary to identify an opportunity, define a business concept, assess and acquire the necessary resources, and then manage and harvest the venture.

Various observers have suggested that entrepreneurship is the principal agent of change operating from within an economic system (Birch 1981; Ronstadt 1985; Timmons 2000). Such change comes in the form of new combinations of resources, or innovations, which eventually displace existing products and processes. Schumpeter (1950) used the term "creative destruction" to describe the continual disruption of economic equilibrium brought on by entrepreneurial activity. An entrepreneurial perspective is reflected in Sony founder Akio Morito's conclusion that "the nature of business is to make your own product obsolete" (Morris and Sexton 1996).

Entrepreneurship has also been viewed as an organizational orientation exhibiting three underlying dimensions: innovativeness, calculated risk-taking, and proactiveness (Miller and Friesen 1983; Covin and Slevin 1994). Innovativeness refers to the seeking of creative, unusual, or novel solutions to problems and needs. Calculated risk-taking involves the willingness to commit significant resources to opportunities that have a reasonable chance of costly failure, but also creative attempts to mitigate, leverage or share the various risks. Proactiveness is making things happen through whatever means are necessary. The more innovative, risk-taking, and proactive the activities of the firm, the more entrepreneurial. Thus, entrepreneurship is not an either-or determination, but a question of degree. Lumpkin and Dess (1996) note that a firm's entrepreneurial orientation (EO) can be characterized by various combinations of these underlying dimensions.

A growing body of evidence suggests the more successful firms over time are the ones that engage in higher levels of entrepreneurial activity. A positive relationship between EO and a number of measures of organizational performance has been substantiated in the work of Miller and Friesen (1983), Covin and Slevin (1994), Morris and Sexton (1996), Zahra and Garvis (2000), and others. Moreoever, EO is a longer-term perspective that often entails intermediate failures. Stevenson et al. (1989) argue that the need for entrepreneurship is greatest when firms face diminishing opportunity streams, as well as rapid changes in technology, consumer needs, social values, and political roles. The same is true when firms are confronted with short decision windows, unpredictable resource needs, lack of long-term control over the environment, increased resource specialization, rapid resource obsolescence, and employee demands for independence.

THE ENTREPRENEURIAL MARKETING CONSTRUCT

The term "entrepreneurial marketing" has been used in various ways, and often somewhat loosely (Tyebjee et al. 1983; Hultman 1999; Stokes 2000; Lodish, Morgan and Kallianpur 2001; Kotler 2001). It has been most frequently associated with marketing activities in firms which are small and resource constrained, and therefore must rely on creative and often unsophisticated marketing tactics that make heavy use of personal networks. Alternatively, the term has been employed to describe the unplanned, non-linear, visionary marketing actions of the entrepreneur. Leading universities, including Stanford and Harvard in the USA, have built entrepreneurial marketing courses around the act of market creation by high growth, high-technology firms.

Kotler (2001) suggests that effective marketing today requires different strategies at different stages and makes a distinction between "entrepreneurial marketing" or guerrilla, grassroots marketing in the early stages of company development, and "intrapreneurial marketing" or creative, non-formulaic marketing in the later stages. In spite of these various uses of the term, a consistent definition has not been promulgated, nor have the underlying components of the construct been specified.

For our purposes, entrepreneurial marketing is proposed as an integrative construct for conceptualizing marketing in an era of change, complexity, chaos, contradiction, and diminishing resources, and one that will manifest itself differently as companies age and grow. It fuses key aspects of recent developments in marketing thought and practice with those in the entrepreneurship area into one comprehensive construct. EM is defined as:
the proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation.

EM represents an opportunistic perspective wherein the marketer proactively seeks novel ways to create value for desired customers and build customer equity. The marketer is not constrained by resources currently controlled, and product/market innovation represents the core marketing responsibility and the key means to sustainable competitive advantage. A comparison of specific aspects of conventional and entrepreneurial marketing approaches is presented in Table 2.

While the juxtaposition in Table 2 serves to distinguish EM, in reality a continuum exists from a more responsive, risk avoidant, control-oriented approach to one that is highly entrepreneurial. Hence, rather than a simple dichotomy, a spectrum of marketing approaches exists. The differences lie in concepts of 'frequency' and 'degree'. For instance, while both approaches to marketing might exhibit an element of innovation or resource leveraging, EM implies innovation or leveraging efforts that are more frequent and that represent greater departures from current norms or standards.

A company's position on this spectrum is context specific, reflecting the firm's particular circumstances and environment. The context for EM is more fragmented, dynamic, hostile and/or emerging markets where the marketer must act as innovator and change agent. This conclusion is consistent with empirical evidence suggesting entrepreneurial actions become especially relevant under conditions of environmental turbulence (Davis, Morris and Allen 1992). Alternatively, the context for TM is more stable or established markets where the marketer is principally concerned with the efficiency and effectiveness of the marketing mix.

The differences highlighted in Table 2 also suggest that an EM approach requires changes not only in behavior but in the underlying attitudes held by those responsible for marketing activities. Engaging in actions that are innovative, entail risks, or are more proactive implies that managers understand and have a positive affect towards such normative behaviors, and that they develop skills sets to support these activities.

Thus, EM is more than simply an examination of the role of marketing in entrepreneurship or the role of entrepreneurship in marketing. It entails a shift from the use of the word "entrepreneurial" as an adjective (i.e. entrepreneurial sales management or entrepreneurial consumer) (Lodish et al. 2001), or as the marketing efforts of an entrepreneurial company (e.g., a high tech, start-up or small firm) to EM as a central concept that integrates the two disciplines of marketing and entrepreneurship. It represents an alternative approach to marketing under certain conditions.

