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Marketing in SMEs: the role of entrepreneurial sensemaking

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Marketing in SMEs: the role of entrepreneurial sensemaking

Abstract

Marketing literature has emphasized the factors hampering marketing planning and strategizing in small firms, in particular resource scarcity, lack of specialized structures and competences. Recent streams of literature in entrepreneurial marketing have nonetheless shown that small firms do engage in peculiar marketing strategies and activities that do not necessarily reflect codified marketing processes observed in large organizations. Within this line of research, the article aims at contributing to extant theory in entrepreneurial marketing putting under scrutiny the generative moments of marketing strategies in small firms. Through the integration of literature in entrepreneurial marketing and in entrepreneurship and through the analysis of four case studies, the article proposes a conceptual framework that emphasizes the centrality of entrepreneurial sensemaking in small and medium-sized enterprises' marketing strategies. We posit that entrepreneurs are engaged in the construction of interpretive frameworks that, when explicated and made accessible to consumers and stakeholders, legitimate novel business ideas and logics. These interpretive frameworks structure the content and processes of marketing activities. Theoretically, the article aims to contribute to the debate on marketing in small businesses shedding light on the processes underlying the formation of marketing strategies. Propositions are offered to guide future empirical research based on the proposed conceptual framework.

Keywords: entrepreneurship, marketing, sensemaking, SMEs, communication.

Marketing communication in SMEs: the role of entrepreneurial sensemaking

Introduction

Recent literature in management and strategy has focused on the crucial role of marketing in a context characterized by the increasing attention of consumers to intangible factors (Vargo and Lusch 2004), by the empowerment of consumers (Waite et al. 2006), by the relational and social nature of consumption practices (Cova 1997; Muniz and O'Guinn 2001) and by the presence of an increasing number of competent and knowledgeable consumers (Verona et al. 2008).

Such a scenario represents a challenge for small and medium-sized enterprises (SMEs) (Berthon et al. 2008; Carson 1990; O'Dwyer et al. 2009). Traditionally it has been noted that marketing planning and its execution were hampered in SMEs by obstacles such as financial constraints, small size, lack of marketing expertise, scarce use of specialists (Huang and Brown 1999). Contrary to these analyses, recent contributions in entrepreneurship and marketing literature maintain that the absence of formal marketing strategies and planning within SMEs is not to be interpreted as a lack of marketing at large (Bjerke and Hultman 2002). SMEs manifest *specific* forms of marketing that differ from conventional and structured forms typical of large organizations, and they require novel conceptual frameworks to be fully understood (Hills et al. 2008; Hills et al. 2008).

Particular attention has been dedicated to the role of the entrepreneur in marketing efforts carried out by SMEs (Bjerke and Hultman 2002; Schindehutte et al. 2008). The entrepreneur is often the key decision maker and manages many of the functions which are managed by specialists in large enterprises. In small firms, especially in innovative ones or in those engaging in strategic renewal (Kuratko & Audretsch 2009; Hitt et al. 2003; O'Dwyer et al. 2009), entrepreneurs formulate original and novel visions that can create value for the customer. These firms often exhibit a market-driving posture (Schindehutte et al. 2008; Bjerke and Hultman 2002) and are characterized by a strong entrepreneurial orientation (Green et al. 2008; Lumpkin and Dess 1996).

Following emerging streams of research in entrepreneurial marketing and entrepreneurship, the article focuses on the processes underlying marketing strategies in SMEs, an area that has been underinvestigated given the substantial focus of the relevant literature on large organizations (Berthon et al. 2008; Gabrielli and Balboni, 2010).

Based on the analysis of four cases, the paper attempts to contribute to the theoretical framing of marketing strategies in SMEs through the development of a conceptual model centered on sensemaking

as a crucial characteristic in entrepreneurial behavior and as an enabling factor in SMEs' marketing efforts and processes. We maintain that the creation of opportunities relies on the ability of the entrepreneur to develop interpretive frameworks that attribute the environment with meaning. This act of sensemaking and the resulting outcomes – novel concepts or ideas – need to be made accessible to consumers and stakeholders in order to be precipitated into value. Marketing is the set of strategies and levers that allow entrepreneurs to make their ideas intelligible, accessible and shareable. Thus we posit that the generative moment of marketing strategies and practices lies in the ability of the entrepreneur to construct, develop and articulate complex discourses and narratives that make their novel ideas comprehensible and valuable.

The article is structured as follows. The first section reviews literature on the changing marketing context, highlighting in particular the changes in demand that are calling for novel approaches and strategies. In addition, the first section addresses the question whether SMEs, given their resource constraints, can answer to the challenges posed by these changes, reviewing literature on entrepreneurial marketing. The second section focuses on an emerging stream of literature in entrepreneurship that emphasizes the subjective nature of entrepreneurial opportunities and the centrality of the entrepreneur in enacting the environment. Both the literatures contribute to a thorough understanding of the processes underlying entrepreneurial behavior and entrepreneurial marketing, but need to be conveyed to an integrative conceptual framework that could provide with a better understanding of processes underlying marketing strategies in SMEs. To contribute to theory, the third section illustrates four case studies that enable the creation of an integrative conceptual framework. The fourth section explicates the proposed conceptual framework and offers propositions for further research efforts. The final section identifies implications and limitations of the proposed framework.

1. Marketing in SMEs: emerging challenges

A number of literature streams in management and strategy have stressed the crucial function played by marketing in constructing and sustaining competitive advantages. The marketing function is called to govern complexity and dramatic changes characterizing contemporary markets (Firat and Venkatesh 1993; Morris et al. 2002; Simmons 2008; Vargo and Lusch, 2004).

In the last 20 years changes in demand have severely challenged codified marketing strategies and practices. As Morris et al. (2002) argue, marketing «is context dependent, but the context is continuously changing» (p. 1). Two of the fundamental factors behind the transformation of the marketing context are the increasing global integration of markets and the inherent explosion of variety in consumption (Holt 2004; Soares et al. 2007), and the diffusion of communication instruments – such as web technologies – that enable consumers to sanction firms' offerings, contribute to product innovation and brand awareness through word-of-mouth (Kozinets et al. 2010; Adjei et al. 2009).

Marketing research has emphasized some recurring traits of the transformations occurring in consumption. Recent literature has focused on the changing nature of consumption in the so-called postmodern era (Cova 1996; Cova and Dallı 2009; Firat and Schultz 1997; Firat and Venkatesh 1993). The central claim of the postmodernist argument in marketing is that given the demise of traditional identities and institutional bonds – economy, culture, religion and the like – individuals struggle to develop identities in daily practices and social relationships (Cova 1996; Cova and Dallı, 2009). In such a perspectives individuals use goods as devices to signal their identities and their adherence to specific cultures and subcultures (Muniz and O’Guinn 2001; McAlexander and Schouten 1995; Cova 1997).

A second element characterizing the current scenario for marketing academicians and practitioners is represented by relationships among consumers. Consumers engage relationships with their peers and generating and disseminating knowledge that can improve products (Dahlander and Magnusson 2008; Sawhney and Prandelli 2000; Von Hippel 2005) or contribute to brand image and awareness (Di Maria and Finotto 2008; Cova 1997; Kozinets et al. 2010; Muniz and O’Guinn, 2001).

Thirdly, Information and communication technologies have been responsible for the empowerment of consumers (Harrison et al., 2006). Consumers can coalesce against firms or brands and produce competing messages and contents (Alexander 2009; Krishnamurthy and Kucuk 2009; Schau et al. 2009). In general, contemporary consumers have overcome information asymmetries thanks to the widespread availability of information on products, brands, prices and firms’ strategies. As a result, marketing has been increasingly conceived not as unidirectional and completely controlled by firms, but as distributed and interactive (Holt 2002; Salzer-Morling and Strannegard 2004; Denegri-Knott et al. 2006).

