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### The Impact of Entrepreneurial Marketing Behavior on Customer Relationship Management: An Applied Study on Mobile Phone Customers in Egypt

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### Abstract

This research was designed to study the relationship between EM in relation to its dimensions and CRM. The research problem was formulated in several questions about the nature of the correlation relationship and the relations Relational relationship between the search variables. The questionnaires collected from the customers of the commercial banks operating in Egypt were used. Statistical software SPSS. 11 was also used to analyze the data and extract the results. A number of conclusions have been reached in the existence of a positive correlation relationship as well as a significant relationship between the EM and customer relationship management.

Keywords: Entrepreneurial marketing, Entrepreneurialism, Marketing, entrepreneurship, CRM.

### 1.Introduction

The importance of entrepreneurship has increased in the last period, especially with the emergence of knowledge economies. The interest of entrepreneurs has increased as they are the human resources of the economy. This has led to increasing interest in scientific studies of entrepreneurship and its relationship with other academic disciplines such as marketing. The idea of linking entrepreneurship to marketing has emerged for many years. The definitions of Entrepreneurial marketing (EM) and its interface reflect entrepreneurial behavior. Concepts such as change, innovations and opportunities are typically present. An example is an early definition of the interface (Gardner, 1994: 37): ... the interface of entrepreneurial behavior and marketing is that where innovation is brought to market. Thus, marketing's role in innovation, is to provide the concepts, tools and infrastructure to close the gap between innovation and market positioning to achieve sustainable competitive advantages.

As concepts have evolved, we have seen EM to show something more complex than simply presenting concepts and tools to create a sustainable competitive advantage. EM is a complex process and an awareness of how entrepreneurs are introduced to the market. EM is the spirit and direction of the search for opportunities and the growing projects that create the perceived value of customers through the use of creativity and sales and invasion of markets and networks and flexibility. Table I attempts to set out the characteristics of

this entrepreneurial market creation.

### Table I.

The nature and characteristics of entrepreneurial market creation

Concept	Entrepreneurship	Marketing	Entrepreneurial marketing practice
Market	Pre-existing and consisting of opportunities waiting to be discovered	Pre-existing and a battlefield consisting of products and services competing on objectively based differences	Co-production of opportunity Juxta position of meaning, purpose and identities
Consumption and production	Objectification and position	Objectification and position	Relationships and process
Entrepreneur	A discoverer and exploiter of needs	Delivering innovation to customers	Co-production of identities and market Is an active consumer
Customer (consumer, buyer)	Receiver of previously undiscovered needs	Driving demand	Co-producer and co- consumption of product, embodied in identities and market creation
The entrepreneurial process	Enacting entrepreneurship by discovering and satisfying needs	Increasing the number of market transactions, usually by innovation	Co-producer and co- consumption of product, embodied in identities and market creation
The marketing process	A skill that can be retrospectively added	Sending creative message to potential customers	Opportunity emerging in a socio-relational process
Consumption	The use of goods for production	The use of goods created by the producer	Co-production of identity, vision and future
	Exists and only needs to be found	Unsatisfied needs	Becomes real in the engaging with the customer Becomes enacted

#### 2.Entrepreneurial marketing

Entrepreneurial marketing is often used to describe the marketing that small businesses do in their boiler growth or early growth. The leading approaches to marketing are not only used for small businesses but also can be applied to larger companies that adopt an innovative approach to their marketing. Although it is difficult to describe leadership marketing accurately, it can be said to be a dynamic informal process that responds to customer needs in its simple design and implementation.

Today's competition is based on providing a superior customer service rather than a good product. Customer relationship management has been adopted as a means of achieving you so that companies that use relationship management with customers who have better relationships with their customers, improve their loyalty, increase revenue and reduce costs.

### 3. Customer relationship management

Boutel (2004) noted that CRM is a core business strategy that creates integration between internal processes, functions and external relationships. In order to provide a better service and value to the targeted customers based on a high quality database of customers and the use of information technology efficiently.

The EM strategy derived from CRM helps commercial banks build long-term relationships with their customers and increase their profits. Therefore, in recent years, organizations have adopted CRM because of their efforts to counter competition by emphasizing customer satisfaction and better service.

### 4.Problem statement

By doing exploratory studied to develop a model of the relationship between the Entrepreneurial marketing behavior and its impact on CRM companies' mobile phone service in Egypt. Based upon the formulation of research problem: What is the nature of relationship between the Entrepreneurial marketing and customer relationship management behavior? Does the relative importance of this relationship vary according to the dimensions of the Entrepreneurial marketing?

