MSc in Marketing

Marketing and Entrepreneurship
The Case of Firms in Iceland

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*The Case of Firms in Iceland*

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This thesis is devoted to all Icelandic entrepreneurs who dare to think different.
Declaration of Research Work Integrity

This work has not previously been accepted in substance for any degree and is not concurrently submitted in the candidature of any degree. This thesis is the result of my own investigations, except where otherwise stated. Other sources are acknowledged by giving explicit references. A bibliography is appended.

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Date and Place                     Kennitala                     Signature
Abstract

The intention of this study is to gain an understanding of how marketing is practiced in the entrepreneurial environment and to identify and determine how the seven major dimensions of the entrepreneurial marketing (EM) theory presents within the marketing practices of Icelandic entrepreneurial firms. The topic of entrepreneurial marketing is new in the literature and the Icelandic business environment, which constitutes many young firms after the banking crisis of 2008, making this an ideal topic for this field of study. The companies in this research are less than 15 years old, have fewer than around 100 employees and have all launched a product recently or are in the final stages of product development. Based on the seven dimensions of EM, a unique list of questions was composed for qualitative research, which involved in-depth semi-structured interviews with the firm’s marketers or executive directors. The interviews were transcribed and then analyzed through descriptive analysis. The results from the explorative research show that the marketing methods of the companies studied align with the current theory of entrepreneurial marketing, which can be briefly described as a pro-active identification of openings in the market for obtaining and retaining customers through innovative methods to managing risks, resources and creating value.

Keywords: Entrepreneurial Marketing, EM, Entrepreneurs, Entrepreneurship, Iceland, Innovation, Marketing Environment.
Acknowledgements

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1 Introduction

All companies have one thing in common; they must sell something to be able to survive. If companies don’t achieve sales, their failure is impending. To bring products or services to market, companies need to communicate their offering to the external environment; that is, some form of marketing must be practiced in every firm, although marketing is not always confined to a formalized approach. Marketing as a discipline has a formal structure that needs careful planning, and is informed by the marketplace through market research. Marketing serves to guide the company in how select the marketing mix (product, price, place and promotion) and target markets, so the company can plan how to position their products and services in the marketplace.

Marketing in the 21st century is tough, not just for young companies but for all organizations. The marketplace has become so dynamic that today’s marketers must do more than obtain an understanding of conventional marketing. Marketing trends change rapidly, and since the advent of the internet, there seem to be new ways of communicating with customers each year. Marketing practices today require something more than simply applying traditional marketing concepts. The question that arises is whether current practices require an entrepreneurial spirit and skills to complement them, which is manifested in the concept of entrepreneurial marketing.

Entrepreneurship and marketing have traditionally been viewed as two different subjects of study (Hills, Hultman, Kraus, & Schulte, 2009). An increasing awareness of the significance of innovation and entrepreneurship in marketing and the importance of marketing for fruitful entrepreneurial ventures has led to efforts to combine both entrepreneurship and marketing as the discipline of entrepreneurial marketing. In the area of entrepreneurial marketing (EM), there seems to be an agreement among researchers that entrepreneurs undertake marketing in different ways that seem different to the established model of marketing. Evidence shows that marketing concepts and tools support entrepreneurs to achieve success in the market. The innovative character of entrepreneurs enables them to utilize marketing in new ways and bring their products or services to market despite having less resources than larger corporations (Morris, Schindelhutte, & LaForge, 2002; Stokes, 2000a).
The interface of entrepreneurship and marketing has, to the author’s knowledge, never been explored before in Iceland. It is the author’s view that the small Icelandic business environment will serve as good place for research in the territory of marketing and entrepreneurship.

After the global economic crisis shook Iceland in 2008, many people were left unemployed in the few years that followed. Many of those who lost their jobs went to seek further education or found new employment while others invested their efforts in building their own firms. Since then, entrepreneurial activity has increased in Iceland and many new companies have risen from the ashes of the economic downturn. The government has also been investing more and more in innovation and entrepreneurship and has plans to further increase support in the near future (The Icelandic Prime Minister’s Office, 2015).

According to reports from WIPO (World Intellectual Property Organization), Iceland is currently ranked number 13 on the global innovation index, which ranks countries according to their innovative capacity. Further, a report by Statistics Iceland shows that innovation is present in 59% of Icelandic companies between 2012 and 2014: 50% of companies are innovative in terms of products, services or procedures while 59% of Icelandic companies are defined as innovative if marketing an organizational innovation is also included in the numbers (Statistics Iceland, 2016).

The goal of this thesis is to explore how marketing is practiced within young entrepreneurial Icelandic firms with a focus on the concept of entrepreneurial marketing, which will be explained and elaborated in the literature review. The research question chosen is based on this objective. It is open to discussion on how marketing practices align with the current theory of entrepreneurial marketing but it also allows for opportunities to look further beyond the current theory, and to answer more focused questions related to the matter.
1.1 Research Question

The research question of this study is:

How is marketing practiced in young entrepreneurial companies in Iceland?

First, the research question poses a certain criterion on the companies that will be sampled, which will be presented in Chapter 3. Second, regarding marketing practice, the study will try to answer how entrepreneurial companies promote their products or services, what their views on marketing are, and what influences their decision making by exploring the seven dimensions of entrepreneurial marketing identified in the literature.

The research is explorative in nature, and although existing frameworks are utilized as a structure, opportunities to look further and beyond current theory will be pursued. Thus, the intent of this study is not to confirm or reject theories of entrepreneurial marketing nor to strictly fit marketing practices of the companies within the dimensions of EM (discussed later) but to deeply understand how marketing is practiced and to discuss the relationship with current theories.

1.2 Thesis Structure

As stated above, the goal of this thesis is to study marketing within entrepreneurial firms in Iceland with a focus on the concept of entrepreneurial marketing. The study is intended to uncover how marketing is practiced and how the main dimensions of entrepreneurial marketing are presented within these firms. This thesis will provide insights into the practice of marketing in innovative firms in Iceland and will deliver knowledge to startups and young companies on how marketing is practiced in the Icelandic entrepreneurial environment.