Other related changes have been emphasized in marketing literature: the increasing importance of intangible elements in the generation of value (Vargo and Lush, 2004); the importance of aesthetics in consumption and buying decisions as a response to the proliferation of fungible products and solutions (Verganti 2006; Ravasi and Lojacono, 2005; Bertola and Teixeira 2003); the demand for immersive experiences in consumption and for involving and rich consumption contexts (Pine and Gilmore, 1999).

Marketing theory and practice answered to these changes through the proliferation of novel marketing approaches. Experiential marketing, for example, refers to the set of activities and levers that can be used by firms in order to create “memorable” immersive experiences that satisfy the needs for entertainment and participation of consumers (Pine and Gilmore, 1999, 2007). Experiential marketing strategies require relevant capacities to orchestrate several marketing levers – communication, distribution, events – with the objective of creating distinguishable experiences. Similarly relationship marketing (Gronroos 1990, 1994) focuses on the strategic imperative of creating and sustaining relationships with relevant customers and other stakeholders in order to serve sophisticated and personalized demands and needs. Brands as well as products can be revitalized and innovated through the maintenance and the consolidation of relationships with relevant consumers. On the one hand research in distributed innovation and user-driven innovation (Von Hippel 2005; Franke and Shah 2003; Sawhney and Prandelli, 2000) has stressed the importance of creating platforms and toolkits to enable consumer interaction and to valorize their knowledge and competences in product innovation; on the other hand, marketing literature has emphasized the need to establish relationships with relevant

groups or communities of consumers and to monitor their activities in imbuing products and brands with meanings to renew constantly brand image and values (Salzer-Morling and Strannegard 2004; Schau et al., 2009).

The profusion of resources required by these approaches has privileged, both in marketing practice and in scholarly analysis, large organizations. SMEs, on the contrary, are perceived in marketing literature as being limited by resource constraints (Carson 1990), especially in terms of human, organizational and financial resources (Bjerke and Hultman 2002; Schindehutte et al. 2008), lack of marketing expertise and planning (O'Dwyer et al. 2009; Morris et al. 2002; Hills et al. 2008; Hoy 2008). Recent contributions on entrepreneurial marketing maintain that, although not as structured and complex as in large organizations, marketing strategies in SMEs have been playing a central role in answering to changes in demand (Grünhagen & Mishra 2008).

1.1 Entrepreneurial marketing

Entrepreneurial marketing (EM) literature maintains that the absence of formal marketing strategies and planning within SMEs is not to be interpreted as a lack of marketing at large (Bjerke and Hultman 2002). SMEs manifest *specific* forms of marketing that differ from conventional and structured forms typical of large organizations and they require novel conceptual frameworks to be fully understood (Hills et al. 2008).

The EM construct has been used frequently and somewhat loosely in a number of studies (Morris et al. 2002; Bjerke and Hultman 2002). Two are the main dimensions that qualify the construct in the relevant literature. The first is represented by responses to resource constraints. Entrepreneurial marketing is the specific form of marketing that takes place in small organizations where the lack of resources forces to relatively unsophisticated but creative marketing initiatives (Hills et al. 2008; Berthon et al. 2008). The second is represented by the inherent innovative nature of marketing. On the one hand in fact resource constraints force entrepreneurs to be creative in leveraging and stretching limited pools of available resources (Morris et al. 2002), thus planning and executing creative and innovative forms of marketing. On the other hand SMEs usually undertake marketing efforts when they have to convey innovative products, services and business concepts to the market (O'Dwyer et al. 2009; Schindehutte et al. 2008). SMEs' simple organizational structures, flexibility, proactiveness and the leading role of the entrepreneur (Lumpkin, Dess, 1996; Audretsch, Thurik, 2001; Kuratko, Audretsch, 2009) enable thus unconventional and creative marketing strategies that leverage effectively on the limited amount of available resource (Das and He 2006; Schindehutte et al. 2008).

Another central element in EM literature is the centrality of the entrepreneur in firms' marketing strategies and initiatives. The entrepreneur in SMEs is often personally engaged in promoting novel products and in relating to relevant clients and partners through rapid and effective communication processes and instruments such as word of mouth and personal networking (Stokes 2000). Personal

involvement in marketing activities tend to strengthen the credibility of the proposition associating it, for instance, successful track records and entrepreneurs' professional histories (Martens et al. 2007).

Emerging perspectives in entrepreneurship studies present interesting novel concepts and constructs that could support the refinement of theory in EM. While EM has identified the entrepreneur as the engine of marketing strategies and initiatives and has emphasized the innovative and creative nature of marketing in growth-oriented SMEs (Bjerke and Hultman 2002), theories on EM need to shed light on the entrepreneurial actions and processes that connect opportunity recognition and marketing strategy formation and execution. What actions does the entrepreneur undertake to effectively deliver novel ideas and solutions to the relevant market? How is the market approached and analyzed, if it is, by the entrepreneur and how does the entrepreneur connect a specific opportunity to emerging or latent needs?

Answers to these questions could emerge from the integration between theories on EM and emerging orientations in entrepreneurship studies, in particular those related to the nature of opportunities and the cultural dimension of entrepreneurship, which will be briefly reviewed in the following section.

2. Entrepreneurship and the nature of opportunities

Entrepreneurship has been a prolific field of study in the last twenty years (Ireland and Webb 2007; Acs 2006; Audretsch and Thurik 2001; Stangler 2009). Its contribution to economic growth, to the dynamism and restructuring within and across industries and regions, made it a crucial topic in academic and policy debates.

Given the multidimensional nature of the entrepreneurial phenomenon, the concept has been at the center of a heterogeneous body of literature, and it has been treated according to different perspectives and approaches. Within the fields of economics and industrial organization a large share of attention has been devoted to self-employment and to processes of new firm creation by enterprising individuals, (Klein 2008).

Scholars in management and organization studies adopted a wider approach to entrepreneurship, enlarging the scope of analysis beyond newly founded or emergent ventures. Literature in corporate entrepreneurship (Barringer and Bluedorn 1999), strategic entrepreneurship (Hitt et al. 2003; Kuratko and Audretsch, 2009) and intrapreneurship (e.g. Antoncic and Hisrich 2003) focused on how existing organizations enter new businesses and renew their strategies, products and markets as a result of entrepreneurial action. Entrepreneurs in existing organizations are responsible for the recognition of profitable opportunities, for the creation of an entrepreneurial culture that infuse the entire organization and play a leading role that engages actors and stakeholders inside and outside the organization in conducts and processes that challenge dominant logics (Hitt et al 2003; Kuratko and Audretsch, 2009).

Entrepreneurship is thus considered a function (Klein, 2008; Foss et al. 2008) performed by individuals both in novel ventures and in existing organizations. The function of the entrepreneur is to obtain unique kinds of services and performances from organizational resources that end in novel and original business concepts, products and processes (Penrose 1959; Foss et al. 2008). Along similar lines, Shane and Venkataraman (2000) defined entrepreneurship as «the activity that involves the discovery, evaluation and exploitation of opportunities to introduce new goods and services, ways of organizing, markets, process, and raw materials through organizing efforts that previously had not existed».

Studies on entrepreneurship have converged towards the analysis of the processes occurring at the nexus between individual action and entrepreneurial opportunities. While there is a vast consensus on the role of individuals, the nature of entrepreneurial opportunities is a highly debated topic and has been at the center of interesting analyses lately.

