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Qualitative Market Research: An International Journal (ISSN 1352-2752)

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Citation Details

Citation for the version of the work held in 'OpenAIR@RGU':

ZONTANOS, G. and ANDERSON, A. R., 2004. Relationships, marketing and small business: an exploration of links in theory and practice. Available from *OpenAIR@RGU*. [online]. Available from: <http://openair.rgu.ac.uk>

Citation for the publisher's version:

ZONTANOS, G. and ANDERSON, A. R., 2004. Relationships, marketing and small business: an exploration of links in theory and practice. *Qualitative Market Research: An International Journal*, 7 (3), pp. 228-236.

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Zontanos, G., & Anderson, A. R. (2004). Relationships, marketing and small business: an exploration of links in theory and practice. *Qualitative Market Research: An International Journal*, 7(3), 228-236.

Qualitative Marketing Research: An International Journal

Guest editor - Professor Dave Crick

Relationships, Marketing and Small Business: an exploration of links in theory and practice

Grigorios Zontanos and Alistair R Anderson

Charles P Skene Centre for Entrepreneurship
Aberdeen Business School
Robert Gordon University
Garthdee
Aberdeen, AB 10 7QE

corresponding author Alistair R Anderson
email a.r.anderson@rgu.ac.uk

Relationships, Marketing and Small Business: an exploration of links in theory and practice

Abstract

This paper explores the links between the theory and practices of marketing and small business. The review of the literature highlights the close association of the more advanced conceptualisations of marketing, especially relationship marketing, and those of small business, particularly entrepreneurial small business. Given these theoretical similarities and the ensuing symmetry of actions and behaviours described in theory, the research question is posed, how does an appreciation of these links aid our understanding of entrepreneurial practices? The question is addressed by employing a participant observation methodology to create a case study of one small rural firm and by inductive analysis techniques. Our findings show that it is difficult to disentangle or even to distinguish, the practice of relationship marketing from entrepreneurial action. This leads us to suggest that it may be useful to reconsider relationship marketing as a facet of entrepreneurship.

key words- marketing, relationship marketing, small business, entrepreneurship, networks, participant observation

Introduction

The starting point for this paper was a conversation about marketing in small firms where the authors found they agreed with Hisrich's (1992) comment that entrepreneurs often have a limited understanding of marketing. Yet, as Coviello et al (2000) had noted, this may be because such criticisms are based on the practices of large firms. Furthermore, there may be an issue about the imposition of academic norms of marketing which ignore many of the specific elements of the context of small firm marketing. Small firms may not practice "marketing" but many, nonetheless, survive and grow. In any case, we agreed that most small firms we knew seemed to use a relationship approach to marketing. Yet, we wondered, isn't this relationship more about entrepreneurial "networking", tapping into to external sources to augment the limited resources of the firm? The similarities between entrepreneurial theory and relationship marketing were striking, so we had to ask, how similar were they in reality? Could we learn more about entrepreneurship, or small firm marketing, by comparing theories and practice?

The structure of this paper follows this line of thought. We begin by reviewing what the literature has to say about relationship marketing, and then consider small firms as a special case. We compare and contrast the theories to show how they appear to converge. This review provides what Glaser (1978) calls pre-understanding, the theoretical orientation which enables us to informally approach our data. The data consists of one case study, generated mainly by participant observation. Whilst we recognise that this case may be unique, and not broadly generalisable, it is so rich in detail and in context, it allows us to explore the relationships in great depth. For an exploratory study, such a methodology of data collection and analysis seems very appropriate. As Johannisson (1992) claims about such inductive research, subjectivism involves the researcher and its aim is to make the world more intelligible. Accordingly, our research questions, put formally, is first, do theories of relationship marketing inform us about entrepreneurial practices. Secondly can we learn anything new by comparing theory and practice?

The Literature

Muzyka and Hills (1993) posed the following question: “Just how well do existing marketing models and the traditional marketing paradigm fit the environment, behaviour, and processes found in entrepreneurial organizations?” In this review we address this issue and argue that the specific styles and circumstances of entrepreneurship may require reconceptualisation. We argue that there are 4Ps, but a very different 4Ps, Person, Process, Purpose and Practices and that these dimensions provide a better framework for understanding entrepreneurial relationship marketing.