The first chapter is the introduction to this study; it presents the main research question, the explanation and justification for the research, and provides an overview of the thesis’ structure. In the second chapter, relevant literature is reviewed, including definitions on entrepreneurship, corporate entrepreneurship, entrepreneurial marketing, and discusses the main variances between traditional and entrepreneurial marketing.
The literature review chapter concludes on discussions of the seven entrepreneurial marketing dimensions that Morris et al. (2002) have identified, which serves as the guiding framework of this study, although the scope of the research will be broader and not solely based on those dimensions. The third chapter discusses the qualitative research method of the thesis, the semi-structured in-depth interview-based research model, and how the interviews were carried out. The fourth chapter summarizes the findings of the interviews by topic. In the fifth chapter, the results of this study are discussed and related to the literature. Chapter six concludes this thesis and discusses further research opportunities and recommendations.

Regarding methodology, there are a number of ways to conduct the empirical research required to answer the question of this thesis. These include a case study or studies, interviews, or quantitative research methods, such as surveys. After weighing the options of these research methods, a qualitative approach was chosen by the author. Qualitative studies are the dominant approach of research and study in the field of the interface related to entrepreneurship and marketing (Carson & Coviello, 1996).

In this study, individual in-depth interviews (IDIs) are employed. This type of research methodology allows for an open conversation with flexibility that allows changes to the form of questions and the sequence of interviews and permits the interviewer to ask further questions or follow up on answers given by the interviewees (Kvale, 1996). This method will give the author the instruments and tools necessary to assess the complete picture of marketing in each company, to understand how marketing is practiced within the firms, and to gain insights into the different dimensions of EM in each firm.

1.3 Conceptual Model of the Study

The objective is to understand how marketing is practiced within young entrepreneurial Icelandic firms. Through discussions with marketing managers or executive officers (depending on the situation) of Icelandic companies, evidence has been gathered on how these companies use marketing to bring their products to market and the researcher can gain insights into how much entrepreneurial marketing is present in these firms. The conceptual framework of this thesis is presented in the Figure 1 below.
First, a review of the relevant literature is presented, which guides the outline of the research. Then qualitative research, grounded on semi-structured interviews, will be employed to study marketing practices in relation to current theories of EM. The results of the thesis will be presented and explored in relation to the dimensions of EM identified by (Morris et al., 2002). These dimensions support the research question as they open up the discussion on topics relevant to current theory; however as mentioned earlier, the explorative nature of the study allows for opportunities to seek a deeper understanding.

Figure 1 – Conceptual Framework of the Thesis
2 The Concepts and Theories of Marketing and Entrepreneurship

The study of phenomena is only relevant if an underlying framework is applied that is easily understood. Morris et al. (2002) established a conceptual framework for understanding the concept of entrepreneurial marketing, which this study raises its foundations on. This review of the current literature is intended to introduce the concepts of corporate entrepreneurship and relate them to the marketing activities of firms as well as to present the definition of entrepreneurial marketing and an analytical framework.

2.1 Entrepreneurship

It is widely recognized that entrepreneurship is a nourishing and strong force in most countries of the world. Even so, there is little agreement about what the definition of entrepreneurship is or should be, and further, what activities fall under the concept of entrepreneurship. Hébert & Link (1989) identified three distinct traditions on the development of the literature on entrepreneurship in the early decades of the 20th century.

These traditions have been called the Austrian Tradition, the Chicago Tradition, and the German tradition based on the origins of their creators. The German Tradition, based on the works of Joseph Schumpeter, has gained the most traction and has had the greatest influence on the modern entrepreneurship literature (Hébert & Link, 1989). Schumpeter viewed entrepreneurship as a disequilibrating force rather than an equilibrating phenomenon. In his book, *Theorie der Wirtschaftlichen Entwicklung* (Theory of Economic Development) first published in 1934, he proposes a theory of “creative destruction”, where new firms with a greater entrepreneurial spirit outperform their less innovative counterparts, fueling rapid growth in the economy. Schumpeter later contended that large established businesses tend to repel change and pursue the status quo, which in turn forces entrepreneurs to start their own ventures in order to pursue innovative activities (Audretsch, 2003).
Although perhaps first brought to light by Schumpeter, more definitions of entrepreneurship have emerged in the last few decades. Although they are somewhat different, they all have one thing in common; that is, entrepreneurs seek opportunities to create something. Stevenson, Roberts, & Grousbeck (1989) defined entrepreneurship as, “the process of creating value by bringing together resources to exploit an opportunity.” The process of entrepreneurship must then include the activities needed to recognize an opportunity, outline a concept, find out what resources are needed, obtain those resources, and manage the venture itself (Schindehutte, LaForge, & Morris, 2004).

To Miller (1983), who includes risk taking in the definition of the entrepreneurial firm, “an entrepreneurial firm is the one that takes part in product-market innovation, commences in some unsafe ventures, that is risk taking, and is the first to come up with proactive innovations.”

According to Knight (1997), “entrepreneurship is the pursuit of novel or creative solutions to new challenges facing the organization.” This definition includes the improvement of products and services and the development of new techniques and skills. Further, he states that entrepreneurship is a fundamental stance and instrumental to strategic innovation, especially under ever-changing conditions in the organization's environment, and that the idea of entrepreneurship is suitable to any organization, regardless of size or type.

Shane & Venkataraman (2000) describe entrepreneurship as activities that involve how opportunities are discovered, assessed, and exploited to introduce new products and services and as ways of organizing the external market, processes, and the use of raw materials through efforts that had formerly been non-existent. This conception is very broad and incorporates both discovering opportunities and the process of exploiting these opportunities.

In the literature of entrepreneurship, corporate entrepreneurship, and strategic management, there seems to be an agreement that there are three distinct dimensions of a firm’s inclination to adopt entrepreneurial management processes (Barringer & Bluedorn, 1999; Covin & Slevin, 1989, 1991; Miller, 1983; Miller & Friesen, 1982;
Morris, Avila, & Allen, 1993; Morris & Paul, 1987). These are: **innovativeness**, the introduction of new products or services, technology, and the process of opening new market possibilities; **risk taking**, making decisions when the environment is uncertain, thus systematically modifying risk; and **proactiveness**, pursuing new approaches to bring ideas into reality.

Lumpkin & Dess (1996) then added two dimensions to the concept of entrepreneurship: **autonomy**, how individuals are given autonomy to pursue their ideas; and **competitive aggressiveness**, how organizations face stiff competition in the marketplace. Covin & Covin (1990), however, show that competitive aggressiveness is not beneficial to a firm’s performance in every situation and Lumpkin & Dess (1996) note that entrepreneurship should be viewed from only one dimension at a time instead of looking at all five as a whole, and that organizations do not necessarily need to comply with all the aforementioned dimensions to qualify as entrepreneurial.

