Entrepreneurial and Small Business Marketing: An Introduction

This special issue emerged from the papers and discussant reports presented at the 2nd Office Depot Small Business Research Forum, the theme of which was “Entrepreneurial and Small Business Marketing.” The forum covered topics such as brand management in small and medium-sized enterprises (SMEs), the evolution of franchise contracts, effects of entrepreneurial orientation on market orientation, franchisee failure, the role of entrepreneurship in market-driving behavior, and relational governance in franchise systems.

The College of Business at Florida Atlantic University organizes the Annual Office Depot Forum to showcase cutting-edge research in the field of small business and entrepreneurship. The forum is cosponsored by Office Depot and the Ewing Marion Kauffman Foundation. The format involves a full day of presentations of a limited number of high-quality papers that focus on a specific small enterprise area or topic. The papers presented at the annual forums, after a review process, are published in special issues of the Journal of Small Business Management (JSBM).

The field of small business and entrepreneurship research is unique in its multidisciplinary approach. The Office Depot Forum, by presenting and publishing the best scholarly research in a business functional area each year, strengthens the connections among researchers in finance, marketing, management, operations, and other areas. More information about the Office Depot Forum and the Call for Papers for the next forum is available at http://www.officedepotforum.com.

The Office Depot Forum chooses to make its research available through JSBM because of its reputation for publishing excellent, high-impact scholarly research articles in the field of entrepreneurship and small business. The oldest, most widely distributed, and arguably the leading scholarly small business and entrepreneurship journal worldwide, JSBM earned the distinction, in March 2006, of having the highest percentage increase in total citations from January 1995 to December 2005 in the field of economics and business, according to the ISI Essential Science Indicators.

The Kauffman Foundation, dedicated to advancing entrepreneurship in the United States, has taken a leadership role in supporting entrepreneurship research. The foundation is committed to achieving a deeper understanding of entrepreneurship's contribution to the economy, the nuances of the entrepreneurial process, and policies that promote the formation and growth of the high-impact firms that hold great promise for improving living standards. In addition to providing research grants to leading scholars for the study of a wide range of topics within entrepreneurship, the Foundation is funding the development of several data sets for the study of entrepreneurship and supports doctoral dissertations in the field.

We were fortunate to have three excellent session leaders: Dr. Rajiv P. Dant of the University of South Florida; Dr. Morgan P. Miles of Georgia Southern
University; and Dr. Frank Hoy of the Centers for Entrepreneurial Development, Advancement, Research and Support at the University of Texas in El Paso. The keynote speaker was Dr. Gerald E. Hills, Coleman Foundation Chair of Entrepreneurship at the University of Illinois in Chicago. These leaders represent the "heart and soul" of the forum, and we owe them a great debt for making this special issue possible.

Several other individuals provided significant comments, suggestions, and support that helped direct this forum to its successful completion. For their generous contributions, we thank Mrs. Karen Duray-Smith, Dr. Dennis Coates, Ms. Barbara Winczewska, Dr. Gary Giamartino, Dr. Joseph Michlitsch, Dr. Robert Strom, Ms. Mary Wong, Dr. Rob van der Horst, Dr. Carl Riegel, and Mr. Robert McCoram-Ballou.

The inaugural Office Depot Forum represented in this issue was organized around three sessions, each of which contained two papers related to the session topic and was guided by a highly qualified session leader who provided discussant comments on each paper and an overall review of the topic area. These session leader comments offer such great insight that they appear in this special issue not simply as commentaries but as short articles on the session topic.

This special issue contains 10 papers in addition to this introductory essay—two longer papers by forum presenters and a shorter summary paper by the forum session leader for each session. The three session topics from the 2006 forum presented in this special issue are as follows: (1) entrepreneurial marketing and brand management, (2) franchise contracts and failure, and (3) international issues in small business marketing: China and Germany. This special issue also includes an article based on the keynote address that outlines the development of the marketing/entrepreneurship interface.

