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# International entrepreneurial marketing strategies of MNCs: Bricolage as practiced by marketing managers

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## ABSTRACT

The extant research lacks information on entrepreneurial marketing in large international firms. This study explores the international entrepreneurial marketing strategies of multinational corporations (MNCs), and its results reveal that MNC marketing managers use bricolage to develop international entrepreneurial marketing. A novel finding of the study is that the international entrepreneurial marketing strategies of MNCs include co-innovation, accelerating customer value, and international expansion based on regional market leadership. Marketing managers use both parallel and selective bricolage in their international entrepreneurial marketing. Environmental uncertainty and entrepreneurship culture are important drivers of the implementation of bricolage to develop international entrepreneurial marketing. The research findings can inform MNC management of the options available to utilize corporate venturing to facilitate bricolage and in turn to realize international entrepreneurial marketing strategies.

## 1. Introduction

International marketing plays a central role as multinational corporations (MNCs) seek market opportunities and expand globally (Douglas & Craig, 2006). Katsikeas (2003) reviewed advances in international marketing theory and practice and noted that the literature of the time underemphasized the potential of synthesizing existing knowledge and integrating context-specific findings to resolve managerial problems and stimulate future research and business practices. Moreover, the same author later expressed a need to introduce new concepts addressing critical international marketing management issues (Katsikeas, 2014). For instance, how can MNCs remain proactive, innovative, and flexible in their international marketing and avoid it becoming reactive and ultimately stagnant? In light of introducing new marketing concepts, scholars have developed the notion of entrepreneurial marketing being “the proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation” (Morris, Schindehutte, & LaForge, 2002, p. 5). At the interface between marketing and entrepreneurship, entrepreneurial marketing has been a focus of research since the 1980s and seeks to understand the growth of small and medium-sized enterprises (SMEs) (e.g., Bjerke & Hultman, 2002; Hills, 1987; Whalen & Akaka, 2016).

In international marketing research, the theoretical perspectives of international entrepreneurial marketing have been devised based

largely on studying marketing behavior in international new ventures or born global firms (Hallböck & Gabrielsson, 2011, 2013; Mort, Weerawardena, & Liesch, 2012). The assumptions underlying the literature are that large and established international firms such as MNCs use a traditional marketing approach, whereas smaller and younger international firms such as born globals adopt entrepreneurial marketing strategies (Bjerke & Hultman, 2002; Hallböck & Gabrielsson, 2011; Kotler, 2003). The argument goes that conducting international marketing activities in smaller and younger entrepreneurial firms is especially difficult due to those firms’ limited resources and capabilities; and because their smallness, newness, and foreignness restrict the access to supplementary resources and networks (Hallböck & Gabrielsson, 2013). Therefore it is important to apply entrepreneurial marketing to overcome these challenges (Hills, Hultman, & Miles, 2008). Moreover, there are often stronger internal obstacles to the entrepreneurial approach to marketing in large firms than in smaller entrepreneurial firms (Bjerke & Hultman, 2002; Carson, Cromie, McGowan, & Hill, 1995). That might be because large firms can become mired in formulated marketing and lack the creativity of marketers in start-up firms during the entrepreneurial stage (Kotler, 2003; Miles & Darroch, 2006).

Research should challenge the assumption that MNC marketing is more traditional whereas born global marketing is more entrepreneurial, and ask how MNCs could conduct entrepreneurial marketing. This approach is valid because entrepreneurial marketing can trigger the innovation of products, processes, and strategies, and also

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enable the more effective and efficient renewal of competitive advantage in established organizations. Entrepreneurial marketing could thus offer a way for large firms to remain innovative and competitive in marketing terms (Miles & Darroch, 2006). However, the existing research fails to offer clear findings on how to develop international entrepreneurial marketing strategies in MNCs.

Furthermore, the previous literature emphasizes the critical role middle managers play in the strategy development process of MNCs (Floyd & Wooldridge, 2000; Ling, Floyd, & Baldrige, 2005). Their intermediate position enables them to serve as important interfaces between disconnected actors and domains in the organization, and to judge whether strategic issues are being considered in the appropriate context (Browne, Sharkey-Scott, Mangematin, Lawlor, & Cuddihy, 2014; Floyd & Wooldridge, 1999), in order to realize the strategies in practice. Compared to an “intended strategy”, a “realized strategy” emerges not only as a result of policy emanating from the top level of the organization, but also following actions arising at the middle level (Mintzberg & Waters, 1985, p. 257). Accordingly, this study focuses on middle-level marketing managers to illustrate the development of MNC marketing strategies. The current international marketing literature has neglected the individual level, that is, the study of managers. Consequently, scholars have suggested new research should investigate the role played by marketing managers in the global firm, because that group engages in activities that result in marketing strategies (Cavusgil, Deligonul, & Yaprak, 2005). Therefore, the research question of this study is formulated as: *How do marketing managers develop international entrepreneurial marketing strategies in MNCs?*

The current research chooses to adopt bricolage as the theoretical basis for its examination of the development of marketing strategies by MNC marketing managers. Bricolage is a process of combining various available resources to find workable solutions to problems, and to seize opportunities (Fisher, 2012). As such, bricolage encourages creativity and fosters entrepreneurial behavior (Baker & Nelson, 2005). The rationale for the choice of bricolage as the theoretical foundation is primarily that it focuses on individual actors’ behavior in the organization, which accords with the focus of the current study being marketing managers’ behavior in fostering entrepreneurship in international marketing. Second, bricolage emphasizes the creative leveraging of resource combinations (Baker, 2007). The importance of heterogeneous and idiosyncratic resource combination for MNCs is highlighted by the resource-based view (Barney, 1991, 2001; Penrose, 1959; Wernerfelt, 1984) and the evolutionary theory of the MNC when firms expand into international markets (Gabrielsson, Seppälä, & Gabrielsson, 2016; Kogut & Zander, 2003).

