

## Entrepreneurial Approach on Relationship Marketing in Family Owned Business

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### Abstract

The purpose of this study is to shed light on how family businesses behave in terms of entrepreneurial marketing and whether they differ from non-family businesses in their orientation towards entrepreneurial marketing. In order to achieve this purpose we have designed a quantitative exploratory study at national level among small and medium size enterprises in Romania using the entrepreneurial marketing orientation scale developed by Niehm et al. (2013). The scale is especially designed for small businesses and measures four dimensions: *opportunity vigilance, customer-centric innovation, value creation and risk management*. The study used the online questionnaire as a data-gathering tool, which was disseminated through Qualtrics platform and aimed to answer the following questions: What role does marketing play in family businesses in Romania? Who are the actors and what is their influence in the marketing efforts? If and how family business identity is integrated in the marketing efforts of the business? What is the impact of family involvement on marketing efforts? How do family businesses rank compared to non-family SMEs on the entrepreneurial marketing scale? At a first level of analysis Romanian family businesses seem to behave in many ways like a non-family SME. Our study identify insignificant differences between the entrepreneurial marketing orientation of family businesses compared to non-family businesses and a limited integration of family identity in marketing communication.

**Keywords:** Entrepreneurial marketing, family business, family orientation, customer orientation, opportunity identification

**JEL classification:** M13

### 1. Introduction

The importance of marketing for the success of any business is unquestionable, especially in the light of the well-known saying “nothing happens in a company until a sales happens”. Despite being considered the backbone of most economies (Howorth, et. al, 2010), little is known about the way family businesses incorporate and communicate their identity as “family business” in their marketing process and whether this “strategic asset”, as it is labeled in the literature, helps them gain competitive advantage (Tokarczyk et al., 2007). Data regarding the marketing processes employed by family businesses is even scarcer in the context of Romania (SBA, 2013).

Family owned businesses are the playground of two apparently antagonist orientations namely the entrepreneurial orientation and the family orientation. Entrepreneurial orientation (Lumpkin and Dess, 1996) with its focus on risk taking, aggressiveness, autonomy, innovativeness, and proactiveness has the potential to lead to trans-generational value creation, while family orientation with its dimensions of interdependency, loyalty, security, stability, and tradition (Martin & Lumpkin, 2003) brings forth the relationship approach that is inherent to the nature of this type of business and which leads to trans-generational relationship creation. Harnessed and synergized these two orientations could foster a unique capability and distinctive competitive advantage for this category of business in its approach of marketing.

In spite of the existing debates, there is general agreement that family businesses are important for economic development and need to be further studied in order to discover more concerning their functions and how they can enhance their performance.

Grounded in an exploratory marketing research conducted among Romanian SMEs this article tries to answer the following questions: What role does marketing play in family businesses in Romania? Who are the actors and what is their influence in the marketing efforts? If and how family business identity is integrated in the marketing efforts of the business? What is the impact of family involvement on marketing efforts? How do family businesses rank compared to non-family SMEs on the entrepreneurial marketing scale?

These are questions that will be answered during this research study. The paper is based on primary data collected during a nation-wide study among SMEs in Romania and is exploratory in nature.

The reminder of this article is organized as follows: First, we consider the theoretical dimensions of entrepreneurial marketing. Second, we present a short overview of various findings in the literature regarding family businesses and their behavior towards different entrepreneurial orientation dimensions. Third we describe the methodology, data collection and results resulting from a recent nation-wide study among SMEs in Romania.

### **1. Entrepreneurial marketing**

Entrepreneurship is an important part of the world economic system, being one of the most demanded practical fields nowadays. In most of the capitalist economy an important number of persons engage in entrepreneurial activities, either by creating new firms, by creating new companies in the name of larger corporation, by buying franchises or by licensing technological innovation (Shane and Wenkataraman, 2006). Thus, private business is the biggest employer in the economy.

While entrepreneurship is the process that can create something that has value by devoting necessary time and effort (Hrisch, Peters, & Shepherd, 2008), marketing can help firms to create new resources and to enhance the productivity of current resources by championing innovation in the form of new combination of resources (Mayasari, Maharani, & Wiadi, 2009). Marketing and entrepreneurship are generally regarded as two separate academic disciplines, but entrepreneurial marketing is getting more and more attention especially when applied to behavior in small and medium-sized companies (Hills G. H., Hultman, & Miles, 2008). Also, in order to gain competitive advantage a number of large firms engage in entrepreneurial marketing related activities.

