

Do marketers matter for entrepreneurs?

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Researchers from the University of Texas, University of Chicago, University of Notre Dame, and London School of Economics published a new paper in the *Journal of Marketing* that examines whether entrepreneurs in emerging markets can benefit from marketers' help.

The study, forthcoming in the *Journal of Marketing*, is titled "Do Marketers Matter for Entrepreneurs? Evidence from a Field Experiment in Uganda" and is authored by Stephen Anderson, Pradeep Chintagunta, Frank Germann, and Naufel Vilcassim.

Can marketers help improve the world? While this question may seem vast and unknowable, this new study proposes otherwise. The researchers propose that marketers can help entrepreneurs in emerging markets grow their businesses. And flourishing entrepreneurs in these markets can then improve lives, sustain livelihoods, enhance overall living standards, and strengthen societies.

Entrepreneurs are ubiquitous in emerging markets. In 2010, more than 31% of the [adult population](#) in Uganda, the setting for the study, was either starting a business or running a business less than four years old. However, many emerging [market](#) entrepreneurs struggle to make ends meet and their firms' [growth rates](#) are low, stifling the positive impact they could have on society. The low growth rates seem to result from most businesses being undifferentiated and failing to attract customer interest.

Marketing helps firms differentiate by attempting to answer the question, "Why should the customer buy from the firm and not elsewhere?" Thus, we examine whether entrepreneurs in emerging markets can benefit from marketers' help.

To test marketers' effect on emerging market entrepreneurs, the researchers conducted a randomized controlled [field experiment](#) with 930 Ugandan businesses. The experiment allowed them to examine the impact of a business support intervention in which international professionals from varying functional backgrounds (e.g., marketing, consulting) volunteered time to help small-scale entrepreneurs. Results show volunteer marketers are effective at helping entrepreneurs grow

sales, profits, assets, and employees. Specifically, compared to control firms, the entrepreneurs supported by volunteer marketers grew monthly sales by 51.7% on average, while their monthly profits improved by 35.8%, total assets increased by 31.0%, and paid employees rose by 23.8%. An analysis of interactions between volunteers and entrepreneurs indicates the marketers spent more time on product-related topics than other volunteers during the intervention. Furthermore, analyses indicate the marketers helped the entrepreneurs focus on premium products to differentiate in the marketplace. As Anderson explains, "Because small-scale businesses form the commercial backbone of most emerging markets, their performance and development are critically important. And marketers' [positive impact](#) on the businesses highlights the need for the field's increased presence in emerging markets. "

Chintagunta continues that "Given the positive and direct impact marketers can have on growth outcomes, we hope our study will motivate marketing practitioners to work with entrepreneurs and early-stage ventures in emerging markets." Governmental and non-governmental organizations actively serving emerging markets should also benefit from our findings when designing and implementing future business support services. Entrepreneurs should also take note of our findings and solicit marketers' help. Finally, [business](#) schools could incorporate versions of this 'remote coaching' intervention into their emerging market programs with a focus on matching entrepreneurs with their marketing students. Multinationals can participate in future remote marketing coaching interventions like this, too. "This endeavor, we believe, could be a win-win for the entrepreneurs and the multinationals: The entrepreneurs' businesses would likely grow and the multinationals would likely have more satisfied employees, accrue corporate social responsibility-related benefits, and learn about opportunities (and threats) that exist in emerging markets" says Germann.

More information: Stephen J. Anderson et al, EXPRESS: Do

Marketers Matter for Entrepreneurs? Evidence from a Field Experiment in Uganda, *Journal of Marketing* (2021). [DOI: 10.1177/0022242921993176](https://doi.org/10.1177/0022242921993176)

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