UNDERLYING DIMENSIONS OF ENTREPRENEURIAL MARKETING

As defined, entrepreneurial marketing captures the interface between entrepreneurship and marketing, and serves as an umbrella for many of the emergent perspectives on marketing. It has seven underlying dimensions. Four of these dimensions, proactiveness, calculated risk-taking, innovativeness and an opportunity focus, are derived from the work on the entrepreneurial orientation of the firm (Miller and Freisen 1983; Covin, and Slevin 1994; Morris and Sexton 1996; Zahra and Garvis 2000). Moreover, in assessing the common themes among the emergent forms of marketing (e.g., expeditionary, disruptive, radical), summarized in Table 1, each of these four dimensions features prominently. A fifth dimension, resource leveraging, is perhaps the single most emphasized element in these emergent perspectives on marketing, especially guerrilla marketing, and is also a common theme within the entrepreneurship literature. The final two dimensions, customer intensity and value creation are consistent with the market orientation of the firm (Jaworski and Kohli 1993; Slater and Narver 1995; Han, Kim and Srivastava 1998). Moreover, as conceptualized, customer intensity has a visceral and emotional component, as reflected in many of the emerging perspectives, most notably customer-centric, radical marketing and expeditionary marketing. Further, value creation is a core element of commonly-accepted definitions of entrepreneurship (e.g., Stevenson, Roberts and Grousbeck 1989), as innovative efforts that do not convey market value lack commercial potential. Let us examine each of these dimensions in further detail.

Proactive Orientation

At any point in time, industries and markets can be described in terms of environmental conditions and constraints that govern the ways in which firms produce, sell and distribute their offerings. In effect, key assumptions are made regarding price-performance relationships, the attribute trade-offs customers are willing to make, and the required inputs to make the value chain effective. Based on these assumptions, firms continually search for new ways to achieve competitive advantage through incremental changes to the established methods of production, sales and distribution. Marketing's

Table 2
Contrasting Conventional Marketing and Entrepreneurial Marketing

	Traditional Marketing	Entrepreneurial Marketing
Basic premise	Facilitation of transactions and market control	Sustainable competitive advantage through value-creating innovation
Orientation	Marketing as objective, dispassionate science	Central role of passion, zeal, persistence and creativity in marketing
Context	Established, relatively stable markets	Envisioned, emerging, and fragmented markets with high levels of turbulence
Marketer's role	Coordinator of marketing mix; builder of the brand	Internal and external change agent; creator of the category
Market approach	Reactive and adaptive approach to current market situation with incremental innovation	Proactive approach, leading the customer with dynamic innovation
Customer needs	Articulated, assumed, expressed by customers through survey research	Unarticulated, discovered, identified through lead users
Risk perspective	Risk minimization in marketing actions	Marketing as vehicle for calculated risk-taking; emphasis on finding ways to mitigate, stage or share risks
Resource management	Efficient use of existing resources, scarcity mentality	Leveraging, creative use of the resources of others; doing more with less; actions are not constrained by resources currently controlled
New product/ service development	Marketing supports new product/service development activities of Research & Development and other technical depts.	Marketing is the home of innovation; customer is co-active producer
Customer's role	External source of intelligence and feedback	Active participant in firm's marketing decision process, defining product, price, distribution and communications approaches

conventional role is to assess existing or anticipated environmental conditions and then make recommendations for changes to the marketing mix that will enable the firm to best capitalize on those conditions.

Entrepreneurial marketing does not consider the external environment as a given, or as a set of circumstances to which the firm can only react or adjust. Bateman and Crant (1993) approach "proactive behavior" as a dispositional construct that identifies differences between people in the extent to which they take action to influence their environments. Van de Ven and Poole (1995) use the term "purposeful enactment". The environment is viewed as an opportunity horizon where the marketer attempts to redefine external conditions in ways that reduce uncertainty and lessen the firm's dependency and vulnerability. The marketer develops environmental management strategies, either independently or in concert with network partners, that serve to alter when, where and how firms compete (see Zeithaml and Zeithaml 1984). Marketing variables are used both as a means of creating change and adapting to change.

Opportunity-driven

Stevenson, et al. (1989) propose a continuum of managerial approaches, ranging from an emphasis on pursuing opportunity regardless of resources currently controlled (i.e., behavior that is more entrepreneurial) to a focus on the efficient utilization of existing resources (i.e., behavior that is more administrative). The recognition and pursuit of opportunity is fundamental to entrepreneurship, and is a core dimension of EM.

Opportunities represent unnoticed market positions that are sources of sustainable profit potential. They derive from market imperfections, where knowledge about these imperfections and how to exploit them distinguish entrepreneurial marketing. The availability of opportunities tends to correlate with rates of environmental change, indicating a need for marketers to engage in heightened levels of both active search and discovery. Further, exploitation of opportunity entails learning and ongoing adaptation by marketers before, during, and after the actual implementation of an innovative concept.

Marketing scholars have devoted relatively little attention to issues surrounding the identification and pursuit of opportunity. The principal focus has been on environmental scanning activities. With EM, the need for an external focus and environmental scanning are viewed as critical, but the identification of opportunity is actually approached as a special case of the creative process (Hills, et al. 1999). Scanning activities can help identify trends and developments, but the ability to recognize underlying patterns that represent unnoticed market positions or market imperfections requires creative insight. Further, the marketer strives to expand the opportunity horizon beyond that dictated by current customers, products and business boundaries, in the process "escaping the tyranny of the served market" (Hamel and Prahalad 1994).