Entrepreneurial marketing is defined as the proactive identification and exploitation of new opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation. (Moriss, Schindehutte, & LaForge, 2002). Kraus et al (2009) describes entrepreneurial marketing as “an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customers’ relationships in ways that benefit the organization and its stakeholders. According to their definition, entrepreneurial marketing is best understood as “marketing activates with entrepreneurial mind set”. Hills et al (2008) considers entrepreneurial marketing “is a spirit, an orientation as well as a process of pursuing opportunities and launching and growing ventures that create perceived customer value through relationships, especially by employing innovativeness, creativity, selling, market immersion, networking or flexibility.” Thus, entrepreneurial marketing act as an umbrella for new perspectives on marketing and makes the link between entrepreneurship and marketing.

In an era of change, complexity, uncertainty and diminishing resources entrepreneurial marketing is proposed as a complex construct for marketing conceptualization that manifest itself differently as companies mature (Mayasari, Maharani, & Wiadi, 2009). Entrepreneurial marketing has eight dimensions: pro-activeness, calculated risk taking, innovativeness, opportunity focus, resource leveraging, customer intensity and value creation (Zahra & Garvis, 2000; Moriss, Schindehutte, & LaForge, 2002). In order to be able to engage in actions that are innovative and involve risks, proactive approach is needed.

Entrepreneurial marketing may take several forms, such as guerilla marketing, buzz marketing and viral marketing (Hill, 2009; Levinson, 1984).

Guerilla marketing takes a different approach to traditional marketing being an attempt to achieve high-impact promotions with low utilization of resources by acting like a guerilla (Kraus, Harms, & Fink,

2010). Ernesto Che Guevara described guerrilla tactic as a method of warfare “that builds on raids and ambush attacks” (Guevara, 1960). By adopting this approach to business concepts, marketers considered it as a means of gaining big results at low expenses (Baltes & Leibing, 2008). Guerilla Marketing enables individuals and small companies to use high-impact and low cost marketing techniques in order to attain results such as only big companies do. This unconventional system relies not on a big marketing budget, but on imagination, creativity, time and energy.

“Viral marketing” can be achieved by the use of social networks. (De Bruyn & Lilien, 2008; Swanepoel, Lye, & Rugimbana, 2009).

Buzz marketing refers to the use of word-of-mouth communication through social media such as internet, e-mail or cell phone networks. (Schmengler & Kraus, 2010) Formally called “street marketing” is a marketing technique that aims to promote products and services between a large population by using “word of mouth”. Morrissey (2007) describes buzz marketing like a virus: “buzz marketing it is ideally spread with a predefined target which will relay the message to the people who love surrounding the same products and services that carry the message”.

In their search for creating new opportunities, entrepreneurial marketing managers look at the value creation process from a different point of view. They are searching for new ways of combining marketing tools and also they are coming up with new ways of resources allocation. (Hills G. H., Hultman, & Miles, 2008). The rewards are being translated in monetary independence and personal satisfaction, but they come together with financial, physic and social risk. (Hrisch, Peters, & Shepherd, 2008)

SMEs differ from large companies regarding their marketing strategies and tools they use mainly because of resources scarcity in terms of physical and human capital. Still, they are able to generate competitive advantage due to their size. Marketing and entrepreneurship determine the faith of entrepreneurs and of the SMEs in the whole world in terms of success, development and profitability.

## **2. Family business – a union of contrasts**

Family firms can be defined as owner-managed enterprises with family members exercising considerable financial and/or managerial control (Pistrucci et al., 2000). The dual system of family business brings forth a confluence of aspirations and beliefs, motivations and goals regarding the way business should be managed which create unique characteristics of ownership, governance and decision-making (Tokarczyk et al., 2007). This uniqueness generates a constant tension between two orientations - the family orientation and the business orientation- influencing the direction of the business and its strategic behavior (Zachary et al., 2011; Chua, Chrisman & Sharma, 1999).

Research indicates that family businesses are able to achieve higher profitability in the long run (Craig et al., 2007), display a long-term strategic outlook due to their main motivation for creating a legacy across generations and constitute natural incubators for entrepreneurial culture, nurturing the next generation of entrepreneurs (Aldrich & Cliff, 2003). These achievements are made possible by the inherent advantages of family businesses such as lower agency costs (Adams et al., 2002), higher flexibility of organizational structures and unique intangible assets such as familiness (Habbershon et al., 2003) among other advantages indicated by research literature.

Nevertheless, family businesses are often criticized to be too family-oriented (Martin & Lumpkin, 2003) too inwardly focused, too risk adverse, less competitive (Brigham et al. 2014; Zellweger & Sienger, 2010), too preoccupied with maintaining traditions, stability and autonomy, which leads them to act less entrepreneurially and consequently makes them less able to adapt to an ever-changing environment. However, the reality of markets around the globe indicates that family businesses are able to survive and display entrepreneurial behavior (Zellweger et al., 2011). Moreover, the relationship between entrepreneurship and family business is considered by some researchers to be so intricate that they have proposed the metaphor of fire and oxygen to surprise it, calling family the oxygen that sustains the fire of entrepreneurship (Aldrich & Cliff, 2003).