2.1. Opportunity creation and the cultural dimension of entrepreneurship

As Shane and Venkataraman (2000) posit, the entrepreneurial phenomenon stands at the intersection between enterprising individuals and profitable opportunities. According to the individual–opportunity nexus perspective (Shane and Ekhardt 2003), opportunities exist in the environment within which the economic actors are located, independently from their activity. Opportunities are exogenous and constitute the outcome of competitive imperfections in markets or industries (Alvarez and Barney 2007). Due to the existence of information asymmetries, aversion to risk, bounded rationality and cognitive limitations, not all the actors on the market are able to identify these opportunities and thus act upon them.

How do entrepreneurs recognize and thus exploit opportunities in such a perspective? If opportunities are objective and exogenous, entrepreneurs engage in processes of systematic search and discovery of entrepreneurship (Alvarez and Barney 2007; Klein 2008).

This “discovery theory” of entrepreneurship has been put under scrutiny by a number of scholars (Alvarez and Barney 2007, Klein 2008; Langlois 2007; Stangler 2009; Foss et al. 2008). According to these critical views, it does not take in consideration the fact that in a vast number of real-life situations individuals are coping with uncertainty that makes systematic search and discovery impossible. In situations of uncertainty individuals neither can collect all the necessary information to predict any kind of outcome, nor assign a probability to potential outcomes (Langlois 2007). Moreover, the objective nature of entrepreneurship is perceived as proposing a structuralist view of entrepreneurship that paradoxically weakens the role of individuals in entrepreneurial processes: in fact it postulates that, given the exogenous existence of an opportunity, someone will sooner or later discover and exploit it (Stangler 2009).

More recently an opposed approach to the nature of opportunities has maintained that they are not pre-existent to the action of the entrepreneur. On the contrary opportunities are the result of entrepreneurial action, they are created by it (Alvarez and Barney 2007; Klein 2008). The “creation

theory” proposed by Alvarez and Barney (2007) fits with the perspectives and assumptions in strategic entrepreneurship, since it recognizes that entrepreneurs do not wait opportunities to be formed by recognizable shocks in the environment. They rather proactively form these opportunities through their activities and through the enactment (Weick 1979) of the external environment¹.

The crucial difference between the two approaches – discovery and creation theories – lies in the nature of the entrepreneur. Entrepreneurs are not different *ex ante* but *ex post*, as a consequence of their being able to form opportunities and act upon them.

The creation perspective on opportunities is coherent with the description of the entrepreneurial leadership found in strategic entrepreneurship literature (Ireland et al. 2003; Kuratko and Audretsch 2009). Entrepreneurial leaders, in Ireland et al. (2003) are those that can communicate the value of opportunities to all of the members of an organization in order to motivate them to pursue an opportunity. As the environment is uncertain and opportunities are not objective, their exploitation depends of the ability of the entrepreneurial leader to make sense of the opportunity being perceived and created in order to decrease uncertainty and give the entire organization a sense of direction and an interpretation of the perspective position of the firm (Ireland et al. 2003; Kuratko and Audretsch 2009; Langlois 2007; Schindehutte et al. 2006).

The opportunity creation perspective, with its clear references to Weick (1979) and to the social constructionist framework, calls for the consideration of the cultural dimension in the entrepreneurial behavior, which has been overlooked in entrepreneurial studies until recently (Zott and Huy 2007; Witt 2007). If opportunities are the result of the enactment of the external environment and of sensemaking processes, a closer look to how reality is attributed with meaning to orient a firm’s conduct is needed. Lounsbury and Glynn (2001) for instance have focused on cultural processes involved in entrepreneurship, defining culture as «an interpretive framework through which individuals make sense of their own behavior as well as the behavior of collectivities in their society» (p. 546). Such an emphasis on culture and on symbolic actions and devices such as stories, narratives and storytelling (Martens et al. 2007) as interpretive frameworks seem to be crucial promising both for a thorough and exhaustive understanding of entrepreneurial action and for entrepreneurial marketing for two reasons. First of all it sheds light on the processes allowing entrepreneurs to reduce uncertainty and to make novel ideas and solutions whose nature is market-driving intelligible and accessible to relevant stakeholders. To obtain the commitment of collaborators, employees and external providers of resources – e.g. suppliers - in a venture that challenges dominant logics and expectations, entrepreneurs need to legitimate their ideas and to construct consensus upon them. Lounsbury and Glynn (2001) and Martens et al. (2007) focus, for example, on how the explication of professional achievements, firms’ track records, entrepreneurial histories and storytelling help entrepreneurs in obtaining legitimacy and access to resources.

¹ In Alvarez and Barney (2007) opportunities are «created endogenously by the actions, reactions and enactment of entrepreneurs exploring ways to produce new products and services [...] In creation theory entrepreneurs do not search, they act and observe how consumers and markets respond to their actions».

As far as EM is concerned, being marketing the set of processes and activities that make it possible to legitimate a novel business concept in the perception of consumers, we believe that a focus on the cultural dimension of entrepreneurship could shed light on the processes of marketing strategy formation. The integration of complex and articulated streams of literature and the development of an effective conceptual framework will be proposed through to the analysis of four case studies and the systematization of the related evidence.

3. Case studies: marketing in SMEs

We move from a relatively overlooked question in EM literature: how do entrepreneurs connect the recognition of opportunities to specific marketing strategies and tactics? In other words, what are the actions undertaken by the entrepreneur to translate perceived opportunities in specific marketing strategies and mixes of levers? The objective of the proposed analysis is to contribute to theory development in EM with an integrative conceptual framework that allows a detailed understanding of the actions undertaken by the entrepreneur in connecting opportunities and marketing strategies and actions.

3.1 Methods

Qualitative methods and in particular case studies allow to conduct an in-depth and longitudinal observation of phenomena and processes that are not yet clear in literature in order to single-out variables and relationships among them and to orient further analysis and exploration (Yin 1994; Siggelkow 2007; Eisenhardt and Graebner 2007). The next sections presents four case studies of SMEs which have engaged in marketing initiatives in traditional industries such as textiles, music instruments and furniture. The four cases were selected out of a theoretical sampling concern, since the objective of the article is eminently theoretical, in that it attempts to develop a conceptual framework and a novel analytic frame (Eisenhardt and Graebner 2007; Siggelkow 2007).

The cases were selected purposefully based on pre-determined criteria. The main criteria were set beforehand in considering the candidates' suitability and theoretical as well as conceptual value to the study (Eisenhardt 1989). The four case studies were selected based on their theoretical relevance and in particular based on their innovativeness – having brought novel concepts on the market – and on the perceived effectiveness of their marketing strategies. Such evaluations were made through the analyses of industry publications and interviews to three experts respectively in fashion (a journalist who collaborates with the most important fashion magazine in Italy), music (a musician, director of a School of music) and furniture (a manager working for a leading firm in design furniture).

The case studies were conducted through repeated observations and interviews with entrepreneurs and managers. Secondary sources - company reports and websites, articles in general and specialized

publications – contributed to complete the evidence. We took part in industry events hosting the companies in order to complement the evidences we collected through primary and secondary sources with direct observations of the ways in which the entrepreneurs or their collaborators promoted their companies and their strategies.

Tab. 1: General overview of the selected firms

Firm	Turnover (€)	Employees	Export	Industry
Bonotto	34 Mil.	200	60%	Textile
Fazioli	5 Mil.	40	80%	Musical instruments
Lago	27 Mil.	100	30%	Furniture
Valcucine	44 Mil.	180	40%	Furniture

3.2. Case Studies Analysis

3.2.1. Bonotto: the slow factory

Bonotto is a family business with a long tradition in the textile industry. The company started producing and selling hats in the 1920's. The father of the current owner changed the focus of the firm, shifting towards the production of fabrics as a specialized supplier for clothing manufacturers. In the 1960's the company specialized in producing woven fabric for one of the largest companies in the clothing industry in Italy at that time (Industrie Marzotto). During the 1990's increasing competition on prices from emerging countries (especially from East-Asian countries) almost convinced the founder to cease the operations. His son, though, decided to take control of the company and to front the crisis that was threatening a large share of Italian companies in the textile business.