### 2.1.1 Marketing and Entrepreneurial Orientations of Firms

According to Miles & Arnold (1991) and Morris & Paul (1987), entrepreneurial positioning or orientation is correlated with the marketing orientation of the firm. Further, Atuahene-Gima & Ko (2001) explore the interactive relationship between entrepreneurship and marketing orientation within firms. Their result stipulates a positive linear relationship of entrepreneurship and a market orientation with business performance. This suggests that marketing orientation and entrepreneurship are complementary traits that should not be viewed as either or, but in a joint synergistic manner. In that regard, Schindehutte, Morris, & Kocak (2008) stress the need for organizations to jointly adopt an entrepreneurial position and a marketing orientation for a sustainable advantage in the marketplace. However, as noted before, these orientations complement one another and when an organization is equipped with both orientations, they create synergy to benefit the organization (Miles & Darroch, 2008). Similarly, Zahra (2008) proposes that the bond between entrepreneurship and market orientation has a substantial impact on company performance; however, the author reports that these findings only apply to high tech industries.
2.2 Corporate Entrepreneurship

Academics have struggled to define the concept of corporate entrepreneurship (CE) in the last several decades. At first, it wasn’t sufficiently distinguished from the phenomena of innovation or advances in new product development (Corbett, Covin, O’Connor, & Tucci, 2013) but Guth & Ginsberg (1990) clarified the matter by encouraging the notion that CE should be viewed as two categories of phenomena instead of as a singular concept. These two phenomena are: corporate venturing (CV), which is the action of establishing businesses inside present organizations, and strategic renewal (SR), which entails the transformation of firms through the regeneration and modification of the notions they are founded on.

Similar to Guth and Ginsberg (1990), Sharma and Chrisman (2007) define corporate entrepreneurship as the “process whereby an individual or a group of individuals, create a new organization or prompt renewal or innovation within that organization.” Zahra (1996) has since divided corporate entrepreneurship into three areas: innovation, venturing, and strategic renewal. According to Zahra (1996), innovation signifies the company’s obligation to create and introduce new products, systems, and procedures. Venturing indicates that the firm is committed to enter new businesses or markets. Lastly, strategic renewal concerns the rejuvenation of the company’s procedures by changing the range of its business or its attitude to competitiveness. Other researchers (Covin & Miles, 1999; Kuratko & Audretsch, 2009; Sharma & Chrisman, 2007) have also proposed new categories for the domain of corporate entrepreneurship but most of them are within the boundaries that Zahra (1996) has proposed.

In the literature, researchers have mostly focused on venturing, innovation, and strategic renewal in the scope of CE. These concepts have been used both as a whole joint construct (e.g. Bojica & Fuentes, 2012; Heavey & Simsek, 2013; Ling, Simsek, Lubatkin, & Veiga, 2008) but also as singular constituents (Yiu, Lau, & Bruton, 2007; Yiu & Lau, 2008; Zahra, Neubaum, & Huse, 2000). However, Simsek & Heavey (2011) argue that if the individual components of corporate entrepreneurship are treated independently, their potential synergetic effect on company performance is ignored. Studies on corporate entrepreneurship show that it can play a role in reaching greater levels of performance (Yiu & Lau, 2008; Zahra, 1995), growth, and profitability in
firms (Covin & Slevin, 1991; Zahra, 1993). Previous research has claimed that the roots of corporate entrepreneurship lie in the knowledge of firms, such that the most important strategic resource of firms is their knowledge capital. The main arguments for this statement is that the innovative capabilities of firms are a function of the competences of successfully combining and coordinating internal and external resources of knowledge (Grant, 1996). Further, the knowledge and learning orientation in firms is linked to the diversity of the top management team (Hayton, 2005). Yiu & Lau (2008) combine the firm’s political, social, and reputational capabilities with increased engagement in corporate entrepreneurship. Further, Yiu et al. (2007) suggest that CE is fueled by the firm’s technological capabilities.

### 2.2.1 Corporate Entrepreneurship and Marketing

According to Zeithaml & Zeithaml (1984), the two core functions of marketing involve influencing the external environment and managing change within it. It has also been stated in the literature that the responsibility of the marketer is concerned with organizing reasonable innovation and that marketing’s role is to induce alteration and change, not only in the marketplace, but also the organization itself (Alderson, 1965). Similarly, Murray (1981) concludes that marketing should be the “logical home” for entrepreneurial processes in organizations since marketing is exclusively responsible for reshaping the corporate resource-base and the product-market portfolio, that is, which products are produced and served to which markets. Furthermore, Schindehutte et al. (2008) state that market-driven behavior is the lifeblood of entrepreneurial action in the Schumpeterian creative destruction sense.

Corporations tend to shape themselves around specialized business roles like production, finance, human resources, R&D, and marketing, for example. While Alderson (1965) viewed innovation as an essential part of marketing, there is more commonly a separation between the two in the literature and in organizations themselves. According to Webster (1992), marketing has become the organizational function that responds to variations and changes in the external environment to facilitate sales and transactions.

Even though it would seem essential that entrepreneurship is encouraged through the entire organization to facilitate continuous innovation, entrepreneurship often ends up
as a specialized function within a firm. Specific individuals or teams tend to end up having to promote innovation and entrepreneurial activities that mainly involves creating new ventures, which in turn isolates entrepreneurship and innovation from other functions of the organization (Dess, Lumpkin, & McKee, 1999).

Damanpour (1991) argues that innovation comprises two chief stages: *initiation* and *implementation*. In the *initiation stage*, information is collected and applied and in the *implementation stage*, the innovative idea itself is put into action. Different tasks are carried out in the two stages and different organizational functions take over the life of the innovative process. Schindehutte, Morris, & Kuratko (2000) claim that marketing can play very different functions in the initiation and implementation stages; that is, marketing functions can range from producing and assessing creative ideas to providing support to the organization in terms of resources.