## 2.1. Entrepreneurial marketing orientation of family businesses

The union of contrasts that collide in the family business makes it worth it to examine the consequences of these characteristics on its strategic behavior such as entrepreneurial marketing orientation. In this paper we have measured entrepreneurial marketing orientation of small businesses in Romania using a scale developed by Niehm et al. (2013) especially designed to accommodate the unique challenges of small, independently owned businesses. The scale consists of 4 dimensions namely: *opportunity vigilance, customer-centric innovation, value creation and risk management*.

The first dimension, that of opportunity vigilance was conceptually defined using two aspects - proactive orientation and opportunity driven- and measured by 6 scale items. Proactive orientation is a business operator's tendency to demonstrate leadership by initiating actions with the goal of affecting change in marketing practices while opportunity driven is a business operator's tendency to identify unmet market needs and sources of sustainable competitive advantage.

The dimension of consumer-centric innovation was defined using the concepts of consumer intensity and innovation focused and measured by 4 scale items. Customer-intensity represents a business operator's tendency to establish marketing relationships that address individual customer needs/desires/preferences and relate to customers on a more personal level. Innovation-focused is a business operator's tendency to seek new marketing ideas from both within the firm and through external firm activities.

Value creation, the third dimension in this scale, represents a business operator's tendency to use marketing efforts and resources to discover and deliver untapped sources of value for the customer and was measured using 3 items.

Risk management, the last dimension in the entrepreneurial marketing scale, is a business operator's tendency to demonstrate a creative approach to mitigating risks that surround bold, new actions and was measured using 3 items (Fiore et al. 2013)

The purpose of this study was to shed light on how family businesses score on the scale of entrepreneurial marketing and whether they differ from non-family businesses in their orientation towards entrepreneurial marketing. In order to achieve this purpose we have formulated the following hypothesis based on the available research regarding family business.

### 2.1.1 Opportunity vigilance

Opportunity identification represents a critical component in the entrepreneurial process being considered the trademark of entrepreneurial behavior (Gaglio & Katz, 2001; Hayton, Chandler & DeTienne, 2011). The capability to identify opportunities is fostered by the existence of distinctive life circumstances which are build up through the education, work and life experiences of the individual entrepreneur (Shane and Venkataraman, 2000; Rae, 2005).

In the context of family business, where the business is embedded in the family system, entrepreneurs experience "idiosyncratic life circumstances" (Aldrich & Cliff, 2003) which are unique, more rich on one hand but more restrictive (Pistrui et al., 2000) on the other hand. Due to the interdependence between family and business, the strong family influences and the fact that family businesses present multiple constituencies to which they are accountable to during the opportunity identification process, research indicate that family businesses are less likely to engage in an opportunity identification process that is characterized by creativity and spontaneity (Hayton, Chandler and DeTienne, 2011).

The opportunity vigilance dimension is also influenced by the strong preoccupation with survival for future generations and inward focus of family business (Cooper et al., 2005; Davis, 1983) which generate an insufficient attention given to external factors (Harris, Martinez & Ward, 1994), inhibits data gathering (Gudmundson et. al, 1999), keeps technological expertise at low levels (Cooper et al., 2005) and makes family businesses slower in adapting to modern approaches and strategies (Yildirim, 2015).

Based on these research findings regarding family business and opportunity identification capability we propose the following hypothesis:

***Hypothesis 1. Family businesses display low opportunity vigilance in their marketing approach.***

### 2.1.2. Customer orientation and value creation for customer

Research indicates that family businesses generally emphasize the importance of the business' image and reputation (Lyman, 1991) due to the fact that the reputation of the family and the business are highly intertwined (Cooper et al., 2005). This generates a genuine desire to provide outstanding customer service, an obsession with quality of products and services that bear the family name and a quick customer response (Carrigan & Buckley, 2008). Research also indicates that customer orientation is a major concern for family businesses (Tokarczyk et al., (2007) to the extent that they emphasize loyalty and customer satisfaction at the expense of profitability (Lee, 2006; Lyman, 1991; Zachary et al., 2011). Other studies emphasize the unique capacity of family businesses to cultivate long-term relationships across generations due to the strength of relational ties characteristic to their setting (Dyer, 2006). Family businesses are also expected to be more prone to collect and use customer information (Zachary et al., 2011). All these aspects put family businesses in an advantageous position in relation to their customers.