Gronroos (1997) argues that perceptions of marketing, as a discipline, have undergone a paradigmatic shift. From the foundation of the marketing mix (Borden, 1964), and the embedded 4Ps, the sea change has turned to, amongst others, relationship marketing. Gronroos’s point of paradigmatic shift is well supported, Gummesson (1990), Christopher et al (1991) concur, whilst practitioners such as Peppers and Rodgers (1996), Day et al (2000) show the benefits of customer retention. Gronroos notes how, around 1960, the marketing mix model became established as the unchallenged basic model, and in so doing, jettisoned a variety of previous approaches. Kent (1986:146) even refers to the “holy quadruple”, as evidence of the entrenchment of the 4Ps. Gronroos also notes however, how the application of the 4Ps best fitted the huge mass markets of consumer packaged goods. Citing McKenna’s comments on the decline of advertising (1991:13), “it simply misses the fundamental point of marketing- adaptability, flexibility and responsiveness”. McAuley and Anderson (1999) make a strong case that, for rural entrepreneurship, the 4Ps of marketing are almost irrelevant. But it is McKenna’s points that present the starting point for our argument, that relationship marketing, with its focus on adaptability and responsiveness is also the quintessential aspect of entrepreneurship.

To argue that entrepreneurship and relationship marketing are related ideas is not new. Day et al (1998) made this point. However, we wish to argue entrepreneurship and relationship marketing are more closely related, that each can be viewed as a sub set of aspects of the other. We shall present a case where we show first, a theoretical congruence and follow this by demonstrating the similarities in practice. We are not saying that they are exactly the same thing, they obviously are not. But we are making a case for understanding each in the terms of the other. Whilst entrepreneurship is notoriously difficult to define, few would argue against the broad conception of “the creation and extraction of value, usually from an existing use value to a new higher market value” (Anderson, 1998). Similarly, few would quarrel with Narver and Slater (1990) who stated that marketing orientation creates the necessary behaviours to create value. Thus the generation of perceptions of value seems to be a common purpose.

Central to our argument is that both entrepreneurship and relationship marketing are systems, albeit open ended and subject to change, but nonetheless best understood by considering process. There now seems to be near universal agreement that entrepreneurship is best conceptualised as process (Anderson, 2000). For both theories, we see the centrality of the individual, but also the idea of the extension of that individual into a web of relationships. Just as the study of the individual characteristics of the entrepreneurial individual is no longer seen as providing an explanation of entrepreneurship (Gartner, 1998; Chell, 1985), the entrepreneurial process is recognised as the best unit for analysis to provide understanding. For marketing, we also see that the focus for marketing is no longer the single, isolated transaction and that the unit for analysis is the relationship (Sheth et al, 1988). Walter and Gemunden (2000), note how marketing relationships emerge from a complex set of relationships and Jack and Anderson (2001) make the same point about entrepreneurship. Following through this line of argument it becomes clear that both disciplines are in practice boundary spanning activities, Walter and Gemunden (2000). So to engage in a little

theoretical boundary spanning we want to argue that the conception of networking provides a crucial link between entrepreneurial theory and relationship marketing theory.

Hisrich (1992) noted how each discipline has a strong customer focus. Moreover, he points out how both share a behavioural orientation that involves completing the deal. Coviello et al (2000) build on this, by commenting how market turbulence, risk taking and change are a common element, (Hills and LaForge, 1992). We may also note how this customer focus is manifest as a set of behaviours; for entrepreneurship we have a huge literature emanating from McClelland's n-achieve and for marketing, Kohli and Jaworski (1990) make the same point. Building on these points we can easily make a case for seeing both disciplines as action orientated. In particular, relationship marketing is about getting closer to the customer, whilst action is the essence of enterprise.