Innovative strategy. In order to face competition coming from foreign countries, several Italian textile businesses have tried to compress their costs through outsourcing and streamlining of their processes. Nonetheless, the competitive pressure exercised by producers in East-Asian countries put a conspicuous number of firms out of business. The owner of Bonotto, on the contrary, re-designed the firm and its products elaborating a set of concepts such as the *soul of fabric* and the *slow factory*. As far as the first is concerned, the entrepreneur decided not to give up in terms of the quality of manufactured fabrics. He also did not consider delocalization in emerging economies a desirable option, since it would have meant a loss of control on manufacturing processes and a decrease in quality. On the contrary he decided to valorize high-quality textiles in higher market segments.

Such an objective was synthesized by the entrepreneur through evocative concepts and ideas such as the idea that fabric is not just a «composition of threads but a piece of culture» and that «high-quality fabric has a soul»². According to the perception of the entrepreneur, at the end of the eighties there was a relevant number of consumers of high-end fashion clothes that would have appreciated and recognized the value of high-quality fabrics realized through quasi-artisanal careful processes.

The soul of fabric is the result of careful, slow and non standardized processes of production. This is the second element characterizing and driving the transformation of the company, synthesized in the concept of the *slow factory* (which was inspired to the entrepreneur by the concepts underlying the Slow Food movement, that heralds a food culture based on the respect for nature and the consumption of organic foods and that opposes fast food).

As the entrepreneur put it: *«I am talking about doing things slowly, since products with soul can only be made slowly»*. The idea behind the transformation of the company was based on the concept of producing high-quality quasi-artisanal fabrics to be used by the firms' clients (firms operating in the fashion industry) to serve sophisticated and competent consumers worldwide.

In order to concretize the idea, Bonotto collected pre-war mechanical looms (the ones that are now shown in industrial museums) in Italy and Japan, restored them and started producing fabrics that were unique in that they had defects resulting from the combination of old looms and manual production processes. Each batch of fabric is characterized by subtle variations and irregularities. As a result each batch of fabric produced by a specific loom has a sort of "identity card" that testifies its uniqueness.

Craftsmanship is crucial in Bonotto's strategy. Old mechanical looms require a lot of manual intervention and a deep knowledge of textile manufacturing processes. Only experts and highly skilled craftsmen can handle these old machines. The type of work craftsman perform is slow, fitting thus with the general concept of the slow factory.

The selection of high-quality materials is another element that operationally concretizes the ideas of the entrepreneur. For instance, cotton used by the company is acquired from Zimbabwe. The country is in fact one of the few locations in the world where cotton is not produced from genetically-modified plants. The vast majority of cotton produced in the world comes from one specific variant of plant that was modified to be sterile: every year a new seed of cotton has to be planted in order to produce the cotton. Zimbabwe still grows natural cotton, manually harvested.

The strategic renewal driven by the slow factory concept had relevant economic impacts: while ten years ago the company was close to closure, it is now profitable and most of all embarked into acquisitions of manufacturing plants and the opening of branches in Portugal and Argentina. The small company, in addition, has become the supplier of high-quality fabric for the leading high-end brands in the fashion industry.

² Verbatim, interview with the entrepreneur.

Marketing strategy. Since the company does not produce for the final market, the return to high-quality fabric and the advantages in using it needed to be effectively communicated and valorized to the firms' leading clients. The entrepreneur decided to target a specific set of clients which he was not serving before his father left the company, in particular high-end fashion brands and fashion designers. The entrepreneur himself started networking with professionals in the fashion industry and presenting them the entire concept of the slow factory. Participation to fashion events and industry meetings allowed him to narrate the story behind each piece of fabric, thus concretizing the idea of the "soul" of each fabric, the result of the application of one loom and one artisan to the realization of that specific batch.

He started hosting fashion designers in his company, in order to let them see and concretely appreciate the recovery of old looms and the artisanal production of fabric. According to the entrepreneur's accounts, marketing has been eminently a one-to-one effort, in which he proposed the entire idea of the slow factory to designers and tried to involve them in the testing of his products. As a result the company is currently working for some of the most prestigious brands in the industry, among which there are Dries Van Noten, Yves Saint Laurent, Orange by Hugo Boss, Diesel, Marni. These brands identified Bonotto as one of their strategic fabric suppliers and involved the company in the design and styling of new collections.

After the accreditation in the high-end fashion business, Bonotto is now working on his own brand's recognition. In order to increase the awareness of the firm and its fabric among consumers the entrepreneur is launching labels to attach on his clients' final products. The objective is that of associating Bonotto's brand to those of fashion designers. Those labels would function as identity cards of the fabric that could be recognized by the final customer, which will learn to appreciate not only the brand of the fashion designer (e.g. Hugo Boss or Dries Van Noten) but also that of the supplier of fabrics, as it has happened for larger and much famous producers of fabrics in Italy (e.g. Zegna, Loro Piana).

3.2.2. Fazioli: high-quality pianos

Fazioli produces pianos in the North-East of Italy and realizes almost 80% of its annual turnover in foreign markets. Paolo Fazioli, the owner of the company, is a second-generation entrepreneur that inherited the father's business. The company, once specialized in the production of furniture, has shifted towards the production of pianos in the 1980s. This re-orientation is the result of the passion of Paolo Fazioli for music (he achieved the highest degree in piano at a National School of Music) and the recognition that competences accumulated in the company in terms of wood processing could allow the firm to compete in the market for pianos.

Innovative strategy. Being a music connoisseur, the entrepreneur had an educated opinion on the market for pianos. He was convinced that while the major brands in the industry were increasingly targeting growing markets of amateurs and piano hobbyists, professional musicians and their needs

were being overlooked. Actually, professional classical pianists in Italy he related with complained about the gradual loss of quality of the pianos on the market.

The ambition of the entrepreneur has been that of covering the request for high-quality pianos, satisfying the needs of professional musicians. Fazioli presented his first prototype at the Musical Instruments Fair of Munich (Germany) in 1981. Immediately he attracted the attention of the industry and of professional musicians and has been since then increasingly covered by specialized publications and media. Fazioli's pianos impressed for the high quality of their sound and for the quality of materials and manufacturing. Paolo Fazioli specialized in manual production and explicitly decided to produce limited series. Now, Fazioli produces 150 pianos per year and since 1981 has realized 1800 pianos. Each piano is sequentially numbered and can be highly personalized by the customer.

Two are the main reasons behind such a redefinition of the process and of the product: quality and innovation. From a qualitative point of view, a high-end piano requires time to be produced. It takes almost three years to get from the raw material to the final product. For example, the production of the soundboard takes two years because the wood has to be dried for several months in order to be stable (that means it does not changes in form or size as the effect of humidity) and to produce a "perfect" sound. From the innovation standpoint, the advantage of working in small numbers helped Fazioli to continuously modify and improve its products according to the peculiar requests of each single customer. The search for materials has been at the heart of the widespread recognition of the quality of Fazioli's pianos. It was the first company in the industry to introduce a specific kind of wood for the soundboard: red spruce, the one that was used by Antonio Stradivari for the realization of his violins.