Thus, we hypothesize the following:

***Hypothesis 2 a: Family businesses exhibit high levels of customer orientation in their marketing approach.***

***Hypothesis 2 b: Family businesses exhibit high levels of value creation in their marketing approach***

### 2.1.3. Innovation orientation

Family businesses seem to be reluctant to utilize outside advice (Chua, Chrisman & Sharma, 1999) and are skeptical regarding financial markets (Claessens et al., 2002), which in turn leads to inadequate access to capital. This hinders their capacity to allocate investment for innovation and acquire technology required by innovative endeavors.

In terms of information access and sharing, family businesses present a unique context characterized by a greater number of strong kinship ties which on one hand, provide, on the basis of trust, an increased flow of information, but on the other hand, may inhibit information flowing from external sources, leading to less innovative opportunities being identified (Hayton et al., 2011). The innovation orientation of family businesses is also influenced by their strong emphasis on tradition and stability as part of their family orientation (Martin & Lumpkin, 2003) making them less prone to change, which is an inherent part of innovation process.

Other studies (Pistrui et al., 2000) indicate that family influence can generate conservative strategic behavior rather than innovation and creativity.

In light of these research insights we hypothesize the following:

***Hypothesis 3: Family businesses exhibit low levels of innovation orientation in their marketing approach.***

### 2.1.4. Risk Management

Some studies indicate that that family businesses are less willing to engage in risk taking activities or riskier opportunities which are normally associated with entrepreneurial processes (Hayton et al., 2011). The prudent approach of family businesses can be explain due to their tendency to set as priority for the business, family related goals, such as providing financial security and jobs for the family members. (Zachary, et al. 2011).

However, the reality of the market shows that many family businesses outperform their non-family counterparts and are doing so on the basis of entrepreneurial strategies (Zachary et al., 2011). Also, behavioral agency theory indicates that family businesses do engage in riskier behavior when they perceive a decrease in wealth (Isoraite, 2010).

In relation to family business risk management in the context of entrepreneurial marketing we hypothesize the following:

***Hypothesis 4: In normal conditions, family businesses manifest a low level of risk in their***

**marketing approach.****3. Study sample and data collection**

Our study is based on a nation-wide survey among existing SMEs in Romania and was administered from May 5 to May 15, 2016 using an online questionnaire consisting of 34 Likert –type scale questions disseminated using the Qualtrics platform. 16 items in the questionnaire represented the Entrepreneurial Marketing scale developed by Niehm et al. (2013) on the basis of which the hypotheses for this study were developed.

The study's hypotheses are tested empirically using a random sample of 296 SMEs in Romania who answered the questionnaire. Out of the 296 responding SMEs, 153 (52%) self-identified as family businesses (answered "Yes" to the question "Are you a family business" and meet the criteria of family ownership and family involvement in the business according to family business definition) and 143 (48%) identified themselves as not being a family business.

Because of the exploratory nature of the study no attempt was made to make any inferences or discuss generalizations. The main objective of the study was to produce base-line information that would help develop further analysis.

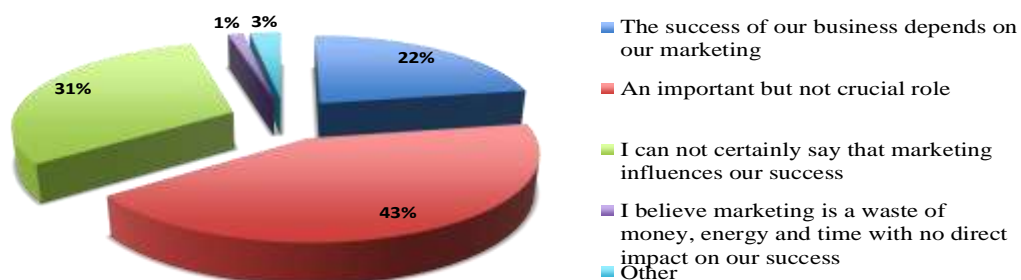
The majority of participants in our study were men (71%) in top management positions in their organizations (74% were owners, 10% General Directors and 10% Managers) with a higher education background: 59% have a Bachelor degree and 21% Masters degree.

National sample respondents averaged 15 + years of operation (51%). Approximately 90% of the businesses in the sample employ between 1-4 family members, 41% reported an annual turnover between 100.000 and 500.000 EUR and 36% a turnover between 500.000 and 1 mil EUR. The predominant activity sectors featured in the national sample were manufacturing (20%), services (18%) and retail and commerce (13%).

**3.1. Preliminary analysis - General marketing practices****The role of marketing in organization**

Although the marketing literature emphasizes the crucial role of marketing in the activity of any business, the practice of Romanian SMEs in our national study reveals that marketing activities are not given a distinct role in the organization with 38% of the respondents indicating that the marketing activities are distributed among other departments of the business according to what needs to be done. Only 11% of the respondents say that marketing activities are grouped in a dedicated department in their business while 21% of responding organizations feature a common marketing and sales department. Intriguingly enough, 18 % of respondents argue that their organization doesn't need a marketing department at all.