Small firms and entrepreneurship practice and theory

Small firm marketing practices have been historically assessed in the context of existing models based on large firm practices (Coviello et al. 2000). Probably this is the reason why small firm marketing practices have generally been criticised as non-traditional, informal, short-term, and non-strategic. However, given that the marketing discipline is undergoing a transformation with new paradigms emerging as relationship marketing, it is now appropriate to assess small firm practices in a broader and more contemporary perspective (Day et al. 1998). There are good reasons why small firm marketing is different from larger firms. Small firms have much leaner resource bases than large firms, so that an important aspect that distinguishes small from large firms is the much higher closure rates of small firms (Storey, 1994). Businesses are at their most vulnerable when they are very young and very small. Only a small percentage stay in business in the long term; over two-thirds close in the decade in which they opened. Their lack of market power and dependency on a small customer base results in an environment which is much less controllable and more uncertain than those of larger organisations (Wynarczyk et al. 1993).

Marketing is certainly important in the early years as it creates a vital interface between the organization and its external environment. Research, involving case studies of surviving and non-surviving small manufacturing firms, by Smallbone, North and Leigh (1992) indicated that adjustment is a key factor. The most important adjustment for the survival and growth of small firms was active market development, a continuous search for new market opportunities and an expansion of the customer base. Firms which are most enthusiastic in making adjustments in what they do, and how they do it, particularly in relation to the market place, appear to have a greater chance of survival than those who carry on as before. As the function that supplies the necessary information and direction to guide such adjustments, marketing provides the key interface between a small business and its external environment.

It is generally accepted that the characteristics of the small firm influence marketing practise. Certain characteristics which differentiate small from large organisations create specific marketing issues, which are especially challenging for small-business owner-managers. A number of studies (Carter and Jones-Evans, 2000) have shown a relationship between the size of a firm and the number of customers, with a high percentage of small business dependent on less than 10 customers and some on only one buyer. One consequence is that small businesses trade only in limited geographical area, (Curran and Blackburn 1990) so this ties their fortunes closely to the cycles of the local economy, with limited opportunities to compensate for any downturn (Storey 1982; Hall, 1995).

Another important marketing problem is that of the limited financial and human resources in small firms. A small firm has less to spend on marketing both in absolute terms and even as a percentage of income. This is because of the impact of fixed costs which take up a higher proportion of revenues; financial limitations also restrict their ability to employ marketing

specialists (Weinrauch et al. 1991). Finally research has shown that planning is a problem for small firm management. A body of research concludes that small firm planning activities are informal (Kinsey 1987; Brush 1992; Pearson and Ellram 1995). Weinrauch et al. (1991) also argue that small firms lack a strategic orientation. These patterns have been found across a spectrum of small firm's activities including supplier selection and human resources management practices as well as marketing.

The inappropriateness of the 4Ps and traditional marketing for smaller firms

As discussed above, the typical small firm has a limited customer base and limited marketing ability. In conjunction with the lack of formalised planning, it is very difficult to use transaction marketing techniques such as the 4Ps or market segmentation. These draw heavily on resources, both financial and human (Weinrauch et al. 1991) which are rarely rich attributes of the small firm. Even owner-managers of small firms seem to give marketing a low priority compared to the other functions of their business, often regarding marketing as something that larger firms do (Stokes et al. 1997). However, just as the firm must evolve to survive, so marketing evolves to reflect the owner-manager experience and the needs of the firm (Carson 1985). Owners-managers do not define their own marketing mix in terms of product, pricing, place and promotion, entrepreneurs appear to prefer interactive marketing. They specialise in interactions with their target markets because they have strong preferences for personal contact with customers, rather than the impersonal marketing of mass promotion (Day et al. 1998). So as well as the choice of marketing approach, this may also reflect the limited resources of the smaller firm.

Entrepreneurs choose "conversational" relationships in which they can have contact with the customers, can listen and respond to them, rather than undertaking formal market research to understand the marketplace (Carter and Jones-Evans, 2000). In contrast to this informality, at every stage of the traditional marketing process, whether strategic or tactical, formal market research plays an important role. Transactional market orientation relies on formalised, rigorous research to try to determine customer's demands and needs. Successful entrepreneurs do not apply these formal research methods; they prefer more informal methods of gathering market information, usually through networks of contacts involved in the industry (Carson et al. 1995). Entrepreneurial marketing also relies heavily on word-of-mouth marketing to develop the customer base through recommendations. Word-of-mouth involves face-to-face direct contact between a communicator and a receiver; where the receiver is perceived to be independent of the product or service under discussion (Arndt 1967). In these ways we begin to understand the important personal role that entrepreneurs play in the marketing and general management of small firms.