Customer-Intensity

EM lies at the interface between a market orientation and an entrepreneurial orientation. Slater and Narver (1995, p. 68) suggest: "Coupling a market orientation with entrepreneurial values provides the necessary focus for the firm's information processing efforts, while it also encourages frame breaking action, thus greatly increasing the prospects for generative learning." The fact that the two orientations tend to be correlated with one another suggests they may jointly contribute to a single, over-riding organizational philosophy (Morris and Paul 1987; Miles and Arnold 1991; Deshpande, Farley and Webster 1993). Thus, integrating a customer focus throughout the firm, continuous innovation and leading rather that following are interdependent elements that must work hand in hand (Han, Kim and Srivastava 1998).

Beyond conventional perspectives on a market orientation and customer centricity (Sheth, Sisodia and Sharma 2000), entrepreneurial marketing emphasizes *customer equity, visceral relationships*, and an *emotional dimension to the firm's marketing efforts*.

EM incorporates the need for creative approaches to customer acquisition, retention, and development. Moving estimates of lifetime value and customer equity guide decisions regarding customer investment and customization levels. A philosophy of customer intimacy produces a dynamic knowledge base of changing customer circumstances and requirements. In this vein, EM has many consistencies with relationship marketing (RM), especially as reflected in the eight viewpoints of RM summarized by Gronroos (1999). Both represent approaches to marketing. However, RM does not have to be entrepreneurial, and EM could be applied in a transactional context. A key difference is the predominant focus of RM on managing existing relationships, while EM focuses on innovative approaches to creating new relationships or using existing relationships to create new markets.

A second aspect of the customer intensity dimension is the goal of establishing visceral relationships with the firm's customer base. The relationship is dyadic, where the firm identifies with the customer at a fundamental level, and the customer similarly identifies with the firm. Examples include the relationships between customers and such companies as Harley Davidson, Apple Computer, Virgin Airways, and Snap-On Tools (Hill and Rifkin 1999).

Largely ignored in marketing theory and empirical research is an emotional aspect to successful market actions. Southwest Airlines represents a case in point. The company uses the concept of "spirituality" to capture profound convictions regarding the role of the employee, the nature of the customer experience, and how the two are inter-related. EM reflects a deeply felt sense of purpose and conviction resulting in a different marketing consciousness. Marketing efforts incorporate a sense of conviction, passion, zeal, and belief in where marketing is attempting to take the firm. As such, it often involves serendipity, intuition, flair and insight instead of the rational decision-making that underlies mainstream marketing theory.

Innovation-focused

Sustained innovation involves the ability at an organizational level to maintain a flow of internally and externally motivated new ideas that are translatable into new products, services, processes, technology applications, and/or markets (Runser-Spanjol 2001). It is a property or trait that emerges from a complex set of internal and external relationships (Cooper, 2000).

With EM, the marketing function plays an integral part in sustainable innovation. Its roles range from opportunity identification and concept generation to technical support and creative augmentation of the firm's resource base to support innovation. Marketing provides leadership in managing an innovation portfolio. Further, EM seeks discontinuous and dynamically continuous initiatives that lead the customer, as well as the more conventional marketing emphasis on incremental improvements and line extensions that follow customers. Within marketing operations process innovation is ongoing. Managers continually champion new approaches to segmentation, pricing, brand management, packaging, customer communication and relationship management, credit, logistics, and service levels, among other operational activities.

Risk Management

Company operations can be characterized in terms of a risk profile. Risks are reflected in the various resource allocation decisions made by an organization, as well as in the choice of products, services, and markets to be emphasized. Entrepreneurship is associated with calculated risk-taking, which implies overt efforts to identify risk factors, and then to mitigate or share those factors. EM defines an explicit role for marketing in managing the firm's risk profile (see Srivastava, Shervani and Fahey 1999).

Toward this end, the marketer attempts to redefine elements of the external environment in ways that reduce environmental uncertainty, lessen the firm's dependency and vulnerability, and/or modify the task environment in which the firm operates. Further, resources are managed in ways that they can be quickly committed to or withdrawn from new projects, thereby enhancing the firm's flexibility. Examples of efforts that can achieve one or more of these outcomes include collaborative marketing programs with other firms, joint development projects, test markets and staged product roll-outs, working with lead customers, strategic alliances, outsourcing of key marketing activities, and resource expenditures that are tied to performance.

Such a role for marketing can be contrasted with the more conventional orientation of trying to minimize risk through a focus on increasing sales in existing markets, with an emphasis on various types of marketing promotion. As a risk manager, the marketer is enhancing the firm's level of control over its destiny.

Resource Leveraging

At its most basic level, leveraging refers to doing more with less. Entrepreneurial marketers are not constrained by the resources they currently have at their disposal. They are able to leverage resources in a number of different ways, including:

- Stretching resources much further than others have done in the past;
- Getting uses out of resources that others are unable to realize;
- Using other people's (or firm's) resources to accomplish one's own purpose;
- Complementing one resource with another to create higher combined value;
- Using certain resources to obtain other resources.

Entrepreneurial marketers develop a creative capacity for resource leveraging. The ability to recognize a resource not being used optimally, see how the resource could be used in a non-conventional way, and convince those that control the resource to let the marketer use it involves insight, experience, and skill. The same can be said for the ability to get team members to work extra hours, convince departments to perform activities they normally do not perform, or put together unique sets of resources that, when blended, are synergistic.

Perhaps the most critical form of leveraging involves the ability to use other people's resources to accomplish the marketer's purpose. Examples of the ways in which this is done include bartering, borrowing, renting, leasing, sharing, recycling, contracting, and outsourcing. These efforts can be directed at other departments and units within the firm or at suppliers, distributors, customers and other external organizations. The efforts frequently entail both informal initiatives such as the exchange of favors and the use of networks, and formal initiatives, such as strategic alliances and joint ventures.