In their explorative survey, Schindehutte et al. (2000) have identified five activities or roles that the marketer can play in terms of entrepreneurial activities. However, it should be mentioned that the marketer can play more than one role at a time, according to the authors. The five roles are:

<table>
<thead>
<tr>
<th>Role</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiator</td>
<td>Where marketing is the trigger of an entrepreneurial event, by either recognizing an outside opportunity or threat, by identifying an internal need, or by taking part in an ongoing innovation initiative.</td>
</tr>
<tr>
<td>Sponsor</td>
<td>Where the marketer acts as a sponsor to some corporate initiative by pushing for completion, agreement, or by providing resources.</td>
</tr>
<tr>
<td>Champion</td>
<td>The marketer takes the role of project manager or director of a project and carries the project through the implementation phase.</td>
</tr>
<tr>
<td>Supporter</td>
<td>Playing this role, the marketer joins the team responsible for innovation as a supporter rather than leader and provides the team with intelligence, resources, or analysis, for example.</td>
</tr>
<tr>
<td>Reactor</td>
<td>Here the marketer plays the part of the devil’s advocate and pinpoints weaknesses in the idea by providing marketing intelligence or insights. Further, they devise possible ways the idea should be revised or improved or suggest reasons why the idea should not be pursued.</td>
</tr>
</tbody>
</table>

*Table 1 - Roles of marketers in terms of entrepreneurial activities*
2.3 Entrepreneurial Marketing

Entrepreneurial marketing is the union of two different management areas and an interface between two different research fields (Hills et al., 2009). As two different disciplines in organizations and management, marketing and entrepreneurship have grown into encapsulating many characteristics of marketing functions that conventional marketing theories cannot. An early description of entrepreneurial marketing was brought to light by Morris et al. (2002, p. 5) as the “proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation.”

Including the American Marketing Association’s definition of marketing and earlier definitions on entrepreneurship, Kraus, Harms, & Fink (2009, p. 1) define entrepreneurial marketing as, “the organizational function of marketing by taking into account innovativeness, risk taking, proactiveness and the pursuit of opportunities without regard for the resources currently controlled.” Current literature seems to reveal that marketing in small and medium sized enterprises (SMEs) is radically different compared to larger ones. This is because marketing has a bigger impact on success in those firms and is more influential than in large organizations (Carson & Gilmore, 2000). Bjerke & Hultman (2004) conclude that even though not all smaller firms employ an entrepreneurial spirit, they will need it to mature and develop and this development can be powered by the small firm’s superior advantages in marketing.

Kotler (2003) links entrepreneurial marketing to the lifecycle of the firm and states that in the early phases, when the organization is small, flexible, and more willing to try different and new things, an informal type of marketing is practiced, which would be entrepreneurial marketing, although Kotler does not use that term. Smaller firms try to see every opportunity in the marketplace and are eager for attention. But, as the company grows and achieves success, it inevitably moves towards a more formulated and strategic marketing approach. When the formulated approach cannot sustain the needs of the organization any longer, a change is needed and the company moves again towards another paradigm of marketing. At that stage, Kotler (2003) suggests that the
managers need to think of new ways of connecting with clients and imagine new possibilities to add value to the lives of their customers.

In the last 30 years, the paradigm of entrepreneurialism has still not been clearly defined mainly because there has been no shared meaning of the concept. Thus, the Charleston Summit held in 2010, where a group of researchers in the topic met, was a necessary step towards defining the concept. The main objective of the summit was to begin developing a framework, model, or exemplar to guide future study in the field of EM (Hansen & Eggers, 2010). However, a formal or official definition has still not emerged.

The state of research in the field of EM has been observed from empirical studies of firm behavior. The consensus of researchers seems to be that innovation has important implications for marketing (Covin & Miles, 1999; Hills, Hultman, & Miles, 2008; Miles & Darroch, 2008; Morris et al., 2002) and that entrepreneurial marketing is not a direct result of executive decisions but much more the consequence of an entrepreneurial spirit and ethos (Morris et al., 2002). To date, EM has mostly been studied in small and medium sized enterprises (SME’s) (see: Carson & Gilmore, 2000; Hills et al., 2008; Keh, Nguyen, & Ng, 2007a; Knight, 2000). The main theme or results of these studies is that EM is more practiced in smaller firms with less resources and those types of firms rely more on non-traditional ways of marketing. This leads us on to how marketing in these firms is different from traditional marketing practices.
2.4 Entrepreneurial Marketing and Traditional Marketing

As mentioned above, entrepreneurial marketing cannot exist without entrepreneurship. Different from traditional marketing, which is consumer focused, in EM, the customer and the entrepreneur are both vital players that shape the culture and behavior of the firm. There is no consensus in the literature around the topic of personality traits and values of entrepreneurs and if it influences their actions and behaviors. For example, there is no agreement regarding the relation between entrepreneurial personality traits such as the propensity to risk, experience, education, preference for innovation, tolerance for uncertainty, and the performance of firms (Andersson & Tell, 2009).

Traditional marketing concepts are essentially based around customer orientation as the primary way of conducting business, but how can we fit the entrepreneurial orientation, which is more about the entrepreneurs themselves and their activities with this view. The entrepreneurial orientation may overlap with the customer/marketing orientation if the entrepreneur can put themselves in the customer’s shoes to understand their needs. Although it may seem that entrepreneurs have an instinctive feeling about customer’s needs and wants, reality shows that their idea isn’t necessary on point. Therefore, the capability to adapt quickly and counterbalance misjudgments about customers’ needs is critical for the entrepreneur (Stokes & Wilson, 2009).

Stokes (2000a) summarized the main differences between EM and traditional marketing in terms of the business orientation, at the strategic level, at the tactical level and in ways of acquiring marketing intelligence. Regarding business orientation, the author contends that unlike traditional marketing, which is defined by its customer orientation, entrepreneurial marketing is characterized by its entrepreneurial and innovative positioning. Entrepreneurs first start with idea generation and then try to find a market for their ideas while the “classical” marketer tries to understand the market’s needs prior to idea generation.

At the strategic level, traditional marketing necessitates a hierarchical, or top-down, approach. So, a clearly defined order of activities such as segmentation, targeting, and positioning must be employed to define target markets and construct a value
In contrast to this approach, successful entrepreneurs reverse this process. Once an opportunity in the market has been identified, the entrepreneur tests the idea through a trial and error process and then brings their product to market in a restrained manner. As the venture grows and the entrepreneur starts to learn the needs and wants of their current clients, new customers with analogous profiles to those who have already bought the product are added. This process is often not deliberate as those new customers are the result of recommendations from earlier customers rather than because of company efforts. Thus, the target market of the entrepreneur is formed by a process they are not necessarily in control of unlike the path the traditional marketer would pursue.

At the tactical level, entrepreneurial marketing does not fit in the 4P’s model of the marketing mix—product, price, place (distribution), and promotion—since entrepreneurs adopt a collaborative marketing approach, given their preference for maintaining direct contact with their customers. Entrepreneurs connect with their customers through personal selling and marketing activities that can influence relationship building. The interactions between customers are then enhanced by word of mouth marketing and public relations activities, essential for generating referrals within the customer group.