The common thread that runs through all of these papers is their recognition that marketing is not relegated to a functional area in large corporations. Far from it, marketing problems are faced in particular by smaller, entrepreneurial ventures with limited budgets and human resources to tackle them. The papers in this special issue share the recognition of this limitation and take different perspectives on the marketing challenges faced by entrepreneurial businesses.

Our lead article by Drs. Schindehutte, Morris, and Koçak, entitled "Understanding Market-Driving Behavior: The Role of Entrepreneurship," develops an integrative model of the dynamic interface between marketing and entrepreneurship, both from a content and a process perspective. The authors reconceptualize the meaning of "market orientation" as opposed to market-driving behavior and use two case studies to illustrate the critical interactions between different dominant strategic orientations in entrepreneurial companies.

The second article, "Brand Management in Small to-Medium Sized Enterprises," by Drs. Berthon, Ewing, and Napoli, investigates differences in brand management activities between SMEs and large organizations with well-established brands. Significant differences are revealed along 9 of Keller's (2000) 10 brand management dimensions, with clear implications for SME business performance.

Our third article is based on the commentary by session leader Dr. Miles. It is coauthored by Dr. Darroch and entitled "A Commentary on Current Research at the Marketing and Entrepreneurship Interface." The authors review the previous two papers and offer insights about their overlap in regard to the domain of branding as a new "orientation," akin to market orientation (MO) or entrepreneurial orientation (EO), to be addressed in future research.
In the fourth article entitled “Capitalizing on Franchisee Autonomy: Relational Forms of Governance as Controls in Idiosyncratic Franchise Dyads,” Drs. Cochet, Dormann, and Ehrmann build on agency theory and show that relational governance mechanisms counterbalance the loss of autonomy encountered by franchisees. They also conclude that relational governance is of particular importance in cases where franchisees’ alignment of incentives with the entire system is weak.

Our fifth article, “Entrepreneurial Failure: The Case of Franchisees,” by Drs. Michael and Combs, explores the causes of failure among franchisee-entrepreneurs. Drawing on agency and resource-based theories, the authors establish that franchisors’ management of strategic human and brand resources as well as contractual policies are vital components for the survival of franchise owners.

In our sixth article, Dr. Dant reviews the previous two papers and offers “A Futuristic Research Agenda for the Field of Franchising.” Building on the tri-chotomy of the franchise domain, that is, franchisor, franchisee, and customer, he calls for increased research attention to the franchisee perspective as well as to the question of cross-cultural applicability of traditional research tenets in the franchise realm.

The keynote address at the 2nd Office Depot Small Business Research Forum forms the basis for our seventh article entitled “The Evolution and Development of Entrepreneurial Marketing” by Dr. Hills. Together with coauthors Drs. Hultman and Miles, Dr. Hills reviews masterfully the evolution of the marketing/entrepreneurship interface and explores differences between entrepreneurial marketing vis-à-vis administrative marketing.

Our eighth article entitled “Moderating Effects of Entrepreneurial Orientation on Market Orientation–Performance Linkage: Evidence from Chinese Small Firms” by Drs. Li, Zhao, Tan, and Liu makes an important contribution to our understanding of small business marketing in China. Their findings reveal that innovativeness and proactiveness, two dimensions of the EO construct, have a positive moderating effect on the relationship between MO and firm performance among small firms in the Chinese market.

The next article entitled “How Do Franchise Contracts Evolve? A Study of Three German SMEs” by Drs. Cochet and Garg, which won the 2006 Office Depot Forum Best Paper Award, examines the evolution of formal franchise contracts through the lens of a case study of three SMEs in Germany. As franchisors move along a learning curve, changes in management and the pursuit of uniformity across the system lead to contract changes, and active franchisee councils may make the contract change process more efficient.

In our last article entitled “Organizational Learning at the Marketing/Entrepreneurship Interface,” Dr. Hoy provides his insights and comments on the previous two articles and uses the concept of organizational learning as the tie that binds the two papers together.

As Dr. Hoy states in his commentary, “Scholars should be wary of defaulting to the dominant paradigms of their fields.” We do believe that all of the papers in this special issue open up new avenues for investigation into the marketing/entrepreneurship interface by challenging existing theories and pointing in new directions of academic inquiry.