Marketing strategy. Fazioli's marketing strategy is based on the ability of the entrepreneur to relate to the most prominent musicians in the world in order to let them specify their peculiar needs and have thus a completely personalized piano. The 1981 event that saw the presentation of the prototype allowed the company to become immediately well-known in the industry. The valorization of hand-made production by the entrepreneur in his accounts of how the company operated immediately stimulated the curiosity of world-class pianists. Fazioli's marketing strategy is based on personal relationships with renowned world-class pianists and on the ability to effectively respond to the most sophisticated and personal requests of each musician. The firm can customize the product in terms of both the quality of the sound and the aesthetics. Each client can design a piano and have a unique product. Like for Ferrari, the scarcity of the production and the high personalization of the product are key elements of the marketing strategy. Currently Fazioli is the brand of choice for professional musicians and classical music stars.

3.2.3. Lago: human-centered design and play

Lago is a producer of design furniture in the North-East of Italy. The company realizes wardrobes, tables, beds, kitchens and complements. Although the firm is limited in dimensions, 40% of the annual turnover is realized on foreign markets, especially Germany and the US. The firm has undergone a deep

transformation in the last 10 years. Until the end of the 90's the it was a contract manufacturer for other brands in the industry. When the founder's son took over the company, he rapidly transformed the company into a well-known brand in the industry producing and distributing furniture under its own brand.

Innovative strategy. In the furniture industry, product design is usually achieved through the collaboration with external designers and artists who are asked to propose new ideas and aesthetics. Lago thought that this strategy was not adequate to their idea of design. Contrary to this approach, Lago wanted to keep control on the creative activities underlying the design of new collections of furniture items and complete internal resources with external collaborators.

The entrepreneur had also a precise idea of the objectives and values the firm's design had to achieve and thus elaborated a "manifesto" which was codified immediately after he took control of the company. Specifically, Lago's design aims at being «human-centered» in the sense that the items of furniture it produces are supposed to stimulate and nurture the creativity of individuals buying them. Practically this means that the products of the firm have to be susceptible of personalization and recombination, according to the customers' tastes and ideas on the styles of their houses. Lago realizes systems of products – wardrobes, bookshelves, kitchens - that can be easily customized based on the practical and aesthetical preferences of the client. Single modules can be combined to obtain wardrobe structures or shelves that visually recall, for example, trees, human beings and many other forms. A second and connected concept is that of play: playing with furniture and exploring the potential aesthetic outcomes is at the basis of Lago's design efforts and production.

In order to follow its human-centered design approach, Lago established an internal design department with the objectives of reviewing traditional Lago products and inventing new products. Thanks to its art director Lago started collaborating with several international design schools (Royal College of Arts, S. Martin's School). On a regular basis, Lago hosts students coming from those schools and they work together on artistic projects that are supposed to nurture the creativity of the firm's designers.

Marketing strategy. Daniele Lago decided to transform its trademark into a high-end innovative brand. The catalogue, the key communication tool in the furniture industry, has been completely rethought. Lago decided to develop a catalogue that resembled an art catalogue, with high-quality and aesthetically sophisticated pictures and engaging and creative descriptions of their potential uses and their possible customizations. The company also established a strong link with the contemporary art world working closely with artists in specific projects. Collaborations with art galleries were launched in order to engage in the elaboration of novel concepts of waiting rooms, public spaces, exhibition spaces and the relative furniture. Moreover, young international artists were given the opportunity to develop pieces of art to be displayed in the firm's headquarter. This sort of "temporary" exhibition changes every four months: new artists submit their creations to the company and their work are selected to be displayed in the company's headquarter. In terms of marketing, the entrepreneur believed the company had to communicate its new strategies and the related values, not only their products. In order to do so they hired an independent artist to produce a photo book about the firm. The result was a book, entitled

Television³ that narrates everyday work and life in the company. Pictures represent employees involved in all the phases of furniture design and production. Television has the objective to create an emotional bond between the firm and its customers. Contrary to what the vast majority of firms in the industry does, the company does not invest heavily in advertising in furniture and design magazines, but tries to valorize this connection with the art world through the realization of original publications and the subsequent promotion of them in artistic communities and circuits.

Another important element in Lago's strategy is the Internet. The company's website was crucial to communicate Lago's original approach to design. Lago invested in the development of *Design conversations*, the corporate blog, where the entrepreneur and his collaborators engage in discussions related to the themes of creativity and contemporary art at large. Even though within the blog they are speaking about the firm's products, their aim is that of connecting their opinions on art and creativity with those of other experts and enthusiasts in other blogs and communities. It is frequent to find reports on the successful design and aesthetic outcomes of their competitors (e.g. Ikea), in-depth analyses of emerging trends and artistic currents in the contemporary art world, links and commentaries on multimedia contents related to the multifaceted world of art and creativity. The idea of the company is that of acting as a publisher for the relevant communities – design-oriented customers, interior designers, artists and creative professionals – legitimating its role as a contributor to the ongoing conversation on the frontiers of creativity and artistic expression.

3.2.4. *Valcucine: sustainable kitchens*

Valcucine produces high-end kitchens and it is based in the North-East of Italy. The export amounts to 30% of the turnover. Valcucine was founded more than 20 years ago with a strong statement: producing kitchens that are at the same time beautiful and environmentally sustainable. Gabriele Centazzo, founder and designer of Valcucine says: «*We are responsible for the quantity of matter we use and for how we use it, and we know that we can not count on infinite resources*».

Innovative strategy. The strong statement on sustainability made by the entrepreneur brought him to engage in a long and challenging learning process. He had to acquire competences on issues and matters as diverse as carbon footprint, the environmental impacts of materials and processes, the intersection between social and environmental sustainability and the like. In order to acquire visibility and the right to express a specific view on sustainability, Centazzo thoroughly studied the subject for several years. The library of the entrepreneur, now available to all of the employees who are encouraged to deepen their knowledge in sustainable development, visually testifies the immersion of the entrepreneur in the sustainability debate. These studies inspired him to elaborate four strategic imperatives principles that inform all of the activities of the firm:

³ lago.typepad.com/lateral/television.html

- long product life from both a technical and aesthetical point of view. Products need to be designed in order to last for a long period of time, both technically and aesthetically;
- low toxic emission of the paints used to color the kitchens. The company is constantly trying to reduce the footprint of its production processes;
- recycling of the finished product. Kitchens produced by Valcucine can be almost completely recycled. The company is continuously testing materials and solutions from other industries that could allow it to produce completely recyclable kitchens;
- dematerialization (the less matter used the better). The idea of the company is to challenge designers to obtain kitchens that offer an increasing set of functionalities and at the same time require less materials to be realized.

These principles are at the very heart of the creative activities of the firm and orient much of the research and development efforts it undertakes. Several of the innovations that Valcucine realized (it registered more than 40 patents) were achieved as a tentative to fulfill the principles the firm imposed to itself. In particular they started to gradually substitute wood with glass and to design a kitchen that is 100% recyclable. At the end of the product lifecycle the customer can give the kitchen back to Valcucine that will reuse it to produce new kitchens.

This focus on sustainability did not diminish the attention the company poses on the aesthetic content of its products. Valcucine stands out for its contemporary design and has won several design awards in Italy and at the international level. In addition, the firm decided to work more closely with their customer. Thanks to use of glass, Valcucine offers a service for customizing the kitchens with drawings made by customers themselves or by artists. With this process every kitchen could be unique even though within the logic of an industrial production. From this perspective, aesthetics is a very important component of sustainability. Gabriele Centazzo thinks that aesthetics is not just decoration and embellishment of the product but a fundamental element of value that could increase the life cycle of the product. If the consumer loves the kitchen she is not going to change it over time and therefore she will pollute less (use less material, no transportation costs, no waste, etc.)

It may sounds contradictory from a business perspective (more sales, more profit) but it is in line with the cultural principles that the firm has identified as guidelines for its action. Those cultural principles are exactly what distinguish Valcucine products in the market and are at the heart of their economic value. The entrepreneurial view has become integrally part of the product that Valcucine sells in the market.