### 5.Research Objectives

In the current years, the Egyptian telecoms sector is witnessing strong competition. Egyptian telecoms are trying to build relationships with their customers to keep them from switching to other companies. To this aim, some Egyptian communication firms have been implementing EM practices since their initiation. The major objectives of this research were to: 1) Evaluate the EM practices within the context of CRM. 2) Determine the factors that constitute the base of EM within the context of CRMs.

### 6. Research Focus

This study focuses on evaluating the marketing practices in the content of CRM and we will use seven elements to measure the EM practices and to show to what extent these elements affect and reflect the practices of CRM.

### 7.Methodology

We can see the CRM from three different angles: the functional level, the level of customer's face and the level of the whole company. In addition, the look of the career perspective, you can see customer relationship management as a group of requested their presence to carry out the functions of marketing operations.

Managing customer relationships from the perspective of the customer face, the customer relationship appears to be a range of activities that provide insight to the individual customer across all channels of communication management.

The process of CRM as a philosophy on the company level where the knowledge of customers and their preferences, helps to organize and build the company to manage customer relations at the level of the whole company. Based up on this strategy, CRM is a set of competitive featured activities. Establishing the application requires:

- 1. Directed administration with the customer.
- 2. The integration and harmonization of regulatory processes.
- 3. The development of information and the harmonization of technological.
- 4. Implement a strategy for CRM.

Based on the foregoing addressed in strategic perspective to manage the customer relationship, it was agreed that the most important factors used in the concept of CRM are: Operations - Customer – Technology.

### 8.EM deamination's

### 8.1.Proactive orientation

Firms adopting EMP tend to exhibit superior insight into opportunities that other firms might not have (von Mises, 1966). That is, they are often the first to see opportunities within a product/market/technology space, and thus are usually the first to exploit those opportunities. It is natural to find other competing companies to follow the same EM plans. EM initiative will be seen as a reference to current or potential competitors to study market opportunities themselves. The ability of EMP firms to be the first movers is both strategic as well as cultural. EMPs mandate the firm to constantly consider opportunities in which it can leverage innovation to create additional value for current and prospective customers and stakeholders. The companies that initiate

practices tend to show a superior vision of the two companies that do not have the other companies, they are the first in the vision of opportunities through the product - market - technology as it is often the first to exploit these opportunities.

### H.1 There is no correlation statistical relationship between the proactive as one of the priorities of Entrepreneurial marketing and customer relationship management.

## H.2 There is no impact statistical relationship between the proactive as one of the priorities of Entrepreneurial marketing and customer relationship management.

### 8.2. Customer intensity

Companies that use EMP believe that the reason for their survival is the current customers. These companies aim to serve the customers and meet their current and expected needs, both visible and invisible, and they have a deep understanding that the product area - market - technology is dynamic. Entrepreneurial marketers make their customers their top priority and treat customer as active participants in their marketing decision process. Marketers integrate their customers into their operations and receive recommendations from customers on regular basis. Customers' preferences directly play a crucial role in defining a firm's product, price, distribution and communication approaches. To keep up with changes in customers' preferences, marketers use an intensely focused, flexible and customizable approach to the market. They are willing to make new promises to customers, modify their product designs and change their prices to deliver the most satisfying products/ services to the customers..

H.3 There is no correlation statistical relationship between Customer intensity as one of the priorities of Entrepreneurial marketing and customer relationship management.

## H4. There is no impact statistical relationship between Customer intensity as one of the priorities of Entrepreneurial marketing and customer relationship management.

### 8.3.Create value for the customer

As we have realized, it is necessary to create value for the company. Therefore, companies that use EMP recognize the importance and necessity of providing customers with values that exceed their expectations and exceed competitors. Customer value can be maximized by increasing the offers and benefits received by the client or reducing total costs and time. Once more, due to the greater ability to identify and exploit opportunities, it's argued that firms that use EMPs are better able to recognize attractive entrepreneurial opportunities and exploit them by leveraging innovation to boost the offering's benefits and/or decrease the offering's costs, resulting in a superior value for the customer.

# H5. There is no correlation statistical relationship between Value creation as one of the priorities of Entrepreneurial marketing and customer relationship management.

# H6. There is no impact statistical relationship between Value creation as one of the priorities of Entrepreneurial marketing and customer relationship management.