This study makes important contributions to the literature. First, the research contributes to international marketing literature by addressing scholars’ calls for the use of a new marketing concept and work enhancing the conceptual foundation of international marketing research (Douglas & Craig, 2006; Katsikeas, 2014). It provides a contextualized investigation of the international marketing strategies of MNCs in a business environment heavily influenced by digitization. Second, the exploratory study contributes to entrepreneurial marketing literature by shedding light on how entrepreneurial marketing can be employed in MNCs. This is a timely response to scholars’ calls to develop the theoretical underpinnings of entrepreneurial marketing and its strategic use in large organizations (Kilenthong, Hultman, & Hills, 2016; Miles & Darroch, 2006), because entrepreneurial marketing cannot be conceptualized based solely on the activities of the small firms, young firms, or founder-operated firms scrutinized in the existing literature. Third, the research provides qualitative insights to complement marketing strategy development literature (e.g., Rosier, Morgan, Cadogan, 2010) by focusing on the critical role of marketing managers in developing entrepreneurial marketing strategies. Although significant research has been conducted on international marketing strategy, the number of studies addressing the activity of individual marketing managers is rather limited (Griffith & Hoppner, 2013). Finally, the

study contributes to entrepreneurship literature by illustrating how bricolage (Baker & Nelson, 2005) fosters entrepreneurship within the marketing function of an MNC. Extant research has thus far merely investigated bricolage in resource-constrained new firms (e.g., Desa & Basu, 2013; Senyard, Baker, Steffens, & Davidson, 2014). Hence, the study sheds light on the use of bricolage in larger international firms.

The paper is organized as follows. First, the relevant literature on international entrepreneurial marketing, the role of marketing managers in strategy development, and bricolage is reviewed. The next section presents the rationale for selecting a single case and the related methodological aspects. Then the findings of the study are explored and discussed to formulate propositions. The discussion and conclusion section includes a discussion of the contributions of the findings to the literature, the study’s managerial implications and limitations, and suggestions for future research.

## 2. Theoretical background

### 2.1. International entrepreneurial marketing

In 2013, the American Marketing Association (AMA) adopted the following as its official definition of marketing: “the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (AMA, 2013). International marketing refers to the application of that marketing concept across multiple countries. As a research field, scholars have identified three dominant issues in international marketing research: first, the managerial processes of foreign market expansion; second, the resulting ownership structures; third, the development, implementation, and assessment of strategies in international markets (Cavusgil et al., 2005). Applying the entrepreneurial marketing concept in international marketing research, international entrepreneurial marketing may be defined as the proactive discovery or creation of market opportunities in international markets in order to acquire and retain customers through innovative approaches to risk management, resource leveraging, and value creation (Hallböck & Gabrielsson, 2013; Morris et al., 2002; Webster & Lusch 2013).

The entrepreneurial marketing concept consists of seven dimensions developed by Morris et al. (2002): (1) The *opportunity-driven* dimension refers to the recognition and pursuit of opportunities (Morris et al., 2002). Marketing efforts are made to establish new market positions rather than to engage in direct competition with other firms. (2) *Proactiveness* refers to addressing the future needs of customers and introducing changes to influence the marketplace (Blocker, Flint, Myers, & Slater, 2011). (3) The *customer intensity* dimension involves focusing strongly on customers and interacting with individual customers to establish profitable customer relationships (Ramani & Kumar, 2008). (4) *Innovativeness* refers to seeking innovative approaches to marketing that differ from conventional practices to deliver competitive advantage (Hallböck & Gabrielsson, 2013). (5) *Risk management* involves ensuring marketing efforts strive to reduce a firm’s vulnerability to, and dependence on, the external environment, and enhance the firm’s flexibility; for instance, through collaboration with other firms (Morris et al., 2002). (6) The *value creation* dimension refers to exploring new methods and searching for unique combinations of resources to create more value for customers (Grönroos & Voima, 2013; Ranjan & Read, 2016). (7) *Resource leveraging* involves achieving more with fewer resources through the skillful deployment of marketing functions (Morris et al., 2002).

The above dimensions were empirically examined in rapidly internationalizing firms by Yang and Gabrielsson (2017), and the authors found that the entrepreneurial marketing employed by international new ventures consists of market creation, value co-creation, and the remaining five dimensions identified by Morris et al. (2002). Moreover, two international entrepreneurial marketing strategies are suggested by Hallböck and Gabrielsson (2013) in international new ventures: first,

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