Marketing strategy. Gabriele Centazzo is the key actor in Valcucine's marketing. As a recognized expert in sustainability he engages in conversations and debates with the relevant communities of environmentalists and environmental experts in Italy. He is regularly invited to workshops, seminars and events related to clean technologies, environmental defense and sustainable development. Although he is invited as the founder of a sustainable company, the community of environmental experts in Italy recognizes him a legitimate role in orienting the debate on sustainability well beyond the specific industry he operates in.

Beyond the figure of the entrepreneur and his biography, Valcucine developed a clear strategy of communication becoming a relevant voice in the debate on sustainability and the regularly publish their point of view both in the corporate weblog – Ecovalcucine - and in magazines and journals (they buy pages not just for advertising products but for presenting their values and ideas in the form of a letter signed by the entrepreneur). Although Valcucine is a small producer of kitchens, its brand is well-established in the design community (architects and interior designer) and in the sustainable development movement.

3.3. Discussion

The analysis of the evidence gathered from case studies shows recurring elements and common traits.

In all of the cases, strategic renewal is driven by the entrepreneur, which defines and elaborates novel business concepts that challenge extant dominant logics and expectations in the industry. These novel business concepts are not the result of a systematic search for opportunity and of a disciplined and structured analysis of the relevant market. On the contrary, entrepreneurs caused strategic renewal through idiosyncratic and creative processes of re-definition of the environment, of the demand and of the nature of the product. Confronted with an ever changing and chaotic environment, entrepreneurs tried to construct meaningful representations of the environment and of the underlying opportunities for innovation. The starting point of these changes were synthetic and evocative concepts such as the slow factory, human-centered design, sustainable kitchens and high-quality pianos. None of these concepts had a clear correspondence with specific products, processes and underlying technical and strategic choices. The opposite can be said: these concepts stimulated entrepreneurs in making decisions related to products, processes and operations.

The precipitation of novel and creative concepts into value required entrepreneurs to better articulate and specify their visions to legitimate their business ideas in the perception of providers of resources, partners and suppliers. The concept of the slow factory, for example, has been articulated into a set of subtle and related concepts such as the soul of fabrics, peculiar definitions of quality and the like. All of these articulations had impacts on choices related to production and strategic processes. The slow factory can produce fabrics with soul only if it works slowly, and working slowly means recovering traditional ways of manufacturing and specific technologies (old looms). In specifying their initial ideas, entrepreneurs are both clarifying the subtleties of the interpretive frameworks they imposed on the environment to themselves and to relevant stakeholders.

The specification and articulation of original concepts takes the form of complex symbolic structures, such as stories, narratives, discourses on relevant issues and concepts. Valcucine developed a complex perspective on the issues of sustainability and sustainable development, exceeding the boundaries of the industry. The entrepreneur, on the contrary, succeeded in constructing a clear position on sustainability in general. Within this definition of sustainability in general, he gradually inserted his

firms' products, processes and strategies. Business processes, in other words, are changed through the redefinition of the relevant environment and of its meaning.

Another recurring trait is that the discourses and narratives that entrepreneurs create in order to specify their ideas constitute the content that is conveyed to the market through marketing strategies and influence the decisions related to the specific marketing levers used. What characterizes communication and promotion activities in the cases we analyzed is that the formation of marketing strategies does not happen after decisions related to products, processes and operations are made. On the contrary, the same discourses and narratives used by entrepreneurs to legitimate novel concepts to stakeholders and partners do inform also marketing strategies. The same symbolic devices underlying the transformation of the company's strategy are, since their inception, used to legitimate those novel ideas and the subsequent operational choices on the market.

Finally, the entrepreneur is the prominent actor in the marketing initiatives of the four firms. In all of the four cases there is a strong personal involvement of the entrepreneur that conveys concepts and meanings to the market. Personal involvement can be due to two reasons. First of all the absence of dedicated marketing resources and structures in the firm forces the entrepreneur to take direct responsibility of communication and promotion. Secondly, since the entrepreneur is the initiator of innovation and strategic renewal processes, he undertakes the responsibility of communicating novel ideas and concepts in order to have control over their clarification and at the same time to reinforce them.

Table 2 synthesizes the key concepts underlying each process of transformation, the relative changes and innovation in terms of processes and activities and the nature of marketing strategies and of communication instruments used.

Tab. 2: synthesis of the case studies

Company	Concept	Changes in processes and innovation	Marketing levers and initiatives
Bonotto	Slow Factory The soul of fabrics	Quasi-artisanal production Recovery of old looms One loom one man Sourcing of high-quality cotton	Promotion in fashion events Meetings and presentations to designers
Fazioli	High-quality Pianos	Hand-made production Customization Highly-skilled and long wood processing processes	Personal relationships with professional musicians Industry events Communication in music events Endorsement by professional pianists
Lago	Human-centered Design Play	In-house design Development of own-brand Relationships with designers and artists in order to obtain novel ideas	Rethinking of the catalogue Art and creativity events Web 2.0 (blog on creativity and contemporary art)
Valcucine	Sustainable kitchens	Long product life from both a technical and aesthetical point of view Low toxic emission of the paint used for the color of the kitchen. Recycling of the finished product Dematerialization (the less matter used the better).	Communication in the environmental debate Relationships with relevant communities in the environmental debate Communication on traditional media (interior design magazines) Web 2.0 (blog on sustainability)

4. Towards an integrative framework: entrepreneurial marketing as sensemaking

Based on the previous analyses of four case studies, we propose an integrative conceptual framework that bridges theories on entrepreneurship as opportunity creation and on entrepreneurial marketing. We center our conceptual framework on the sensemaking activities carried out by the entrepreneur and we maintain that sensemaking constitutes the stimulus for the formation of marketing strategies, communication contents and orients the choice of marketing activities and levers.