### 8.4.Risk management

In line with the concept of entrepreneurship, companies that use EMP calculate risk rationally. These companies are not adventurers but they respond to risk and realize that innovation with environmental, technological, economic and social variables involves uncertainty and requires rational betting. Risk management can be done through alliances with other partners. Companies believe that these unions will provide them with additional capability and help them transfer risks to other partners. Risk is one of the most important problems that affect organizations, as the higher the risk than the acceptable limit may result in a problem where the risks can be defined as any threat facing the Organization and impede its ability, whether that organization is for profit or not-for-profit.

## H7. There is no correlation statistical relationship between risk management as one of the priorities of entrepreneurial marketing and customer relationship management.

# H8. There is no impact statistical relationship between risk management as one of the priorities of entrepreneurial marketing and customer relationship management.

### **8.5.Product Innovation**

A firm that uses EMPs is an pioneering as well as a dynamic firm. Through modification, the firm involvements new situations and practices new customs, thereby adding to existing ones. Current challenges in the business world are managed and the existing variables are driven through innovation. Pioneering marketing companies use innovation as a magnifying lens and a focal point through which opportunities can be exploited. EMP firms discover, evaluate and exploit opportunities that leverage fundamental innovation as well as produce new value propositions for customers. The creativity in the product includes the ability of the organization to maintain the production and generation of new ideas and then turn them into products and technology applications or new markets. Marketing function is also integrated with the EM achieving a creative and sustainable process. It is capable of facing new situations and creativity can be exploited in the search for new opportunities in the market.

### H9. There is no correlation statistical relationship between innovation as one of the priorities of Entrepreneurial marketing and customer relationship management.

H10. There is no impact statistical relationship between innovation as one of the priorities of Entrepreneurial marketing and customer relationship management.

### 8.6.Opportunity orientation

firms that use EMPs have a habit of striking a perfect balance between strategic vision as well as strategic opportunism (Aaker, 2001). Which indicates that companies that pursue market leadership have a strong sense of their position in the market and use it to seize opportunities. However, there are also opportunities that appear outside the strategy and hence are outside the strategic interest. But EMP plans not only seek opportunities that are relevant to their current strategies but also evaluate opportunities outside their strategies effectively on product-market components that may hinder the future and redefine the future. EM places an emphasis on pursuing opportunities, regardless of the available resources . Marketers respond to emerging opportunities by continually improvising and redeploying their resources. Although opportunities. Being forward looking and having the will to become pioneers enable entrepreneurial marketers to serve unsatisfied needs and capture emerging opportunities before their competitors. Innovation and creativity are crucial processes that help entrepreneurial marketers to turn opportunities into realities.

Firms that adopt EM often focus on creating a new category of products and leading their customers using discontinuous innovation. Note that innovation is not limited to products or services, but can also include marketing processes or strategies.

### H11. There is no correlation statistical relationship between opportunity as one of the priorities of entrepreneurial marketing and customer relationship management.

H12. There is no impact statistical relationship between opportunity as one of the priorities of entrepreneurial marketing and customer relationship management.



### The conceptual model of the study

### 9.Measurement Hypotheses

### 9.1Sample and Procedure

The sample was selected from the employees distributed to the three Egyptian telecom companies in accordance with the statistical tables. A sample of 384 individuals was selected and the questionnaire was distributed to the inquisitors during the official working hours, with the commitment of data confidentiality. Data was also obtained by sending questionnaires by e-mail to avoid low response rates .The Cornbrash coefficient was also used to achieve credibility, honesty and consistency.

### 9.2Questionnaire and Measurement

### 9.3Questionnaire and Variables Development Procedures

The questionnaire-measuring device used to investigate the relationship between EM and CRM. After reviewing the theoretical frame, the researcher suggested the use of multi- scales and modifiable, reliable and valid scales for each variable as well as use SPSS version 20 for statistical analysis purpose.

### 9.4. Hypotheses Testing

As showing in *Table 1*, variables, correlations, represents that the table shows that there is a significant relationship between the variables and were in the expected direction. EM was positively related to CRM.

The logistic regression method was used to identify the change in CRM from the impact of the application of the concepts of EM where the dependent variable is the relationship of the customer. The value is taken (1) if the change is positive while the value is zero if the change is negative.