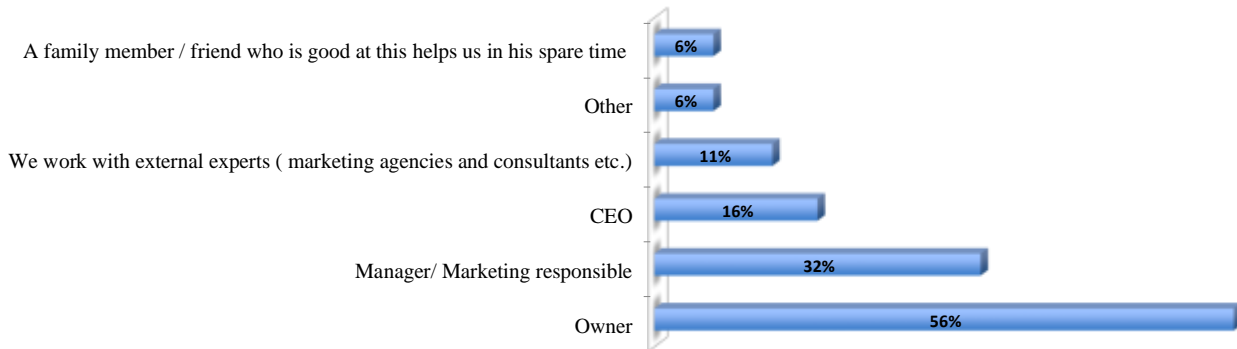
When it comes to the perceived *role of marketing in the success of the business* the majority (43%) of responding Romanian SMEs admit to the important role of marketing but they qualify it as "no crucial" for the success of their business. As Figure 1 shows, 31% of respondents claim that they cannot certainly say that marketing influence the success of their business.



**Figure 1. The role of marketing in business**

Source: Own research

Among the responding Romanian SMEs, marketing activities are highly concentrated in the top management (Figure 2) with 56% of cases the owner performing the marketing activities, 32% of cases the manager and 16% the General Director.

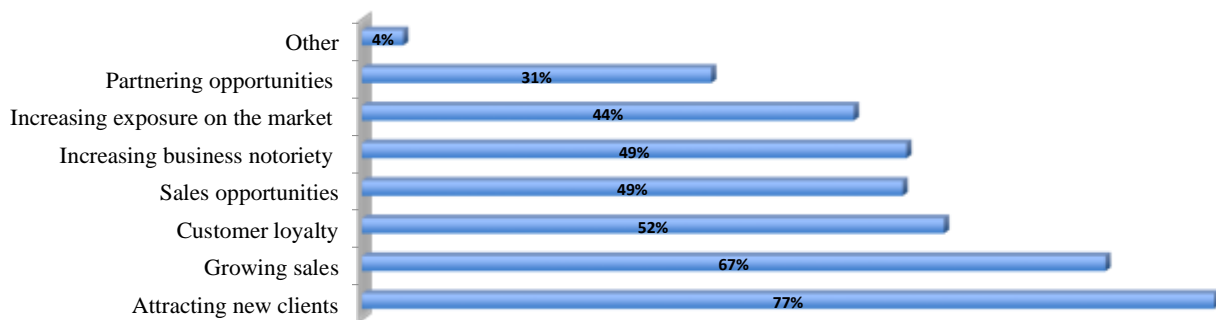


**Figure 2. The responsible for performing marketing activities**

Source: Own research

Marketing activities are mainly used for general presentation of the business and its products (77%). Other purposes of using marketing are entering new markets (44%) and presenting promotional offers (44%). Marketing activities are not so common in employees attraction efforts (19%).

The main *2 reasons for using marketing activities* are attracting new customers (77%) and increasing sales (67%). The relationship dimension of marketing comes third in expectancy lists of samples Romanian SMEs with 52% of respondents saying that they expect marketing activities to generate customer loyalty.