The entrepreneurial influence on small firms' marketing

Scholhammer and Kuriloff (1979) recognised a personal management style as a distinguishing feature of small enterprises. This is typified as personal knowledge of all employees, involvement in all aspects of management and lack of sharing of key decisions. The dominant influence of the owner-manager has led to a large literature which seeks to establish relationships between the psychology, type and background of owners and their performance of their firms (Chell et al. 1991). It is fair to assert that since many small firms are owner-managed, their marketing activities must be shaped and influenced by the lead entrepreneur. One aspect of this influence is risk-taking; in the entrepreneurial context generally refers to someone who specialises in taking risks. In relation to marketing, the entrepreneur's conception of the type and degree of risk will substantially influence the kind of marketing undertaken (Carson et al. 1995). It seems likely that relationship marketing

would be perceived as relatively low risk. First capital investment is much lower, markets are targeted and contact is direct. Moreover, relationship marketing is highly flexible and can easily adapt to changing demands. All of these points are in stark contrast to the high investments and the commitment to a given course of action required for more formal marketing methods.

The other entrepreneurial influence on small firm marketing is the entrepreneur's personal motivation. It has been suggested that entrepreneurs tend to be highly motivated individuals (Storey, 1994). For marketing, such motivation can assist marketing activity, particularly in developing new products or markets and acquiring new customers. Finally, in relation to the external dimensions of power, the entrepreneur may seek to influence circumstances for the benefit of the enterprise. Thus entrepreneurs could use personal contact networks to develop marketing activity. They may try, for example, to influence key people or to use relationships with key players in the marketplace in an effort to secure business contracts, or to gain vital market information (Carson et al. 1995).

It appears that marketing and entrepreneurship are closely related ideas, good entrepreneurs practise marketing and some marketing behaviour is entrepreneurial. However what seems to distinguish "formal" marketing from "entrepreneurial" marketing is the active role of the entrepreneur and networks appear to be the link between the phenomena.

Relationship marketing

Relationship marketing is often proposed as a solution to the critique that most marketing theories and approaches appear to be more suited to large companies rather than smaller enterprises (Coviello et al. 2000). It is remarkable that although numerous authors now use the term relational marketing (RM), few provide a definition of the term. Indeed, Gummesson (1994) has commented that the perception of RM varies between authors. In addition, other writers use terms such as "relational marketing" and "relationship exchange" in ways which often seem similar, if not synonymous.

McKenna (1991) provides a useful overview, which presents a more strategic view of relationship marketing. He emphasises putting the customer first and shifting the role of marketing from manipulating the customer, to genuine customer involvement. Berry (1983) in somewhat broader terms, also has a strategic viewpoint on relationship marketing. He stresses that attracting new customers should be viewed only as an intermediate step in the marketing process. Developing closer relations with the customers and making them loyal are equally important aspects of marketing. Berry (1983) was among the first to introduce the term 'relationship marketing' as a modern concept in marketing. He suggested that this 'new' approach should be defined as; attracting, maintaining and enhancing customer relationships. Some authors such as Cardwell (1994) argue that a company's very survival will depend upon their moving closer to the customer, fully understanding customer needs and wants, building a relationship and thus developing an attitude of consistent customer dedication.

A small firm's marketing advantage, in contrast to a large firm, is precisely these close relationships between the entrepreneur and customers. We noted earlier that small firms often have a narrow customer base and that customers are usually concentrated in a local market (Weinrauch et al. 1991). This is often translated into shorter lines of communication between the enterprise and its customers. Entrepreneurs consequently often know their customers personally and the result of such close relationship interaction leads to benefits including customer loyalty and higher levels of customer satisfaction (Carson, 1985). Another aspect that helps cement the relationship between the entrepreneur and the customer is the flexibility of the small firm, as small firms are usually more flexible in responding to customer inquiries (Carson et al. 1995)

Finally, one of the biggest advantages for the small firm is easy access to market information. Entrepreneurs are close to their customers and markets, close to their staff (Brooksbank et al. 1992; Liu 1995). The entrepreneur usually gathers information in an informal manner and prefers face-to-face communication in doing so (Hisrich and Peters, 1992). As a result, entrepreneurs can access vital, timely and inexpensive market information. Furthermore, such close relationships allow them to use this information to make better informed marketing decisions. Experience of working with small firms shows that although many small firm entrepreneurs do this, they do it unconsciously. Nonetheless, the ability to gather and use information in this manner is a critical advantage over large firm (Stokes et al. 1997).