In terms of gathering marketing information, entrepreneurs are aware of the need to attain and utilize information from the external environment but they tend to use more ad hoc informal means, such as personal observation or by collecting information through their network of peers in the marketplace instead of using formal marketing research methods, such as surveys, questionnaires, or other formalized tools.

According to Hills et al. (2008), the best practices of effective and successful entrepreneurs often disregard traditional marketing concepts and that they are in fact successful in marketing in unconventional ways. The authors, who studied the differences between entrepreneurial focused firms and more traditional administrative structured firms, found that entrepreneurs in EM-focused firms practice a different version of marketing compared to others. Entrepreneurs are flexible in terms of tactics but are concerned about how to provide long-term customer value. In a nutshell, the results conclude that the entrepreneur’s approach to marketing is not necessarily logical and in a predefined order, rather it is organic and unconventional because they learn the
needs and wants of their customers as the venture matures. In a way, the entrepreneur has no predetermined end in mind. They are equipped with the idea itself and a constant search for opportunities, and are led by trial and error to reach the end product and market, not the other way around, like traditional marketing proposes.
2.5 Entrepreneurial Approaches to the 4P’s of Marketing

The activities of entrepreneurial marketers do not always easily fit into the current models of the marketing mix, such as the 4P’s of product, price, place (distribution) and promotion. Entrepreneurial marketers don’t necessarily think in these terms while developing their marketing mix, although they usually include the element of promotion according to Stokes (2000b). Entrepreneurs rely more on building personal relations and interactive marketing methods. The focus of entrepreneurial marketers is to invest in conversational relationships with customers rather than undertake formalized market research to understand the marketplace (Stokes, 2000b).

As mentioned earlier, promotion in EM is based on word of mouth communication and by building personal relationships to develop and extend the customer base (Stokes, 2000a). This approach to marketing may be more time consuming but more cost efficient than traditional promotional activities such as advertising. In addition, entrepreneurial marketing is more aimed at customers who are not necessarily easily approached via television, print, and other more traditional media. The effect of this type of marketing communications is that the customer needs to be very involved with the product or service to be able to spread the message to other possible customers (Ahuja, Mazzei, Walker, & Weissbuch, 2007). The three best-known promotional approaches of EM are guerilla marketing, buzz marketing, and viral marketing. These will be briefly described below.

Guerilla Marketing

Jay Conrad Levinson was the first to coin the term guerilla marketing in 1984. The term ‘tactic’ features for low cost and high impact marketing schemes that allow organizations to act bigger than they are by employing unorthodox marketing methods. The tactic is meant to be startling, effective, infectious, and should evoke a powerful response within the marketplace by emerging out of traditional perceptions to create a “wow factor” (Levinson, Levinson, & Levinson, 2007). It focuses on simple execution and aims to influence the target of the promotional tactic to distribute the message further. These kinds of actions are usually only practiced as a one-time event and are seldom repeated (Ahuja et al., 2007).
Buzz Marketing

Buzz marketing has recently emerged as a new practice of word of mouth communications because more customers have become critical of traditional advertising. The aim of buzz marketing is make the product the subject of discussion between customers (Rosenbloom, 2000). Buzz marketing mainly takes place online, where customers exchange product information and share their experiences, so it leaves advertising in the hands of the end customer instead of the company. The tactics used by companies to influence buzz marketing are often related to an event or an activity that creates a disturbance or ruckus, leading to more publicity and enthusiasm for the brand (Ahuja et al., 2007).

Viral Marketing

Viral marketing is another variation of word of mouth marketing and its name is derived from the concept of a viral infection that spreads. The term was first used in 1997. It explains a method of marketing that happens via social network that effects and draws attention to brands, products, or company campaigns (Phelps, Lewis, Mobilio, Perry, & Raman, 2004). Viral marketers spread their campaigns like a virus, almost uncontrollably, and focus chiefly on the internet to inflict voluntary and honest communication between customers (Rosenbloom, 2000). The main benefits of viral marketing, if successful, are its low cost and wide distribution (Dobele, Toleman, & Beverland, 2005).

Below, Table 2 summarizes the main differences between EM and traditional marketing practices adopted from Stokes (2000b p. 13) and Morris et al. (2002 p. 6).
<table>
<thead>
<tr>
<th>Source</th>
<th>Conventional Marketing</th>
<th>Entrepreneurial Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morris et al., 2002, p. 6; Stokes, 2000b, p. 13</td>
<td></td>
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</tr>
</tbody>
</table>

| Basic Premise | Customer orientated and market driven. Product development follows market research; a reactive attitude to the external environment. | Innovation oriented and idea driven. Assessment of market needs is based on intuition; the firm attempts to affect or redefine aspects of the external environment. |
| Marketing Approach | Reactive and adaptive approach to the current market state, incremental innovation; marketing fights to keep up with customers. | A proactive approach. Aims to lead customers with dynamic innovation and proactiveness. |
| Context | Established and relatively stable markets. | Emerging and fragmented markets with high levels of turmoil. Seeks to create new markets. |
| Risk Perspective | Risk averse in marketing activities. | Marketing as a means of calculated risk taking. Emphasis on discovering ways to mitigate or share risks. |
| New Product Development | Marketing supports new product or service development. | Marketing is the logical home of innovation. The customer is a co-active producer. Marketing is the locus of entrepreneurial processes in the organization. |
| Marketing Overview | Marketing as a functional silo; marketing facilitates transactions and market control. | Marketing is inter-functional and stretches across disciplines; facilitates change, speed, adaptability, and agility. |
| Marketer’s Role | The marketer is a coordinator of the marketing mix, builder of the brand, and promotes it to customers. | Marketing is both an internal and external change agent. |
| Customer’s Role | Outside source of feedback and information. | Active contributor to the firm’s marketing decision-making process, defines the product, price, distribution, and communication. |
| Resource Management | Efficient use of existing resources, zero-sum game perspective on resources. | Leverage resources, creative use of the resources of others, doing more with less, actions are not constrained by resources. |
| Customer Needs | Articulated, assumed, expressed by customers through survey research. | Unarticulated or latent needs are discovered through lead users. |
| Market Intelligence | Heavy dependence on survey research and intelligence systems. | Skeptical view on traditional methods, little use of conventional market research. Utilizes informal networking and information gathering. |
| Strategy | Top down segmentation, targeting, and positioning. Targeting before product development. | Bottom-up targeting of customers and other influence groups. Product or innovation first, customers come afterwards. |
| Methods | The marketing mix: Product, price, place, and promotion. | Interactive marketing methods, for example, word of mouth marketing. |