**Figure 3. Expected benefits from marketing activities**

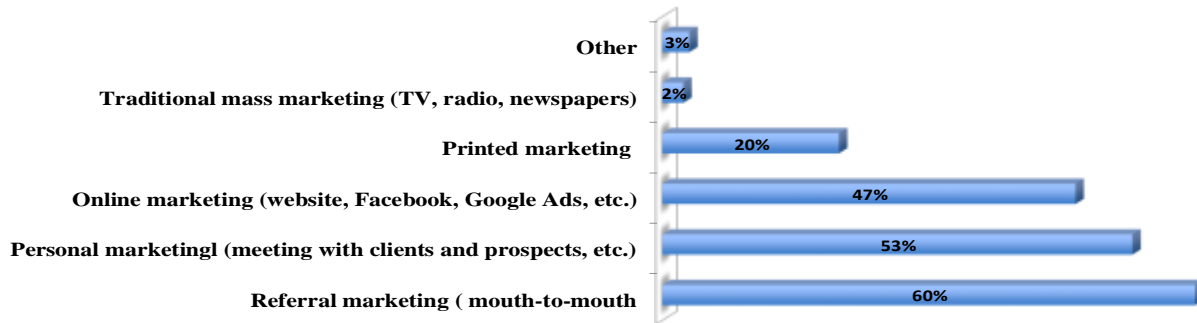
Source: Own research

Dominating among main *marketing strategies* used by responding Romanian SMEs is the mouth-to-mouth strategy or customers' referrals, 60% of responding businesses replying on this strategy. Personal marketing (personal meetings with clients and prospects) are another main marketing strategy used by SMEs in our study. It seems that online marketing prevails (47%) over printed marketing (20%) in the preference list of strategies used.

The preference for certain marketing strategies can also be seen in the array of *marketing instruments* used by responding Romanian SMEs and the frequency with which they are implemented. Thus, traditional marketing instruments using newspapers, radio, television and printed flyers are never or only rarely used. In accordance with the personal marketing strategy, customer presentations are used monthly or multiple times a month (38%).

Among online marketing instruments, websites seem to be preferred and frequently used (40%)

while video content is less used (61% never used it).



**Figure 4. Main marketing strategies used**

Source: Own research

When it comes to increasing the *efficiency of marketing activities* respondents believe that having more financial resources to dedicate to marketing activities is the most important aspect (51%). The next 2 ingredients to increase marketing performance are investments in technology and having employees with marketing knowledge and skills (42%). Although currently marketing activities of responding SMEs are highly concentrated in the person of the owner or other top management figures (CEO or General Director) respondent seem to think less at personal development with only 22% considering that their own development as marketers would positively influence the efficiency of marketing in their business.



**Figure 5. Main aspects that would improve marketing performance**

Source: Own research

The *performance of marketing* activities seem to be a taboo subject for the responding SMEs in our national sample since it goes mostly (45%) unmeasured. If measurement is applied this is done through the use of sales targets (39%) and periodical surveys among existing customers (33%).

### 3.2. The role of family in the marketing of the business

Although in our national sample 52% of respondents declared to be a “family business” they don’t seem to be leveraging this identity to obtain a competitive advantage in their marketing efforts. Only 14% of them present this identity in written marketing communication.



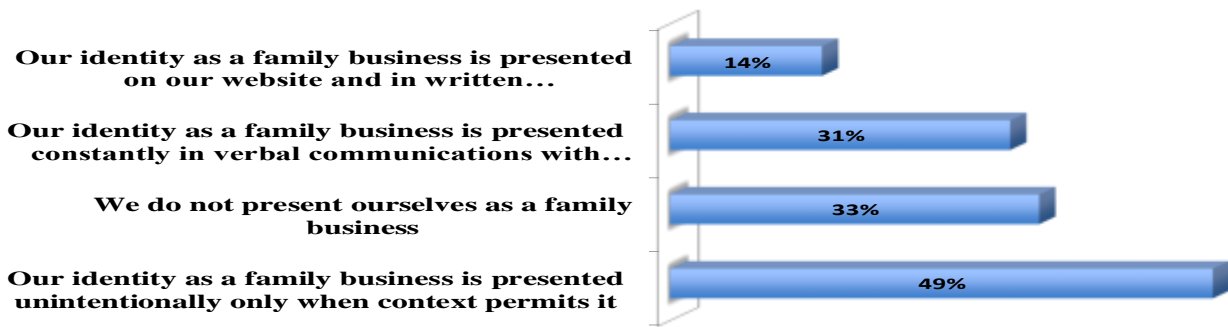


Figure 6. Integrating “family business” identity in marketing efforts

Source: Own research

This restraint could be explained by the fact that the majority of respondents (52%) believe that family business identity has a neutral impact on marketing success. Nevertheless, respondents recognize that involvement of family members generates benefits in terms of creativity (56%), knowledge (37%), access to new relationships (33%), enthusiasm (33%) and the necessary human resource for marketing activities (31%).

### 3.3. The entrepreneurial marketing orientation of family businesses

The entrepreneurial marketing orientation was analyzed using the a scale developed by Niehm et al. (2013) which was especially designed to accommodate the unique challenges of small, independently owned businesses.