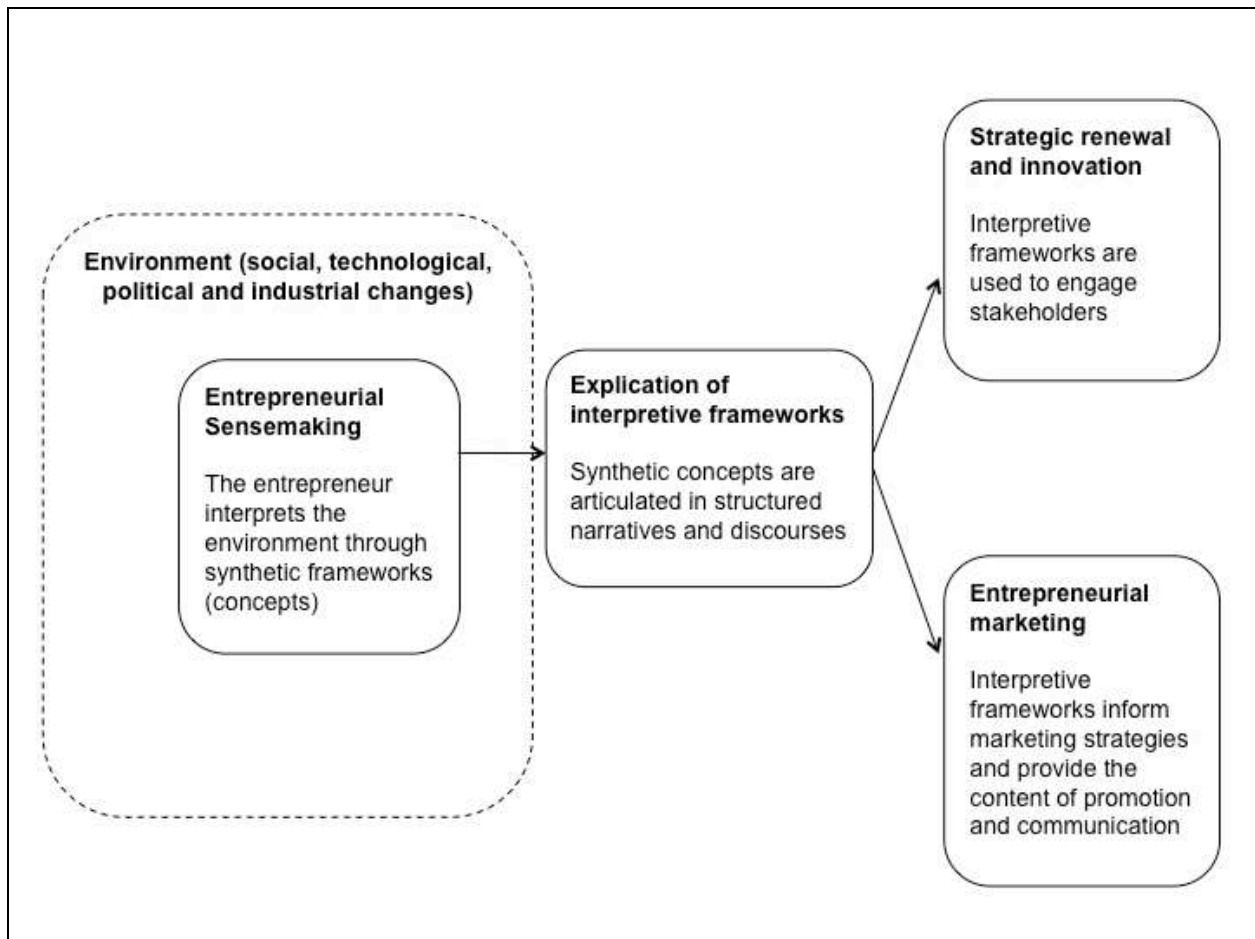
We posit that entrepreneurs are constantly coping with an uncertain environment that needs to be interpreted in order to act upon it. Interpretation is an act of sensemaking, the creation of meaning out of seemingly chaotic and disconnected events and phenomena.

Entrepreneurs make sense of the environment through the creation of powerful and evocative concepts that enable entrepreneurial action and subsequent strategic renewal and innovation. These concepts have to be legitimated and made intelligible and accessible to stakeholders and consumers in order for the former to commit resources and for the latter to recognize the value of a novel business concept or product. Entrepreneurs thus engage in a process of clarification and explication of concepts that are the outcome of tacit and highly idiosyncratic acts of cognition and imagination. This explication takes the form of articulated symbolic structures: narrations, discourses, sets of metaphors that can be understood and appreciated by customers and stakeholders. This articulation and clarification creates interpretive frameworks that allow stakeholders and consumers to recognize novel proposal as meaningful and valuable.

This two-step process of sensemaking, in the proposed conceptual framework, informs marketing strategies and influences the choices of marketing levers and initiatives. Marketing strategies in fact will have the objective of delivering to the market the interpretive framework elaborated by the entrepreneur. The contents of marketing communication and promotion are not designed and elaborated after relevant decisions on products and processes are made. On the contrary, entrepreneurs, in articulating their initial ideas and implicit interpretive frameworks, explicate them contemporarily both to stakeholders and the market.

The conceptual framework is articulated in three groups of propositions that could drive further research on the subject.

Fig. 1: conceptual framework – entrepreneurial sensemaking and the formation of marketing strategies in SMEs



4.1. Entrepreneurial sensemaking

In the proposed framework, the contents of marketing communication and promotion are generated in the moment in which the entrepreneur perceives or imagines an opportunity. We maintain that the perception and imagination of an opportunity does not bring, sequentially, to a set of strategic decisions related to products and processes, and later to an ex-post elaboration of narratives and stories oriented to promote those products and processes. Marketing and innovation happen in the same moment and are stimulated and started by an act of sensemaking made by the entrepreneur.

Coherently with creation theory assumptions (Alvarez and Barney 2007) we maintain that entrepreneurs act upon the environment enacting – creating – it and trying to give it a meaning (Weick 1979). Sensemaking denotes the activity through which the entrepreneur finds meaningful connections and relationships between seemingly distant events and phenomena. It consists of the identification of patterns in events, changes and trends and thus creating an interpretive framework within which

opportunities manifest themselves. These concepts synthetically define the nature of the opportunity being perceived or imagined and enable entrepreneurial action that drives towards innovation or strategic renewal.

P.1a. Strategic renewal and innovation are enabled by an act of sensemaking carried out by the entrepreneur on an uncertain and chaotic environment. Sensemaking consists of the creation of powerful and evocative concepts that function as interpretive frameworks connecting seemingly distant events and phenomena.

The claim fits with the perspectives emerging from theoretical work on the symbolic and cultural dimension of entrepreneurial action (Martens et al. 2008; Lounsbury, Glynn, 2001) that emphasize the crucial role of culture in enabling entrepreneurial action. In addition, the proposition is in line with accounts on entrepreneurial marketing that emphasize the strict relationship between marketing and innovation in SMEs (O'Dwyer et al. 2009; Schindehutte et al. 2008).

In attributing the environment with meaning the entrepreneur is not acting in a social, cognitive or cultural void: we posit that factors such as cognitive frameworks resulting from past experiences, relationships with relevant consumers, suppliers, personal as well as professional histories will influence this process (Alvarez and Barney 2007; del Mar Fuentes et al. 2010).

P1b. The formulation of original concepts that give meaning to the environment is mediated by extant cognitive frameworks inherited in personal and professional experiences and of cultural and social influences.

4.2. Articulating and legitimating acts of sensemaking

The act of interpreting the environment does not, per se, guarantee that an opportunity will be exploited. On the contrary, processes underlying the creation of novel business concepts are often idiosyncratic, tacit and need to be made accessible and intelligible to relevant stakeholders in order to mobilize them. Opportunities, as stated by Klein (2008) are imagined by the entrepreneur. They become concrete after the entrepreneur has taken action. In line with what has been stated in the literature on the symbolic and cultural dimensions of entrepreneurship (Lounsbury and Glynn 2001), we claim that the specific action the entrepreneur undertakes is that of making the novel and original concepts intelligible and accessible to relevant stakeholders.

Entrepreneurs willing to precipitate their ideas into actual processes and, at last, value, need to mobilize providers of capital, technologies, competences, and also consumers (Schindehutte et al. 2007, O'Dwyer, 2009). The novel concepts implicitly elaborated by entrepreneurs need thus to be articulated and made coherent exhaustive and intelligible.

In order to do so, entrepreneurs engage in the construction of complex and articulated discourses, metaphors and narratives, that overcome the specificities of their businesses or industries and embrace a higher complexity since they are supposed to connect general and evocative concepts in order to attribute their operations and strategies with new meanings.

P.2.a. The explication of interpretive frameworks takes the form of articulated discourses that coherently connect seemingly distant events and attribute businesses, industries and demand with novel meanings. Metaphors, analogies and narratives support the entrepreneur in making interpretive frameworks accessible, intelligible and legitimated in the perception of consumers and relevant stakeholders.

SMEs in particular, given their dimensions, are often required to legitimize novel courses of action to the eye of external actors such as providers of funds, suppliers and partners, institutions and networks of other firms. Accessing to the attention of these actors and engaging them in processes of strategic transformation requires not only the interpretive framework to be potent, but also to be clear and legitimated. Legitimacy is the outcome of the process of explication and clarification of the connections between concepts that underlie the imagination and creativity of entrepreneurs and require complex narratives, discourses and metaphors to be understood and shared (Martens et al. 2008; Lounsbury, Glynn, 2001).