Networking

The application of the network concept by social science researchers has intensified in recent years in recognition of the importance of informal relationships (Easton and Araujo, 1991; Harland, 1995; Nohria and Eccles, 1992). As Granovetter observed “economic action is embedded in ongoing networks of personal relationships rather than carried out by autonomous actors”, (Gatley, Lessem and Altman, 1996: 78; Granovetter, 1973). Knowledge about networks has expanded so greatly that it is no longer contentious to maintain that these “hybrid organizational forms” offer an alternative structure for the allocation of resources to compete with the dominant economic models of markets and formal organisation (see, for example, Powell, 1987, 1990). The network concept is not new, dating back to the 1930’s in organisational research and at least the 1950’s in anthropology and sociology (Nohria, 1992). However, it is only during the last fifteen years that entrepreneurship scholars have applied networking theory. Since entrepreneurship, like marketing, focuses on change, consideration of networks provides a framework for understanding how resources, knowledge and information are collected and managed.

Numerous studies have shown how entrepreneurial networks enhance entrepreneurship (Aldrich and Zimmer, 1986; Birley, 1985; Carsrud and Johnson, 1989; Johannisson and Peterson, 1984; Johannisson *et al.*, 1994). In particular, networks enhance survivability (Brüderl and Preisendörfer, 1998; Huggins, 2000; Szarka, 1990). By supplementing the entrepreneur’s own business resources, the network improves the likelihood of success (Brüderl and Preisendörfer, 1998; Foss, 1994; Hansen, 1991; Jack and Anderson, 2001; Johannisson, 1986; 1987; Johannisson and Nilsson, 1989; Johannisson and Peterson, 1984; Ostgaard and Birley, 1994). In essence, the classic networking literature networks shows that networking extends the reach of the entrepreneur and the business.

However, the actual process of networking is less well documented. Economists have begun to recognise that interpersonal relationships have a crucial role to play in the success of individuals (Coleman, 1990; Putnam, 1993). In particular those economic exchanges are influenced by the level of trust and familiarity between economic agents (Dibben, 2000; Fukuyama 1995; Gambetta, 1988). The evidence from Fafchamps and Minten’s (1999) study is that good entrepreneurs do invest in social interaction. One way of recognising the articulation of networks is by the idea of embeddedness. Uzzi (1997) argued that research into embeddedness can help to advance understanding of how social structure affects economic life. Embeddedness is “a puzzle that, once understood, can furnish tools for explicating not only organisational puzzles but market processes” (Uzzi, 1997: 22). Yet embeddedness mirrors the multiple dimensions of relationship marketing. These, according to Yau et al (2000) consist of bonding; empathy; reciprocity and trust. So clearly a case exists for conceptually linking the process we know as entrepreneurial networking with the particular form of networking we consider as relationship marketing. Both are about extending outwards, both are about building relationships founded on trust. Both create outcomes about

value gathering and harvesting, so that at an abstract level, both process and content are very similar.

Table 1 highlights the common boundaries of relationship marketing and entrepreneurship theory. As we argue in the paper, relationship marketing and entrepreneurship are two very similar theories with common linkages. In the first column we demonstrate the linking elements of the theories. The second and third columns represent the sources of these elements.