The statistical analysis applied to our national sample in regards to the entrepreneurial marketing orientation of businesses that consider themselves a family business compared to businesses that don't see themselves as a family business show no significant differences between the two categories. The only significant chi-square identified was in the case of risk management component of entrepreneurial orientation (Table 1), which indicates that family businesses are more reserved when it comes to taking risks in their marketing activities compared with non-family businesses. This confirms our hypothesis regarding the attitude towards risk (H4) among family businesses. Hypothesis number 2, regarding customer centricity is not strongly supported by the data and statistical analysis. It seems that Romanian family businesses in our sample display only a slightly stronger focus on customers (39.2%) compared to their non-family counterparts (36.1%).

When it comes to proactive orientation, both family and non-family businesses in our sample only seldom or occasionally display a real passion for continually changing the way products/services are marketed in their business. Nevertheless, they occasionally and often monitor and improve the approach to marketing in their business. An occasional frequency dominates the opportunity driven component of entrepreneurial marketing orientation of both family and non-family businesses. Family businesses in our national sample seem to be slightly more aware (79.1%) of the importance of communicating with customers as a means to identify innovation opportunities than non-family businesses (77.8%). The statistical analysis for the other entrepreneurial marketing dimensions measured in our research – *opportunity vigilance, customer-centric innovation and value creation* are found in Appendix 1.

<b>RISK MANAGEMENT</b> <i>H4: In normal conditions, family businesses manifest a low level of risk in their marketing approach.</i>	<b>Risk Management</b>				
	When I decide to pursue a new marketing direction, I do so in stages rather than all at once to reduce the risk involved.	1 - It NEVER reflects my business at all	8.5%	13.9%	
		2 - SELDOM	11.1%	13.2%	
		3 - OCCASIONLLY	25.5%	36.1%	
		4 - OFTEN	39.9%	22.9%	
		5 - It ALWAYS reflects my business	15.0%	13.9%	
	My marketing efforts tend to have a low level of risk for my business.	1 - It NEVER reflects my business at all	5.2%	11.8%	
		2 - SELDOM	11.1%	11.1%	
		3 - OCCASIONLLY	30.1%	29.2%	
		4 - OFTEN	32.0%	34.0%	
		5 - It ALWAYS reflects my business	21.6%	13.9%	
	My business typically uses creative, low cost way to reduce risks associated with new marketing activities.	1 - It NEVER reflects my business at all	6.5%	9.7%	
		2 - SELDOM	9.2%	9.0%	
		3 - OCCASIONLLY	23.5%	25.7%	
		4 - OFTEN	34.0%	37.5%	
		5 - It ALWAYS reflects my business	26.8%	18.1%	

**Table 1. Entrepreneurial Marketing Orientation – Risk Management**

Source: Own research

#### 4. Discussions and further research

The present nation wide study was undertaken with the main objective of identifying family businesses among other SME's in Romania, their particular way of approaching marketing and whether the "family" factor influences the attitude towards entrepreneurial marketing. The study was therefore designed as an exploratory descriptive study that would yield base-line research. Due to the lack of information regarding this type of business in Romania, the identification of basic characteristics was critical in order to provide the background for further research. Our study revealed that businesses that qualify themselves as a "family business" in very few cases include their family identity in their marketing efforts, and if they do present themselves as so, they mainly do it occasionally and non-intentionally. This could be the reason why their approach to marketing and their entrepreneurial marketing orientation is not distinctively different from their non-family counterparts. Our statistical analysis didn't identify considerable differences in income level, industry, strategic marketing preferences, internal control mechanism or even number of family members involved in the business. Nevertheless, family members involvement in marketing activities is high and viewed as beneficial for the business in terms of creativity, access to larger relationship networks and human capital.

Although exploratory and descriptive in nature this research raises interesting questions that are worth pursuing in future research endeavors. The analysis of Romanian family businesses can be further developed by investigating the reasons behind the limited inclusion of family identity in the marketing communication of these businesses and whether it can be leveraged in a competitive advantage in relationship marketing.