Value Creation

The focal point of marketing has historically been the transaction, and more recently, the relationship. The focal point of EM is innovative value creation, on the assumption that value creation is a prerequisite for transactions and relationships. The task of the marketer is to discover untapped sources of customer value and to create unique combinations of resources to produce value. In dynamic markets, the value equation is continually redefined. The ongoing responsibility of the marketer is to explore each marketing mix element in a search for new sources of customer value. Moreover, the amount of new value being created is the benchmark for judging marketing initiatives.

INTERACTIONS AMONG COMPONENTS AND ONGOING DYNAMICS

It is important to note that the seven components that comprise entrepreneurial marketing are not independent. For instance, there is some evidence that, by innovating more, with numerous market incursions that involve exploring multiple market niches, a firm actually reduces its risk profile (Hamel and Prahalad 1992). Similarly, risk and innovation interact with the opportunity-driven dimension. This can be seen with Dickson and Giglierano's (1986) distinction between 'sinking the boat', or the risk of pursuing an opportunity and failing, and 'missing the boat', or the risk of loss from not pursuing an opportunity until too late. In periods of rapid environmental change, missing the boat risks increase, suggesting a need for more opportunism. Other examples of interactions include the possibility that risks are mitigated through resource leveraging in the form of outsourcing; or innovation may be facilitated through resource leveraging in the form of a strategic partnership, but this might increase the firm's dependency on an outside party.

In addition, not all of the dimensions need to be operating at once for entrepreneurial marketing to occur. The marketer could engage in significant innovation that redefines environmental conditions, is highly customer-centric, and includes numerous risks some of which the marketer can mitigate, but resources are not being leveraged, and the required approach involves heavy fixed commitment. EM is a matter of degree, and various combinations of the underlying dimensions will result in marketing that is more, or less, entrepreneurial.

It is unlikely that organizations can maintain high levels of EM indefinitely. One might expect them to "cycle" back and forth between periods of entrepreneurial marketing and periods of more traditional marketing (see Covin and Slevin 1994; Kotler 2001). During the former, major new directions are taken in terms of new products, markets and marketing processes. During the latter, the focus is more on penetration of existing products and markets and the achievement of higher levels of marketing efficiency.

Finally, entrepreneurial marketing manifests itself in different ways as organizations evolve through stages of development, including stages of marketing development. Tyebjee, T.T., Bruno A.V., and McIntyre (1983) discuss four developmental stages during which marketing efforts become more formalized, strategic, sophisticated and integrated. It is likely that the different underlying components of entrepreneurial marketing (i.e., resource leveraging versus risk-taking) will receive more emphasis either in degree or amount and will take different forms depending on the stage of organizational development.

THEORETICAL FOUNDATION FOR ENTREPRENEURIAL MARKETING

Hunt (1976) provided a theoretical schema to characterize and guide the scientific development of marketing as a discipline. EM is consistent with this schema and has applicability to all combinations of the profit/nonprofit, micro/macro, and positive normative dichotomies. Entrepreneurial marketing can be applied by both profit and nonprofit organizations, with considerable attention given in recent years to the concepts of social entrepreneurship and public sector entrepreneurship (e.g., Dees et al. 2001). Morris and Joyce (1998) have explored linkages between social marketing and social entrepreneurship. Similarly, EM applies at a micro level when employed by individual organizations and at a macro level when pursued jointly by members of a value-added chain, industry group, or strategic alliance of organizations from different industries. Positive dimensions are reflected in attempts to describe, explain, predict and understand how individuals, firms, collectives, or society as a whole create value for customers through innovative, risk-taking, proactive behaviors. Normative insights derive from attempts to define appropriate levels of entrepreneurial behavior in marketing, determine how organizations should be designed to facilitate greater levels of entrepreneurship through marketing, and create public policies that would facilitate more innovative market behavior, among many other such prescriptive undertakings.

It is also important to provide a theoretical foundation for entrepreneurial marketing. Although EM fits with a number of theoretical frameworks (e.g., resource-based theory, transaction cost theory, strategic adaptation theory), it is especially consistent with resource-advantage (R-A) theory (Hunt and Morgan 1996; Hunt and Morgan 1997; Hunt 1997, 2000). Replacing the assumptions underlying the economic theory of perfect competition with a much more realistic set of conditions (e.g., demand is assumed to be heterogeneous and dynamic; resources are heterogeneous and imperfectly mobile; information is imperfect and costly), R-A theory is "an evolutionary, process theory of competition in which each firm in an industry is a unique entity in time and space as a result of its history" (Hunt and Morgan 1996, p. 78). Competition is an ongoing struggle among firms to achieve a comparative advantage in resources that will ultimately produce a sustainable competitive advantage in the marketplace. The source of advantage derives from innovation, which is viewed as endogenous to competition. Specifically, superior financial returns flow to those firms that are able either to create value *more* efficiently or to efficiently create *more* value for customers; this represents the link to entrepreneurial behavior. Entrepreneurship is the means by which firms discover, create or assemble resource assortments that allow them to produce valued market offerings.

Competition is also defined in R-A theory as a knowledge discovery process. The competitive interplay of firms results in marketplace positions that reflect the relative efficiency and effectiveness of each entrant, which in turn allows firms in disadvantaged positions to learn where they need to acquire additional resources or to use existing resources more efficiently/effectively. The firms therefore are motivated to "neutralize and/or leapfrog advantaged competitors by better managing existing resources and/or by acquisition, imitation, substitution, or major innovation" (Hunt and Morgan 1996, p. 78). R-A theory defines resources broadly to include such phenomena as organizational culture, knowledge, and competencies, and argues that many of these non-economic resources are replicable rather than scarce. Hunt and Morgan (p. 79) note: "Therefore, a comparative advantage in an intangible resource, such as a new organizational form or competency, can yield a marketplace position of competitive advantage....Thus, rewards flow to firms that successfully *create* new resources (e.g., competencies), which provides them with a powerful motivation to innovate."