The analysis showed the following results as shown in table 2:

Extend the independent variable	T sig*	T-tub	T-calculated	SE	В	
Proactive	0.000	6.331	1.963	0.028	0.185	
Customer intensity	0.000	8.182	1.963	0.033	0.385	
Value creation	0.000	21.127	1.963	0.021	0.514	
Risk management	0.000	7.366	1.963	0.027	0.175	
innovation	0.000	11.365	1.963	0.031	0.258	
Opportunity	0.000	20.127	1.963	0.023	0.612	
F-calculated value =371	.796					
F-tub. Value =2.61						
R2=0.638						
Sig* =0.000						
df =681						
Multiple correlation coer	fficient R =0	.792				

Table 2. Multiple regression model

\*Sig. (a≥0.05)

As shown in the table above, the application of the companies in the EM method affects the CRM by 0.638. Therefore, these companies should expand the application of this method to provide excellent service as shown by the table of coefficients of the correlation. Table also represent that a strong correlation among the independent variable EM and dependent variable CRM.

Independent variable	Dependent variable CRM					
EM	Simple correlation coefficient	Simple regression coefficient	T test	Ranking		
Proactive	**0.72	0.61	**5.09	1		
Customer intensity	*0.62	0.48	**4.21	2		
Value creation	*0.56	0.41	*1.98	3		
Risk management	**0.52	0.39	**1.09	4		
innovation	*0.52	0.38	**0.020	5		
Opportunity	*0.51	0.37	*0.018	6		

### Table 3. Simple correlation coefficients and partial regression

As results of correlations matrix there is a significant relationship between the variables and were in the expected direction. EM was positively related to CRM .

There is a positive relationship between proactive (as a one dimension of EM) and CRM, where estimations regression 0. 61 and p < 0.01, the simple correlation was 0.72. This represents that proactive has an evidently positive influence on CRM. H1 as well as H2 is supported. There is a positive relationship between customer intensity (as a one dimension of EM) and CRM where estimates of standardized regression weights 0. 48 and p < 0.01, the simple correlation was 0.62. This represents that customer intensity has an evidently positive influence on CRM.H3 as well as H4 is supported. There is a positive relationship between Value creation (as a one dimension of EM) and CRM where estimates of standardized regression weights 0. 41 and p < 0.01, the simple correlation was 0.56. This shows that customer intensity has an evidently positive influence on CRM. H5 as well as H6 is supported.

Table 3 find a positive relation among risk management (as a one dimension of EM) and CRM where estimates of standardized regression weights 0. 39 and p < 0.01, the simple correlation was 0.52. This represents that risk management has an evidently positive influence on CRM. H7 as well as H8 is supported.

Table 3 also represents a positive relationship between innovation (as a one dimension of EM) and CRM where estimates of standardized regression weights 0. 38 and p < 0.01, the simple correlation was 0.52. This shows that innovation has an evidently positive influence on CRM. H9 as well as H10 is supported.

There is a positive relationship between opportunity (as a one dimension of EM) and CRM where estimates of standardized regression weights 0. 37 and p < 0.01, the simple correlation was 0.51. This represents that opportunity has an evidently positive influence on CRM. H11 as well as H12 is supported.

### <u>10.Final conceptual model of the study</u>

Finger 2 Final conceptual model of the study



### **11.Research limitations**

This current study shows some characterizes & limitations that should be mentioned. First, results may be influenced by common method variance because questionnaires were used to measure EM and CRM. It may be related with various factors, like customer expectations and CRM dimensions. Second, this study applies on mobile phone firms. Results may be different when application field changes (e.g., banks, on line markets, etc.). Thus, it is wrong to generalize the results to other organizations.

Finally, this study examines the relationship between EM and CRM without exposure to the impact of CRM subdimensions like strategy, resources. Therefore, future research needs to examine this relationship.

### **12.Conclusion**

The accrued benefits of research findings that EM and CRM improve the ability to build more effective customer service. Mobile firms need to be aware the important role of EM in increasing customer satisfaction, through applying CRM role. The firms concerned should be interested in improving the customer relationship, studying their proposals and taking care to implement the concepts of EM as well as the benefits of it.

The mobile phone firms must seek to approach the customer orientation rather than the market orientation to reach CRM, considering that the customer is the origin of any activity. Firms should also realize that CRM is highly correlated with the best EM practice. The customer's reaction will turn into positive trends towards the mobile phone firms.

### **13.**Future research scope

The subject of EM is a fertile area for future studies due to the novelty of this subject. Therefore, the researcher suggests the following:

1. Community research: The application can be in other fields such as banks, hotels, universities, travel companies.

2. Search variables: Other variables that represent introductions to the EM and CRM, such as trust, introspection and participation, can be considered.

3. The level of analysis: The analysis can be conducted at the level of each firm separately and can be compared between two competitive mobile phone firms.

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