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## Appendix 1

		Do you consider your business to be a family business?			
		Yes	No		
		Column N %	Column N %		
<b>OPPORTUNITY VIGILANCE</b> <i>H1: Family businesses display low opportunity vigilance in their marketing approach.</i>	<b>Proactive Orientation</b>	I have a real passion for continually changing the way products/services are marketed in my business.	1 - It NEVER reflects my business at all 21.6%	22.2%	
			2 - SELDOM 27.5%	21.5%	
			3 - OCCASIONLLY 35.9%	36.1%	
			4 - OFTEN 9.8%	14.6%	
			5 - It ALWAYS reflects my business 5.2%	5.6%	
			My business is frequently one of the first in the community to alter its marketing methods.	1 - It NEVER reflects my business at all 30.1%	32.6%
			2 - SELDOM 32.0%	29.9%	
			3 - OCCASIONLLY 22.9%	25.0%	
			4 - OFTEN 9.8%	9.0%	
			5 - It ALWAYS reflects my business 5.2%	3.5%	
		<b>Opportunity Driven</b>	I consistently monitor and improve the approach to marketing my business.	1 - It NEVER reflects my business at all 15.7%	16.7%
				2 - SELDOM 16.3%	25.0%
			3 - OCCASIONLLY 28.1%	28.5%	
			4 - OFTEN 32.0%	20.1%	
			5 - It ALWAYS reflects my business 7.8%	9.7%	
			I regularly pursue untapped market opportunities regardless of budgetary or staff constraints.	1 - It NEVER reflects my business at all 11.1%	11.1%
			2 - SELDOM 16.3%	13.9%	
			3 - OCCASIONLLY 31.4%	32.6%	
			4 - OFTEN 24.8%	30.6%	
			5 - It ALWAYS reflects my business 16.3%	11.8%	
		When new market opportunities arise, my business very quickly acts on them.	1 - It NEVER reflects my business at all 5.9%	6.9%	
			2 - SELDOM 17.6%	17.4%	
			3 - OCCASIONLLY 42.5%	41.7%	
			4 - OFTEN 22.9%	28.5%	
			5 - It ALWAYS reflects my business 11.1%	5.6%	
		My business excels at identifying marketing opportunities.	1 - It NEVER reflects my business at all 9.2%	13.9%	
			2 - SELDOM 28.8%	23.6%	
			3 - OCCASIONLLY 37.9%	40.3%	
			4 - OFTEN 18.3%	19.4%	
			5 - It ALWAYS reflects my business 5.9%	2.8%	

Table 2. Entrepreneurial Marketing Orientation (Opportunity Orientation)

Source: Own research

CONSUMER-CENTRIC INNOVATION	Consumer Intensity <i>H2 a: Family businesses exhibit high levels of customer orientation in their marketing approach.</i>	I spend considerable resources continually trying to learn more about each of my customers.	1 - It NEVER reflects my business at all	24.2%	27.8%
			2 - SELDOM	30.7%	28.5%
		3 - OCCASIONLLY	29.4%	30.6%	
		4 - OFTEN	12.4%	11.1%	
		5 - It ALWAYS reflects my business	3.3%	2.1%	
	Innovation Focused <i>H3: Family businesses exhibit low levels of innovation orientation in their marketing approach.</i>	My business' marketing efforts reflect knowledge of what our customers really want from our products/service.	1 - It NEVER reflects my business at all	9.8%	10.4%
2 - SELDOM			12.4%	10.4%	
3 - OCCASIONLLY			22.9%	31.3%	
4 - OFTEN			39.2%	36.1%	
5 - It ALWAYS reflects my business			15.7%	11.8%	
		Communicating with customers is a great way to identify innovation opportunities.	1 - It NEVER reflects my business at all	2.0%	4.9%
2 - SELDOM			2.6%	4.2%	
3 - OCCASIONLLY			16.3%	13.2%	
4 - OFTEN			35.3%	36.1%	
5 - It ALWAYS reflects my business			43.8%	41.7%	
		Innovation is the key to achieving competitive advantage in my business.	1 - It NEVER reflects my business at all	5.2%	9.7%
2 - SELDOM			13.7%	11.1%	
3 - OCCASIONLLY			24.2%	21.5%	
4 - OFTEN	29.4%		29.2%		
5 - It ALWAYS reflects my business	27.5%		28.5%		

**Table 3. Entrepreneurial Marketing Orientation – Customer and Innovation Orientation**

Source: Own research

VALUE CREATION	Value Creation	I expect every employee to be looking for ways my business can create more value for customers.	1 - It NEVER reflects my business at all	6.5%	6.9%
			2 - SELDOM	15.0%	11.1%
		3 - OCCASIONLLY	18.3%	15.3%	
		4 - OFTEN	38.6%	38.9%	
		5 - It ALWAYS reflects my business	21.6%	27.8%	
	In my business, employees contribute to ideas to create value for customers.	1 - It NEVER reflects my business at all	7.2%	6.9%	
		2 - SELDOM	11.1%	13.2%	
		3 - OCCASIONLLY	29.4%	21.5%	
		4 - OFTEN	35.3%	38.9%	
		5 - It ALWAYS reflects my business	17.0%	19.4%	
	My business continuously tries to find new ways to create value for our customers.	1 - It NEVER reflects my business at all	3.3%	6.9%	
		2 - SELDOM	7.8%	7.6%	
		3 - OCCASIONLLY	21.6%	13.9%	
		4 - OFTEN	37.3%	43.8%	
		5 - It ALWAYS reflects my business	30.1%	27.8%	

**Table 4. Entrepreneurial Marketing Orientation – Value Creation Orientation**

Source: Own research