*Table 2 – Comparison of EM and Traditional Marketing*

*Sources: (Morris et al., 2002, p. 6; Stokes, 2000b, p. 13)*
2.6 The Underlying Dimensions of Entrepreneurial Marketing: A Framework

As mentioned earlier, entrepreneurial marketing is the interface between entrepreneurship and marketing and serves as an umbrella concept for many marketing perspectives. According to Morris et al. (2002), EM has seven underlying dimensions, the first four (proactiveness, calculated risk taking, innovativeness, and opportunity focus) are derived from works on the entrepreneurial orientation of the firm. Morris et al. (2002) based the fifth dimension (resource leveraging) on emergent forms of marketing and the sixth and seventh (customer focus and value creation) on works on the market orientation of the firm. In the next few sections (pages 25-29), we will explore these dimensions in detail.

2.6.1 Innovativeness

Sustainable innovation revolves around the capability to maintain a flow of both internal and external ideas that are transferable on to new products, technologies, and services. In EM-oriented firms, marketing function plays an integral part in sustainable innovation. The role of innovativeness spans opportunity and concept identification to finding new ways of utilizing the firm’s resources in driving new product creation. EM-oriented managers will exploit new ways of pricing, segmentation, packaging, branding, customer relationship management (CRM), and other marketing tactics to succeed in the marketplace (Morris et al., 2002).

According to Davis, Morris, & Allen (1991), innovation and entrepreneurship do not only play a part in improving or creating new products or services but also in finding creative and new solutions that benefit the organization, for example, new technologies that will improve manufacturing or new ideas for organizational structure or management. Taking another approach, Miles & Darroch (2006) reason that the role of the innovativeness dimension in entrepreneurial marketing is in creating superior value, which also relates to the dimension of value creation.
2.6.2 Proactiveness

Entrepreneurial marketers do not take the external environment which they operate in as a given or something that the firm can only adjust or react to (Morris et al., 2002). Bateman & Crant (1993) view proactiveness as a behavioral construct that determines how individuals take action to influence their external environment. Frese & Fay (2001) further conclude that proactivity/proactiveness has a positive impact on organizational performance and on the individual, themselves.

Proactiveness reflects the entrepreneurial spirit to outperform competitors through a combination of aggressive and proactive tactics, for example, to introduce new products or services ahead of the competition and act early on future demand changes. Moreover, by developing a proactive orientation, firms can discover the latent and unknown needs of customers before others by collecting customer- and competition-based information (Keh, Nguyen, & Ng, 2007). In short, proactiveness can be viewed as the essence of implementing something new and doing what must be done to anticipate and act on entrepreneurial opportunities as they arise.

2.6.3 Opportunity Focus

Opportunity focus is the ability of an organization to select the right opportunity that determines success (Becherer, Haynes, & Helms, 2008). Morris et al. (2002) determine that the recognition and the pursuit of opportunities is fundamental to entrepreneurship and a core dimension of EM.

Opportunities are market situations that have gone unnoticed in the marketplace and are sources of sustainable profit potential. Knowing about market imperfections or irregularities is what distinguishes EM from traditional marketing. The availability of opportunities seems to be related to the rate of environmental change, which, when high, encourages marketers to seek and exploit new openings in the market. Scanning the environment can help to identify market trends but the ability to recognize underlying patterns that represent unnoticed market opportunity requires creativity and insight (Morris et al., 2002). Where others only see problems and hindrances, entrepreneurs see opportunities (Palich & Bagby, 1995).
2.6.4 Resource Leveraging

Morris et al. (2002) imply that leveraging resources means doing more with less, sometimes referred to as “bootstrapping”, by utilizing the available resources each time to their fullest potential. Entrepreneurial marketers are not constrained by the resources they have to hand and can leverage current resources in several different ways: for example; to leverage resources further than others have done before; putting good use to resources that others find difficulties to utilize; complementing two resources together; and using current resources to obtain other resources.

Entrepreneurial marketers are used to being creative in the utilization of their resources; they can see how they can be used in unconventional ways. EMs also convince others to let them use available resources, which involves much insight, experience, and skills (Morris et al., 2002).

2.6.5 Calculated Risk Taking

Risk taking can be viewed as the various resource allocation decisions made by organizations and the decisions that involve which products, markets, or services the company’s focus should be on. According to Srivastava, Shervani, & Fahey (1999), entrepreneurship is associated with calculated risk taking, which implies that the entrepreneur is keen to identify risk factors and relentlessly tries to mitigate or share those risks with other actors.

The entrepreneurial marketer tries to redefine elements of the external environment to lessen environmental uncertainty and to reduce vulnerability and dependency on the task environment of the firm. Resources are managed in a way that they can be quickly put into or withdrawn from projects to increase flexibility and reactiveness (Morris et al., 2002). Examples of reducing risks include collaboration in marketing, joint product development, using test markets to introduce new products or services, outsourcing marketing activities, and allocating resources according to performance.

This role of the entrepreneurial marketer can be contrasted to the role of the traditional marketer who tries to minimize risks through efforts to increase sales in existing markets with a focus on different types of marketing promotions. As a risk manager,
the entrepreneurial marketer conversely tries to gain control over the firm’s fate (Morris et al., 2002).

### 2.6.6 Customer Focus

The scope of EM includes the need for creative approaches for customer acquisition, retention, and development. The mindset of customer intensity can help the marketer understand the needs and wants of their customers better. In this regard, EM is related to the concept of relationship marketing (RM), though this doesn’t necessitate entrepreneurship. A key difference is that while RM focuses on managing existing customer relationships, the mantra of EM is to focus on innovative methods to create new customer relationships or using existing relationships to enter new markets (Morris et al., 2002).

Miles & Darroch (2006) point out that the search for market opportunities and increasing customer focus propensity is of great importance. According to them, companies with entrepreneurial activities can develop certain skills by understanding customers’ latent needs for non-existing products. Relating innovation and customer focus, Han, Kim, & Srivastava (1998) state that customer focus throughout the firm, constant innovation, and leadership are interdependent elements that must work together for companies to succeed.

### 2.6.7 Value Creation

The focal point of EM is innovative value creation. The marketer must discover untapped sources of customer value and find opportunities to create value by combining resources. The marketer must explore each element of the company’s marketing mix to identify sources of value for the firm and its customers, be that in product improvement, pricing, distribution, or promotional activities (Morris et al., 2002).