R-A theory clearly allows both for conventional approaches to marketing and for entrepreneurial marketing. Consistent with the dynamics of competition under R-A theory, marketing can facilitate the ability of firms to create new resources and greatly enhance the productivity of current resources (a) through the various leveraging approaches mentioned earlier and (b) by championing innovation in the form of new combinations of resources. Sustainable innovation lies as the heart of the R-A theory of competition, and this implies a role for marketing in providing both leadership and support for an innovation portfolio within the firm. Such a portfolio includes an array of product, service and process innovations reflecting different degrees of innovativeness and risk. Further, the ongoing seeking of new markets in which the firm's resources provide comparative advantage would be a core role for marketing in the context of R-A theory. Moreover, under R-A theory, firms must learn and then adjust when their resource portfolios result in positions of competitive disadvantage. It would seem that, in such circumstances, a firm must be able to exhibit strategic flexibility, again justifying marketing role as a conduit for enhancing such flexibility. We have also discussed EM's role in the development of culture and organizational competencies. R-A theory accommodates such a role, arguing that such development is instrumental in the creation of comparative advantage.

EM AND THE PRACTICE OF MARKETING

Webster (1992) notes that marketing has three distinct dimensions: as culture, as strategy and as tactics. As culture, marketing is a basic set of values and beliefs regarding the central importance of the customer in guiding the organization. Here, marketing's traditional role is to assess market attractiveness by analyzing customer needs, promoting a customer orientation throughout the firm, and developing the firm's overall value proposition and articulating it to the marketplace. As strategy, marketing is concerned with how the firm will compete in its chosen businesses. Some key decision areas include market segmentation, targeting, positioning, and deciding when to partner. As tactics, marketing is responsible for the design and implementation of the marketing mix variables for the purposes of creating and sustaining customer relationships. Tools of optimization and management science apply at this level, as do concepts of dyadic interaction, customization, and real-time production and consumption.

TABLE 3
APPLYING ENTREPRENEURIAL MARKETING AT THREE DIFFERENT LEVELS

	Level at Which Marketing Is Applied		
Element of E.M.	Marketing as *Culture*	Marketing as *Strategy*	Marketing as *Tactics*
Opportunity-driven	A philosophy of continuous recognition and pursuit of opportunity without regard to resources controlled	Strategies focusing on new products and markets based on expanded opportunity horizon	Real-time, proactive intelligence to find untapped opportunities; Alternative methodologies to discover unmet needs; Rapid learning from market experiments so as to redefine opportunities
Proactiveness	Action orientation; Organization as agent of change, redefining industry practices and challenging assumptions	Defining new market positions; leadership of customer and market;	Speedy development and launch of new products and marketing approaches; Ongoing experimentation with untested guerilla and viral tactics
Innovation-focused	Philosophy that promotes new and different solutions, leading the customer, and the firm as innovation factory; spirit of healthy dissatisfaction	Continuously redefining the product and market context; strategy to manage a portfolio of innovations	Active participation of marketing on teams developing major innovations; Highly inventive approaches to new product and service development
Customer Intensity	Reinforce passion for the customer; Marketer as agent for the customer	Strategic customer-focused interaction, bringing the customer into the firm's planning and operations	Customization via segmentation and niche marketing; creative relationship management tactics; incentives to encourage organizational learning
Risk Management	Comfort level with random variance and ambiguity	Managed risk through higher levels of innovation and more rapid organizational learning	Employment of initiatives to mitigate risks through alliances, test markets, trial launches, lead user research
Resource Leveraging	Resourcefulness in doing more with less; marketer as middleman tapping a network of non-imitable competencies	Leveraging drives strategic decisions regarding core processes, outsourcing, strategic alliances	Exploit underutilized resources and skills; creative methods for contracting, bartering, sharing, borrowing, renting, outsourcing
Value Creation	Vigilance in seeking novel sources of value from throughout the firm	Value-based strategies designed around customer intimacy	Continuous exploration for novel sources of customer value in each element of marketing mix

Overlaying entrepreneurship on this conceptualization of marketing is fairly straightforward. Table 3 illustrates the overlay of each element of EM on the three dimensions of marketing. Culture is concerned with an organization's basic beliefs and assumptions concerning the company's purpose, how its members should behave, and how it defines itself in relation to its external environment (Cornwall and Perlman 1990). In a synthesis of various perspectives regarding company cultures that are consistent with entrepreneurial behavior, Morris and Kuratko (2001) found such cultures focus on people and empowerment, attention to basics, hands-on management, doing the right thing, freedom to grow and to fail, and a sense of commitment and personal responsibility. These cultures place strong emphasis on value creation through innovation and change. They also tend to stress the future and the need for a sense of urgency.

If a firm decides to take an entrepreneurial marketing approach, many existing attitudes, behaviors and structures have to be rethought. As culture, EM fosters values of innovativeness, risk-taking and proactiveness throughout the firm, tying these values to a market orientation (see Deshpande, Farley and Webster 1993). The earlier-cited customer-centric dimension becomes most relevant at the cultural level. Marketers become sources of conviction, passion and zeal for novel product concepts, new approaches to the customer interface, and for both leading the customer and integrating the customer into company operations. They reinforce entrepreneurial values by developing rules of conduct, vocabulary, methodologies, rituals, and myths/stories that encourage customer-centric innovation.

Now let us turn to marketing as strategy. The dynamic organizations of tomorrow will be ones that are capable of merging strategic action with entrepreneurial action on an ongoing basis. Strategic management focuses on achieving competitive advantage within a particular industry and market context. Entrepreneurship seeks to exploit opportunities others have missed or ones that have not been completely exploited. Thus, strategic actions represent advantage-seeking behavior, and entrepreneurial actions represent opportunity-seeking behavior (Ireland et al., 2001). Strategic actions provide the context within which entrepreneurial actions are pursued.