Entrepreneurship and Relationship Marketing Theory Links, Table 1

LINKS	RELATIONSHIP MARKETING	ENTREPRENEURSHIP
Value	Narver and Slater, 1990	Anderson, 1998
Centrality of individual	Sheth et al., 1988	Gartner, 1998; Chell, 1985
Complex relationships	Walter and Gemunden, 2000	Jack and Anderson, 2001
Strong customer focus	Hisrich, 1992	Hisrich, 1992
Behavioural orientation	Kohli and Jaworski, 1990	Hills and LaForge, 1992
Personal contact	Berry, 1983	Day et al., 1998
Communication	Carson, 1985	Carson, 1985
Flexibility	Carson et al., 1995	Carson et al., 1995

To summarise, we argue that the conceptual foundations of both relationship marketing and entrepreneurship share a similar theoretical underpinning. This grounding base appears most manifest in the practices of networking. Seen this way we could envisage a model of entrepreneurial marketing practices which centres on networking as action to develop markets entrepreneurially. In this model it would be difficult to distinguish between practices which are purely about marketing or entrepreneurship, both activities employ the same means. In fact it may be no more than an academic distinction to try to differentiate the ends as either marketing or entrepreneurship!

Methodology

Since our objective was to try to understand the links between relationship marketing and enterprise we adopted a qualitative methodology. This involved using participant observation of one company to develop a case study about this firm, its owner and how the company operated. The company is located in southern Greece and processes olive oil. It is a small company with 9 employees and some 500 customers. Our sample was purposefully selected, in part, because it would provide an interesting case for the study, and also for convenience, because one of the authors had worked for one month each year for five years within this company.

There are a number of advantages and disadvantages to this approach to collecting data. It might be criticised as a unique case or a highly subjective interpretation of "facts". These points we accept, but also emphasise the epistemological underpinning for our approach. Rosen (1991:5) makes our case "the interpretative social constructionist approach presupposes that any member of any social system enact their world through social interaction". Similarly Cook's (1983:25) comment on such methodology, "It offers the best methodology... to ground theory in material content and to synthesise conjectural processes with deeper structures than those immediately accessible to empirical observation". As Rosen

puts it, understanding social process involves getting inside the world of those generating it. Strauss (1987:11) puts it well, mine your experiences!

Participant Observation allows a depth of access unreached by other methodologies, but it also requires a clear appreciation of the role of the researcher. In Gold's (1958) typology of master roles, the role adopted was that of participant as observer, hence an emphasis on participation. As the primary research instrument (Hammersley and Atkinson 1983), steps had to be taken to reduce the risk of "going native" (Gill and Johnston, 2002). This was achieved by the field observer reporting "observations" to the other author, who took the role of rapporteur. Distancing from the field in this way, we feel improved the validity and reliability of the study by forcing a reflexive stance. A balance was achieved between the roles of outsider and insider; detachment and inclusion. The resulting case study (Yin, 1994) presented a pool of descriptive data for primary categorisation and analysis.

Analysis of the data was conducted by techniques of constant comparison and analytic induction. In practice, we found that we were very strongly influenced by the existing literature. Although this was intended to provide a guiding framework for the collection of data as presensitivity (Glasser, 1979), we found that it also shaped our inductive process of analysis. Bryman (1988) cautions against this problem, arguing that premature closure of alternatives may occur. In reality, we actually found that we sought patterns to reinforce our thinking, so were forced to seek refuting examples to try to modify and refine the emerging theory. In this way our observer bias was compounded by this analytical bias and presents some threat to the reliability of the findings. Accordingly we accept that there must be a trade-off between the depth and validity of our findings (especially the strength of ecological validity) and any pretensions of generalisability. Nonetheless, we consider this trade-off as acceptable given the exploratory nature of the research.

Summary of the case study

This small rural firm is situated in Glifada, a village of some 300 people and some 280 kms from the capital, Athens. The surrounding catchment of 10kms supports about 2,000 souls who are mainly olive farmers. The area is justly famous for the quality of these olives and olive production and processing is the main industry. Harvesting is seasonal, November to January, and processing can only take place during that period.