Kraus et al. (2009) have pointed out the need for organizations to form an organizational structure that emphasizes innovation, risk taking, and proactiveness to create and offer superior value to customers. According to Kotler (2003), there are two ways of creating value. The first one is to increase the benefits of the products or services provided, for
example, by adding extra features or improving the overall product or service. The second way of value creation is to decrease the cost of the acquisition according to the price or ease of usability and the acquirement of the product or service, for example, by making the product/service more available and easier to use.
3 Methodology

As stated in the introductory chapter, the goal of this study is to assess how marketing is practiced in young entrepreneurial firms in Iceland and to explore the relationship to current theories of entrepreneurial marketing.

To achieve this goal, this study adopts a qualitative research method and design that is both descriptive and explorative in nature. An exploratory research design aims to identify problems and its aspects are used more widely in qualitative rather than quantitative methods (Shields & Rangarajan, 2013). Exploratory research also gains importance when previous research on the topic is limited. Further, studies in the entrepreneurial marketing literature suggest that it is more appropriate to approach the topic in an qualitative, rather than quantitative, manner (Carson & Coviello, 1996; Stokes, 2000a). This analysis is designed to be explorative because although several studies have been carried out on the topic in both small and large firms, the author believes that the Icelandic business environment is unique and has distinct implications for entrepreneurial firms, first and foremost because of the size and compactness of the market.

3.1 Company Selection Criteria

To focus the research, certain criteria were placed on the selection of companies to be included in the prospective sample. The sample selection criterion was young entrepreneurial Icelandic companies. To fulfill this criterion, the companies that were asked to participate must be 15 years or younger, based in Iceland, and must recently have introduced a new product or service in the past three years or are in the process of introducing a new product/service. The companies must also fit the European Commission's (2017) criteria of a small (<50 total staff headcount) or medium (<100 total staff headcount) sized company in terms of staff.

The companies in the sample were contacted via email, their website contact forms, or through messages via social media (in instances where other means of contact were not found) and asked to participate in the study (see Appendix A2 for the interview inquiry sent to the companies). Many of the companies did not have a head of marketing or a
marketing manager, so the query for research participation was directed at the CEO. The plan for this thesis was to interview six to ten companies and 30 companies in total were asked to participate. An overview of the sample of companies that were contacted and their response can be found below.

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Means of Contact</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bioeffect</td>
<td>Email, Online</td>
<td>Accepted</td>
</tr>
<tr>
<td>Blush.is</td>
<td>Email</td>
<td>Accepted (didn’t reply later)</td>
</tr>
<tr>
<td>Bókun</td>
<td>Email</td>
<td>Declined</td>
</tr>
<tr>
<td>Datadrive</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Dohop</td>
<td>Email</td>
<td>Accepted</td>
</tr>
<tr>
<td>Eldum Rétt</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Ghostlamp</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Gló</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>goMobile</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Gyðja Collection</td>
<td>Email</td>
<td>Accepted</td>
</tr>
<tr>
<td>Himbrimi Gin</td>
<td>Email, Facebook</td>
<td>Accepted</td>
</tr>
<tr>
<td>Hringdu</td>
<td>Email</td>
<td>Declined</td>
</tr>
<tr>
<td>iglo+indi</td>
<td>Email</td>
<td>Accepted</td>
</tr>
<tr>
<td>Into the glacier</td>
<td>Email</td>
<td>Accepted</td>
</tr>
<tr>
<td>JungleBar</td>
<td>Facebook</td>
<td>Had ceased operations</td>
</tr>
<tr>
<td>Kaptio</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Lava Center</td>
<td>Email</td>
<td>Accepted</td>
</tr>
<tr>
<td>Meniga</td>
<td>Email</td>
<td>Accepted</td>
</tr>
<tr>
<td>Mói</td>
<td>Web Form</td>
<td>No answer</td>
</tr>
<tr>
<td>Netgíró</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Nordic Visitor</td>
<td>Email</td>
<td>Declined</td>
</tr>
<tr>
<td>Norðursalt</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Puzzled by Iceland</td>
<td>Email</td>
<td>Declined</td>
</tr>
<tr>
<td>Roro</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Stokkur</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Taramar</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Tomato</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>TripCreator</td>
<td>Email</td>
<td>Accepted (couldn’t schedule)</td>
</tr>
<tr>
<td>Tulipop</td>
<td>Email</td>
<td>No answer</td>
</tr>
<tr>
<td>Wake up Reykjavik</td>
<td>Email</td>
<td>No answer</td>
</tr>
</tbody>
</table>

*Table 3 - Companies Contacted*
3.2 Overview of Participant Companies

The eight companies that accepted to take part in this research and were interviewed operated in various industries: tourism, personal finance, cosmetics, fashion and fashion accessories, airline travel, and small batch liqueur production. They ranged in employee size from about one or two employees to around a hundred and all of them were younger than 15 years old. Most were founded after 2008 but the oldest was founded in 2004.† The companies all have in common that they introduced a new product or service recently, or are taking their last steps towards bringing their product to market. Below are brief company overviews.

3.2.1 Bioeffect

Bioeffect (stylized as BIOEFFECT) is a subsidiary of the Icelandic biotechnology firm ORF Genetics. The company is formed around the cosmetics division of ORF and now sells and markets products based on ORF’s technology, which involves bio-engineering barley plants to produce a replica of EGF (epidermal growth factor), a naturally occurring human protein that stimulates the body’s own skin cells to proliferate. The products have been scientifically proven to improve skin health and appearance and have been well received by consumers, renowned lifestyle magazines, and bloggers as well. When ORF was founded, the plan was not to go into the cosmetics industry; however, when the founders realized that it would be beneficial to have a product portfolio along with the technology to produce proteins, steps were taken to establish the company in the cosmetics market (Bioeffect, n.d.).

Originally, when Bioeffect was established in 2009, the subsidiary was called Sif cosmetics but the name and branding has since changed. Today, Bioeffect products are sold worldwide in hundreds of higher-end stores and boutiques, for example, at Colette in Paris and Selfridges in London. With Bioeffect, there has always been an emphasis

* The oldest is Dohop, founded in 2004.
† Bioeffect’s parent company ORF was founded in 2001. Bioeffect (at the time called Sif cosmetics) was founded in 2009.
on targeting the higher end of the cosmetics market, thus much care has been taken to select stores accordingly and only the ones that align with the company’s standards can become retailers. All the company’s products are produced in an ecologically engineered greenhouse in Grindavík, Iceland (Bioeffect, n.d.).