The symbolic dimension of entrepreneurship fits also with literature on strategic entrepreneurship and entrepreneurship in general that emphasize the cultural and symbolic nature of leadership of entrepreneurs within organizations (Hitt et al., 2003; Kuratko, Audretsch, 2009; Lumpkin, Dess, 1996). These claims seem to be relevant in SMEs in particular, where the relatively limited structure of firms and the absence of complex and articulated procedures put in the hand of the entrepreneur the leading role guiding to innovation and strategic renewal through the construction of agreeable and shared cultures and objectives.

4.3. Sensemaking and entrepreneurial marketing in SMEs

Our conceptual framework recognizes the intimate connection between strategic renewal and marketing efforts. Interpretive frameworks are not ex-post marketing justification for already made decisions regarding the transformation of processes and products. On the contrary the legitimacy of novel business ideas and concepts depends on the ability the entrepreneur has in making them accessible and intelligible to a variety of stakeholders, from suppliers and internal members of the firm – who will act according to the interpretive frameworks modifying processes and products – to customers and clients – who will recognize the value of the novel framework and of the resulting products and processes.

The acts of imagination and their subsequent articulation in discourses, metaphors and narratives orient since the beginning the set of organizational responses oriented to innovation and strategic renewal and the activities oriented to access to the attention and understanding of customers.

P.3a. Sensemaking processes carried out by the entrepreneur and the subsequent creation of articulated discourses provide the contents of marketing communication and promotion that will legitimate the value proposition of the entrepreneur on the market.

Marketing communication, in this sense, is devoted to the expression and the clarification of the interpretive framework and of its constituent concepts to clients and consumers. Marketing of products, services and novelties elaborated by the firms cannot be separated from the continuous explication of the underlying interpretive framework in every marketing initiative the firm takes. In addition, since interpretive frameworks in growth- and innovation- oriented SMEs depends on the ability to attribute innovation and novel concepts with a larger set of references and relationships between general concepts that give meaning to their offerings, SMEs need to engage in conversations and communications that exceed the specific product or industry they are focused on. The engagement in the debates on sustainability, creativity and quality by the firms analyzed in the previous sections seem to confirm this statement.

In terms of communication, the need to explicate and make interpretive frameworks intelligible and shareable does not only impact on the contents of communication – which has to constantly refer to the novel ideas elaborated by the entrepreneur – but also the instruments and levers used by the entrepreneur. The analysis of the previous case studies seem to suggest that, whatever the instrument used – web, one to one conversations and meetings – entrepreneurial marketing in SMEs requires a strong focus on interaction and on the inclusion of recipients of messages and communication in a continuous process of construction and negotiation of the concepts underlying the interpretive framework itself.

P.3.b. Legitimizing interpretive frameworks requires repeated and strong interactions with relevant clients. Interactive instruments and personal relationships allow to effectively communicate and articulate the interpretive framework to consumers.

The intensity of interaction required in marketing strategies in SMEs and the need to legitimize novel concepts puts the entrepreneur at the center of marketing communication and promotion.

P.3.c. The legitimacy and effectiveness of marketing strategies and efforts depend on the personal involvement of the entrepreneur in connecting and interacting with relevant clients.

Being limited in terms of the resources they can commit to marketing strategies and activities (Huang and Brown, 1999; Carson), SMEs rely on the personal involvement of the entrepreneur to effectively deliver their business concepts and the meaning of their transformations to the market. The

engagement of the entrepreneur in marketing initiatives, though, is not exclusively due to those limitations. On the contrary the complexity and innovativeness of the interpretive frameworks underlying innovation and strategic renewal needs to be legitimated thoroughly to the market through recurring interactions and a direct relationship between the entrepreneur and prominent clients. From this standpoint, the need to have control on the actual understanding of the interpretive framework by consumers require a strong personal involvement of the entrepreneur in several direct relations with consumers. This also could explain why SMEs do not invest heavily on impersonal communication and promotion such as traditional media. Of course it happens for the absence of financial resources to acquire spaces on the media, but also because the market-driving nature of novel entrepreneurial concepts needs to be exhaustively addressed through recurring interactions.

The strong personal involvement of the entrepreneur in marketing activities and initiatives and the high degree of connectivity with customers is coherent with theoretical accounts of marketing in SMEs in that it is the result of resource limitations)

The interactive intensity and the personal involvement of the entrepreneur in marketing efforts and initiatives is coherent with the inherent limitations in resources SMEs typically suffer. Rather than investing in traditional media with a large reach in terms of public, SMEs are usually more prone to relating and directly networking with relevant customers and to directly spend the entrepreneur's credibility and authority.

5. Conclusions: limitations and further research

The proposed conceptual framework aims at integrating theory on opportunity creation in entrepreneurship and theory on entrepreneurial marketing. In doing so, the proposed framework sheds light on the processes and dynamics underlying marketing strategies and communication initiatives in SMEs. The framework emphasizes the centrality of cultural and symbolic capabilities of the entrepreneurs in the formation of marketing strategies, communication contents and in orienting the specific marketing initiatives that will be undertaken.

The contribution appears to be original and useful in that it addresses some relatively under investigated questions regarding the processes that connect opportunity recognition by entrepreneurs and actual marketing activities. In addition it provides justifications for the peculiar forms of marketing adopted by SMEs. Direct marketing and relationships, events, word of mouth and buzz and in general a strong involvement of the entrepreneur and a high degree of personal exposure are not only the direct consequences of limited resources. On the contrary, the entrepreneur guides and controls the gradual process of explication of original concepts and ideas.

Novel business concepts elaborated by entrepreneurs connect seemingly distant events and phenomena. These connections constitute the semantic space within which novel products, processes and business models are introduced and are invested with meaning and value. Only making these

semantic constructions understandable, intelligible and shareable the consumer will recognize the value of products and innovations at large. This process of explication requires a personal involvement of the entrepreneur in continuous and thick relationships with relevant consumers.

The framework strengthens the relationship between marketing strategies and innovation that has been frequently pointed out in the literature on entrepreneurial marketing. Marketing in our conceptual framework does not follow, logically and chronologically, choices on processes and products. On the contrary the contents of marketing strategies and communications are generated from the original interpretation of the environment elaborated by the entrepreneur.

From a practical standpoint, our contribution emphasizes the importance of symbolic and cultural abilities in entrepreneurial behavior. The construction of clear, coherent and intelligible sets of meanings and stories and the ability to communicate them effectively constitute the premises of effective marketing initiatives. In other words, we maintain that entrepreneurs should develop their symbolic and cultural abilities in order to effectively exploit opportunities and market novel products, concepts and processes. Given the complexity of contemporary markets and society, effectiveness in perceiving opportunities and in exploiting them is related to the ability of entrepreneurs to connect different and distant spheres such as societal trends, culture and art, technology and the like. These considerations could have implications also in terms of entrepreneurship education, calling for a higher attention to the exposure of future entrepreneur to a variety of learning experiences in fields as diverse as technology, politics, art and creativity in general. Empowering future entrepreneurs with skills related to the creation of complex and articulated symbolic devices such as stories, narratives and discourses could be considered as an integral part of entrepreneurship curricula.

The major limitation of the study is that the conceptual framework is developed out of the analysis of four firms in mature industries, all of which are localized in Italy. The validity of the proposed conceptual framework should be assessed through further research efforts that compare cases also in high-tech industries and compare cases from different nationalities. Considering high-tech firms could clear potential biases in the proposed framework, since within traditional industries such as furniture and textiles competitive advantages are strongly connected to “cultural” elements such as design, style and the like. Similarly, considering firms from different countries could also help in identifying cultural biases underlying the proposed conceptual framework, providing a richer picture in terms of the different symbolic structures used in different cultures.

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