Entrepreneurial marketing represents a bridge between strategic action and entrepreneurial action. Where marketing conventionally helps identify and communicate the firm's relative advantages in targeted market segments, EM guides the creation of new advantages within current and newly created markets. More specifically, EM helps the firm to build, at lower cost and more speedily than competitors, the core competencies that spawn unanticipated products, alternative communication and distribution capabilities, and unique types of customer relationships (Hamel and Prahalad 1994). The marketer leads customers to new solutions, different buying behaviors, and novel consumption patterns.

At the tactical level, Levinson's (1993) concept of guerrilla activities (together with the "buzz marketing" and "viral marketing" techniques) has the most applicability. Entrepreneurial marketing results in "guerrilla" approaches to the individual elements of the marketing mix, creative methods of resource leveraging, and a variety of techniques for managing or mitigating risks. A large number of implementation issues also come into play at this level. Marketers must develop a personal approach to the identification and pursuit of entrepreneurial opportunity. The approach must reflect skills in obtaining sponsors, building a flexible team structure, insulating projects, building project momentum, obtaining resources that have not been formally assigned to a project, developing internal support networks, and managing expectations. Bonoma (1986) emphasizes the need for "back-of-the-envelope skills", where marketers are able to generate measures of product, segment, and marketing performance that are not readily available through the firm's normal financial reporting system.

AN INTEGRATIVE MODEL OF ENTREPRENEURIAL MARKETING

Various researchers argue for a contingency view of the role of marketing within firms (Davis, Morris and Allen 1991; Webster 1997; Zajac, Kraatz and Bresser 2000). Accordingly, EM is a conceptualization of marketing that becomes more appropriate under certain circumstances. The underlying components of EM are variables, such that a firm's marketing efforts can demonstrate more opportunism and be more leveraged, or less. Hence, a continuum is involved, where marketing efforts will be less entrepreneurial or more depending on conditions both external and internal to the firm.

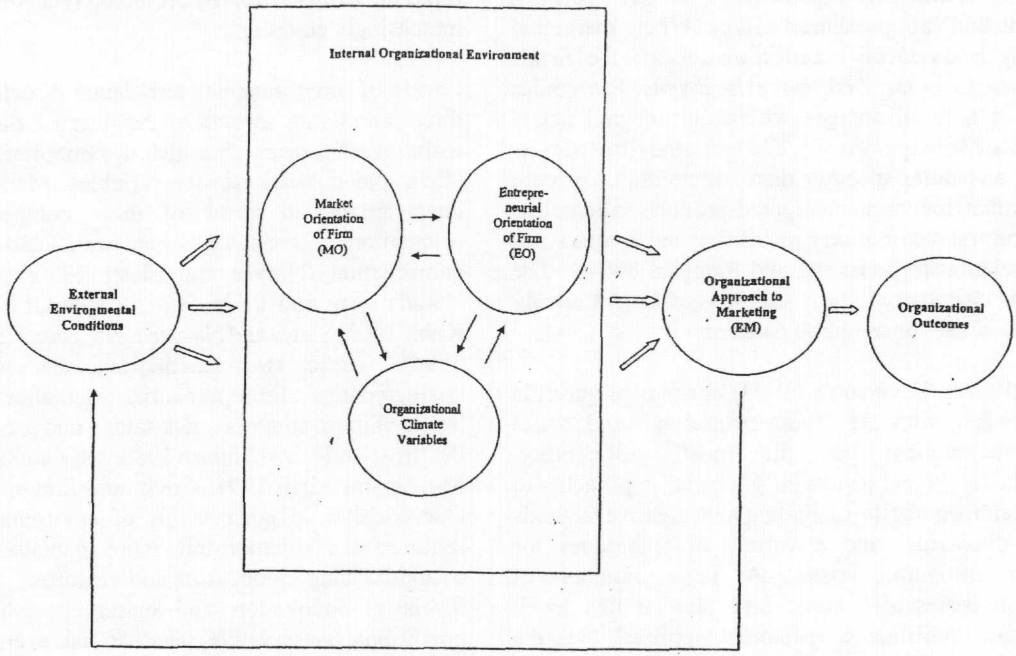
A preliminary conceptual model delineating the linkages between EM and its drivers and outcomes is presented in Figure 1. The model starts with conditions in the external environment. Relevant variables include demand and supply heterogeneity, bargaining power of suppliers and buyers, the availability of effective substitutes, presence of aggressive competitors, rates of technological change, volatility in economic conditions, and the nature of regulatory policies, among others. For simplicity, such variables can be captured by the degree to which the environment is (a) experiencing rapid rates of change, (b) becoming relatively hostile, and (c) increasingly complex.

Levels of environmental turbulence directly affect each of three interacting aspects of the internal environment of the firm: market orientation (MO), entrepreneurial orientation (EO), and internal climate variables. Market orientation is characterized in terms of three components: customer orientation, competitor orientation, and inter-functional coordination (Narver and Slater 1990; see also McKee, Varadarajan, and Pride 1989; Reukert 1992; Jaworski and Kohli 1993; Slater and Narver 1995; Han, Kim and Srivastava 1998). These two orientations are organization-level characteristics. Entrepreneurial orientation includes overall levels of innovativeness, risk-taking and proactiveness within the firm (Miller and Freisen 1983; see also Zahra 1986; Davis, Morris and Allen 1991; Covin and Slevin 1994; Zahra and Garvis 2000). Higher levels of environmental turbulence require firms to demonstrate more adaptability and flexibility in approaching competitors and customers, as well as higher levels of innovation and entrepreneurship. Under such conditions, conservative, reactive, risk-aversive management proves to be a competitive liability (Achrol 1991; Webster 1997).