The firm, owned and managed by the entrepreneur, Panagiotis Pandazopoulos, has 9 employees and its business is to process olives to make 400 tons of high quality olive oil. Modern equipment was recently purchased to improve speed and quality. Although a very traditional industry, olives have been grown in the area for over 3,000 years, the firm faces some modern marketing and management constraints. For management, it is essential that the throughput is organised in the most effective and efficient manner. Quality is paramount but the production process must also be efficient due to the limitations of seasonality. Importantly, there are few innovations which can be incorporated into the very traditional production process. Moreover, the firm deals with some 500 individual customers who all have individual requirements. Transport has to be organised, production schedules negotiated and cash flow maintained. Olive oil price fluctuates unpredictably, with weather, demand and timing. For marketing the situation is even more complex. The firm operates as both manufacturer and trader. Farming customers usually "pay" for processing through the retention of a percentage of the production, so this oil has to be marketed. In effect, this means that there are two sets of customers; spatially, the number of farming customers is geographically constrained by the dictates of transport costs. A further problem is that there are eight other processors in the catchment area, thus creating a highly competitive marketplace for a very traditional commodity. In short, there is little scope for differentiating the product, so marketing needs to be focused on convincing customers about the reliability

and quality of the commodity service. This is exactly what the entrepreneur does by means of relationships, both in his marketing and the operation of the business.

Discussion

It is clear that the owner has to be entrepreneurial to stay in business. He has little competitive advantage, few ways of developing process innovation and operates in a very competitive environment. What we found was that he used his relationships innovatively to add value to the customers' perception of the operation. This was done exclusively through the practices we described earlier as both entrepreneurial and relationship marketing. Although the terminology of relationship marketing was alien to Pantazopoulos, he practiced it without realising. He said, "my only concern is that I make a good relationship with farmers, so that they choose my firm and not my competitors". Significantly, this intuitive form of RM works very well.

An important factor in the relationship building was the eight months off season period, this time was used to build and maintain relationships. We found that relationships were developed in two main areas, personal and commercial. For the commercial side, we noted how the entrepreneur capitalised on his expertise and his own status within the community. For example, the production of olive oil is heavily subsidised by the EU. However, claiming this cash involves complex and difficult form filling. Pantazopoulos has developed some expertise in these forms and now shares his skills by aiding small producers to correctly complete their applications. But the sharing of expertise was not limited to bureaucracy, Pantazopoulos is also an expert in the cultivation of olives. So if any technical problems arise many of the locals turn to Pantazopoulos for advice. Over the years he has built up and established strong trusting relationships both with customers, and with the local bureaucracy and establishments. Some examples of the application of this trust include, introductions to friendly bank managers and assistance with loan guarantees. We also found that Pantazopoulos was very close to many of his customers and was prepared to advance cash in hard times; sell oil on credit or to offer free storage and help out with transporting oil or olives. Whilst all of these activities appear to add considerable value to the oil production process, the marketing process, in particular customer loyalty, is enhanced by facilitating the combination of extended service. This extended service "fits" precisely the needs of the customers.

On the personal front, Pantazopoulos spends a lot of time in the quintessential Greek meeting place, the coffee shop. He meets customers and friends, finds out what is happening and who is doing what. We found that he had built a wonderful local reputation by small community services, he gives lifts into town for older people needing to visit doctors and he collects medicines. In fact, he was recently elected vice-mayor of the local community. So we see that he is deeply embedded in the local community, he is well known and well established with all the local key players. He obviously does not abuse this influence, but turns it, not to his own direct advantage, but shares it. We see echoes here of the anthropological idea of "the little big man", where influence is generated by helping others, in turn this sharing creates more influence.

What seems important from a theoretical perspective is how the relationship building focus is on involvement, both direct and indirect. Each transaction takes place within an incredibly rich social context. These relationships are based on trust, trust in competence and personal trust arising from a lifetime's work of entrepreneuring. We note how this relationship building and maintenance is about two things, creating value for the business and creating loyal customers. The two are inseparable, each reinforces the other. So we conclude, that for this case at least, relationship marketing and entrepreneurship very, very similar. Similarly the 4Ps should not be directives, but should be seen as analytical tools focusing on understanding people and process, to create purpose and effective practices.

One implication arising for future work is the issue of ends and means. We have argued from a theoretical perspective about the convergence of entrepreneurial and marketing, we have demonstrated from our case that the practices seem to combine. So if this case is not unique, it presents a research opportunity to establish whether this blending of networking means is an explicit strategy towards furthering entrepreneurship, or if entrepreneurs are more concerned with marketing ends. Moreover, the issue of apparent altruism is an interesting one. Could we establish whether this altruism is a business or a social practice? Again the question of ends and means seems an appropriate framework.

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