Where firms demonstrate stronger entrepreneurial and market orientations, they will tend to approach the marketing function differently. Marketing activities become especially critical under turbulent environmental circumstances. Under placid conditions, firms can concentrate on incremental improvements to their methods of satisfying customer needs. Alternatively, when the environment is characterized in terms of stronger interdependencies among firms, marketers must focus more attention on anticipating and quickly responding to the moves of competitors. However, to the extent that environments become fairly turbulent, marketers must take responsibility for introducing greater levels of entrepreneurship into all aspects of the firm's marketing efforts. Turbulence elicits fear, uncertainty and doubt among sellers and buyers alike, but also forces firms to make quicker decisions and opens up a whole range of new product and market opportunities. Marketing efforts have to become more customized and unique, with more customer choice in the form of a variety of value packages for different market segments (Deshpande 1999; Sanchez 1999). Finding creative ways to foster customer relationships while discovering new market segments becomes paramount. In short, firms are incentivized to engage in marketing efforts that are more opportunistic, proactive, risk assumptive, innovative, customer-centric, leveraged, and value-creating.

The firm's approach to marketing is also influenced by a host of organizational climate factors. The magnitude of MO and EO, and the extent to which a firm· becomes more entrepreneurial in its marketing approaches, are hindered or

FIGURE 1
A MODEL OF ANTECEDENTS AND OUTCOMES OF ENTREPRENEURIAL MARKETING



facilitated depending on how the organization adapts its internal environment to reflect external realities. EM is more likely in companies that develop: flatter, decentralized and cross-functional structures (Miller 1996; Galbraith 1999; Sanchez 1999; Pettigrew and Fenton 2000), cultures that contain a sense of urgency and that value innovation and change, tolerance of failure, and empowerment of the individual (Cornwall and Perlman 1990; Collins and Porras 1994; Webster 1997); control systems designed around the principle of 'resource slack' and accountability for outcomes (Slater and Narver 1995; Mintzberg 1996; Cirka 1997); strategies emphasizing growth, technology leadership, and product/market diversification (Ford and Ford 1994; Duncan, Ginter and Swayne 1998; Christensen 2001); and the development of human resource management systems that encourage creative problem-solving, acceptance of change, employee discretion, a balanced individualism-collective orientation, and tolerance of ambiguity (Schuler 1986; Kanter 1994; Shane 1996; Baden-Fuller 1997). There is also likely to be a bi-directional relationship, with entrepreneurial marketing being affected by, and affecting, these organization variables.

Within the marketing function itself, a number of factors are likely to impact the adoption of an entrepreneurial orientation. Marketing is likely to be more entrepreneurial the less functionally isolated/independent the department is, and the more marketing is staffed with people from diverse backgrounds (Walker and Ruekert 1987; Achrol and Kotler 1999; Moorman and Rust 1999; Sethi 2000). Similarly, the more marketing is decentralized into divisions within the firm, the more entrepreneurial the individual marketing units will be (Damanpour 1991; Varadarajan, Jayachandran and White 2001). In addition, higher levels of specialization within marketing (e.g., sales, research, media buying, customer service), but where specialists are linked by informal authority structures and lateral communication, are likely to foster entrepreneurial behavior (Damanpour 1991; Menon and Menon 1997; Achrol and Kotler 1999). Marketing accountability would also appear to be a factor. Where marketing is assessed based on communication or sales objectives, as opposed to measures of customer profitability or equity, high levels of entrepreneurial behavior are less likely (Hurley and Hult 1998; Moorman and Rust 1999).

Entrepreneurial marketing efforts can be expected to affect both financial and non-financial outcomes. Empirical work on the marketing orientation and the entrepreneurial orientation of firms suggests that both are positively correlated with company performance, especially when confronting heterogeneous markets, intense competitive rivalry, and other elements of a turbulent environment (e.g., Morris and Paul 1987; Narver and Slater 1990; Davis, Morris, and Allen 1991; Miles and Arnold 1991; Jaworski and Kohli 1993). Although the nature of the relationship can be expected to vary depending on environmental circumstances, EM should generally produce higher rates of new product, service, and process introduction; a more customer-centric culture; customers who are more desirable, loyal, and satisfied; greater generation of new and value-enhanced resources; creation of new organizational forms; and more productive external alliances and networks (Deshpande, Farley and Webster 1993; Jaworski and Kohli 1993; Hurley and Hult 1998; Achrol and

Kotler 1999). Financial outcomes should include the realization of higher proportions of the lifetime value of customers, higher rates of revenue and asset growth, and enhanced profitability (Narver and Slater 1990; Deshpande, Farley and Webster 1993; Moorman and Rust 1999).

Finally, a feedback loop is included to reflect the fact that EM is not simply a response to the external environment, but can serve to redefine environmental conditions. The entrepreneurial marketer is serving a pioneering role. The creation of new markets, products, distribution channels and communication approaches can represent minor to major disruptions in the external environment. These disruptions frequently result not only in profit opportunities for the firm, but in a range of (typically incremental) innovative activity from competitors attempting to exploit the market opening created by the pioneering firm.

CONCLUSIONS AND IMPLICATIONS

What will be the role of marketing in the 21st century organization? Marketing's role has evolved over time from early concerns with distribution, to a concern for selling and promoting, the strategic formulation of an integrated marketing mix, the management of customer relationships, and more recently, the coordination of networks and alliances with various members of the value chain. Historically, Alderson (1965) was one of the few scholars to stress innovation as an integral component of the marketing function. His ideas were not embraced, however, and the more prevalent tendency explicitly separates marketing from innovation (Levitt 1962).

Yet, during the past twenty years, a number of arguments have appeared in support of Alderson's position. Zeithaml and Zeithaml (1984) suggested marketing should "continually strive to redefine the product and market context within which the organization operates". Simmonds (1986) posited that marketers should be engaged in an ongoing process not only of identifying change opportunities but also of inducing continual change in their organizations and, by extension, in the marketplace. The basic role of the marketer becomes "organized rational innovation." Bonoma (1986) noted that marketing is a boundary function, responsible for interacting with key components of the environment on a regular basis. He suggests that, as those components become more dynamic and complex, boundary functions are forced to become more flexible and opportunity driven. Murray (1981) concluded that marketing has a unique perspective on customers, competitors, and products and that it must become the natural "home" for the entrepreneurial process in established firms, translating its observations into the redesign of the corporate resource base and product/market mix. More recently, Moorman and Rust (1999) indicated that marketing should take the lead in defining new market opportunities and rallying the entire firm to pursue these opportunities.

There is also growing evidence, albeit anecdotal, that practitioners are heeding the call for approaches to marketing that are more innovative and opportunity-driven (Levinson 1993; Hamel and Prahalad 1994; Dru 1996; Hill and Rifkin 1999; Clancy and Krieg 2000; Gladwell 2000; Rosen 2000). Although a number of alternative approaches have been introduced, such as guerrilla marketing, radical marketing, and disruptive marketing, there has been no attempt to integrate these various perspectives into a single construct.

This paper has proposed "entrepreneurial marketing" as such an integrative construct. EM represents a different approach to envisioning the business itself, its relationship with the marketplace, and the role of the marketing function within the firm. The business is viewed as an "innovation factory", where all departments and functions are defined in terms of an internal value chain and have an ongoing responsibility for identifying new sources of customer value. With regard to the marketplace, the firm seeks to lead customers as opposed to reacting to or following them, and attention is devoted to the creation of new markets rather than better serving existing markets. EM is consistent with the notion of marketing as agent of the customer as opposed to agent of the firm (Achrol and Kotler 1999). Marketing leverages resources within the firm and through networks to create more value while making less fixed commitment.

EM is fundamentally an opportunity-driven and opportunity-seeking way of thinking and acting. This approach to marketing differs in that it returns the discipline to its roots as creative pursuit and as art. Thus, the imagination, vision, cleverness, and originality associated with entrepreneurial behavior lies at the core of this conceptualization of marketing, and these attributes are applied to the full range of marketing activities, from market research and segmentation to the management of the marketing mix.

EM is not a panacea. It is an approach to marketing that becomes more appropriate depending on the firm's circumstances. Thus, when demand is captive, competition is passive or non-existent, suppliers have little bargaining power, technology is unchanging, the firm faces a very supportive regulatory environment, and margins are high and stable, the risks inherent in entrepreneurial efforts may not be commensurate with the rewards. The implication is that the risk is greater and the reward less for a firm to affect innovative change when conditions are more placid. Entrepreneurial thinking may still apply, but in lesser degree, as it will be channeled into incremental actions that enable the firm to exploit current conditions, as opposed to dynamic actions that allow the firm to create new conditions.

The merging of the entrepreneurship and marketing disciplines has important implications in terms of business ethics. For example, the concept of "leading" customers raises potentially serious ethical dilemmas in that the customer may be moved towards a product solution for which he/she is unprepared or towards which they might act differently with more time and information. Similarly, acting in an entrepreneurial fashion frequently entails bending or breaking rules, creative interpretations of agreements or stipulations, and use of resources in ways for which they were not intended. Thus, the very nature of entrepreneurial behavior requires vigilance on the part of the marketer in terms of adherence to an ethical standard.

Another implication of EM concerns the way in which future marketers are trained. Educational efforts must transcend the teaching of marketing as a technology, or a set of principles, frameworks and techniques. Entrepreneurship should be taught as a philosophy of marketing; as a way of thinking and acting. The focus of educational programs should not be to teach individuals to be entrepreneurs, but to help them discover their entrepreneurial potential. Greater attention is needed in educational programs to such topics as opportunity identification and assessment, management of creativity, risk assessment and management, cross-functional innovation processes, lead user research techniques, and development of unique business models.

SUGGESTIONS FOR FURTHER RESEARCH

Entrepreneurial marketing is an area rich in research possibilities. Additional insights are needed into the seven dimensions of EM, including their inter-relationships. Clarification of potential conflicts and the implications is important, such as the extent to which certain resource leveraging approaches make the firm more vulnerable to external forces. Obstacles to entrepreneurial marketing in organizations warrant further research, together with approaches to overcoming such obstacles. A priority should be the obstacles originating from within marketing departments or among those having marketing responsibilities. Further specification is needed of the factors that make a marketing department more entrepreneurial on a sustained basis. Research should clarify the relative importance of characteristics of the people hired, the presence of a charismatic head of marketing, the design of rewards within the department, the departmental structure, external forces such as a threatening environment, among other factors.

Research is needed to formally test hypotheses regarding the linkages proposed in Figure 1. A related issue concerns whether optimal levels of entrepreneurial marketing exist for a given firm. If so, how is this level defined and what are the external and internal variables that determine the appropriate level of EM? It would seem that optimal levels of entrepreneurship within marketing are likely to vary in industrial versus consumer markets, mature versus emerging industries, and for products versus services. The relative importance of entrepreneurial marketing may also be tied to the nature of the customer base, such that more innovative, risk-taking customers are less likely to form relationships with non-innovative, risk-aversive marketers.

Progress in these areas will help to solidify entrepreneurial marketing's stature as more than a managerial fad. In the final analysis, entrepreneurial marketing holds much potential not only for reversing the potential marginalization of marketing but also for making it a driving force within firms in the achievement of competitive advantage on a sustainable basis.

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