### 3.2.2 Dohop

Dohop is a travel search engine company located in Reykjavík, Iceland. The company was founded 12 years ago and launched its services in 2005. Today, the company has around 25 employees. At first, the company offered a price comparison service for low cost airlines but later expanded to include all worldwide flights and today includes searches for hotels and car rentals as well (Dohop, n.d.).

The company was founded based on the idea of solving the issue of finding two connecting flights for the lowest price available. Since its foundation, the company has specialized in flight aggregations and connections and its search engine allows users to select from a variety of available flights when browsing. Users can filter search results on attributes such as the number of stops, time, and others to find the most suitable transit. As well as operating their own site and search engine, the company also sells its services to third parties, including airports, airlines, and other travel search engine companies. The company’s biggest market is currently Iceland and Germany is also a big market but the goal is to expand gradually into more foreign markets (Dohop, n.d.).

### 3.2.3 Gyðja Collection

Gyðja Collection is a luxury fashion brand originating in Iceland, mainly focusing on fashion accessories, such as handbags, watches, perfume, and cologne. The company is the idea of Sigrún Lilja Guðjónsdóttir and was established in 2007. She works both as the company’s CEO and creative director. The brand promises to inspire people from around the world by using Icelandic and eco-friendly materials in the products, such as fish skin, a by-product of the fishing industry, and link the products to the brands of Icelandic heritage (Gyðja Collection, n.d.).
The company is probably most famous for introducing the Eyjafjallajökull (abbreviated as EFJ) fragrance in 2010, which has been a success and received wide media attention during its launch. Most of the company’s products are sold in Iceland in their own label store, online, and in partner stores. In the near future, Sigrún is determined to expand the venture into new markets, such as the US and UK (Gyðja Collection, n.d.).

### 3.2.4 Himbrimi

Himbrimi is a handcrafted Icelandic small batch gin developed by Oskar Ericson. The product derives its name from the bird “Himbrimi”, also known as the Great Northern Diver. The gin itself is categorized as “Old Tom gin” which was popular in England during the 18th century. Himbrimi is produced in Iceland and is distilled from Icelandic water, juniper berries, handpicked botanicals, and other Icelandic herbs. The idea for the product is four years old, which started off with Oskar’s mission or quest to create his own food from scratch and his passion to create a gin that could be a perfect companion on fishing trips and that captured the spirit and poetry of Icelandic nature. Production of the alcoholic beverage started in July 2016 and Oskar is currently the only employee. To date, only about 4,000 bottles have been produced and they have sold well. The main distribution channels are The Duty Free in Iceland and Vínbúðin (Himbrimi, n.d.).

### 3.2.5 iglo+indi

Iglo and Indi (stylized as “iglo+indi”) is an Icelandic fashion company founded in 2008 by fashion designer Helga Ólafsdóttir. The company designs and sells clothes for boys and girls from the ages of 0-11 years. Every article of clothing is designed in Iceland and manufactured in Portugal from organic cotton. The company’s clothes represent its strong Nordic roots and the design features crisp colors, unique prints, and playfulness. The brand is founded on the idea that kid’s clothes can be both comfortable and “cool” (iglo+indi, n.d.).

The brand “iglo+indi” is targeted at the higher end of the kids clothing market and the company has been active in building relations with influencers in the fashion industry, bloggers, other influencers, and fashion and lifestyle magazines. The clothes are
available in over 100 stores worldwide and the company also operates two retail stores in Iceland and an online store. The company consists of six people working in the company’s office and several people working in the retail stores in Iceland (iglo+indi, n.d.).

3.2.6 Into the Glacier

The idea of an ice cave in a glacier is not new but an ice cave or a tunnel of the size of the one built by this company is something that has not existed before. The vision for Into the Glacier was established in 2010 by two Icelanders and the company started operations in 2015, although preparations started much earlier. Funding for the company was received both from the Icelandic Tourism fund, which specializes in funding Icelandic tourism startups, and private investors (Into The Glacier, n.d.).

Much research had to be done in order to build the cave and the company worked with engineers, a geo physicist, and glaciologists to study, plan, model, and prepare for constructions. The cave itself is in Langjökull, Iceland’s and Europe’s second largest glacier. Total staff count is about 50 people during the wintertime and will be around 80 during the summer high season, including nine people at the company’s head office in Reykjavik. The company offers a unique experience to its visitors to walk into a man-made ice tunnel and caves and see the Langjökull glacier from the inside. Guests are driven up on the glacier from Húsafell in large custom-built snowmobiles and are then guided into the tunnel where the company’s guides show them around, educate, and tell them about the glacier. The company also offers customizable private tours to larger groups, which can include special themed lighting, live music, and catering (Into The Glacier, n.d.).

3.2.7 Lava Centre

Lava Centre is an idea that two Icelandic entrepreneurs came up with a few years ago. The company was founded in 2014 and later received funding from an investment fund and private investors. Lava Center will operate the largest volcano and earthquake exhibition in Iceland, which is scheduled to open in June 2017. The facilities, which are being built in Hvolsvöllur, Southern Iceland, will include a museum, cinema, restaurant,
and a gift shop. The center will be a destination for tourists who want to learn about and experience Icelandic volcanoes and geology (Lava Centre, 2017).

The museum is based on the concept of an immersive experience and guests can expect an interactive and lively experience based on latest technology that will evoke most senses. For example, there will be an earthquake room, in which the floor shakes, and a geology globe hologram. The location of the museum is no coincidence as its very close to active volcanic sites such as Hekla, Eyjafjallajökull, and Westman Islands (Lava Centre, 2017).

3.2.8 Meniga

Meniga is an Icelandic company that began as a start up in 2009, founded by Georg Lúðvíksson and the brothers Ásgeir Órn Ásgeirsson and Viggó Ásgeirsson. According to Georg, who has always had a keen interest in personal finance and technology, Meniga was an offspring of the Icelandic economic downturn and would probably have not come about if not for the crisis. The company’s mission has always been to have a positive impact on people’s personal finances and provide people with an overview of their income and expenditures. Today, Meniga has around 100 employees, about 75 of them are located in Iceland and 25 abroad in London and Stockholm (Meniga, 2017).

Meniga offers its customers in Iceland essentially two products. The first one is a personal finance management solution that allows users to see an overview of their financial position and expenditures, which are categorized for easier interpretation. The tool is built into all the three Icelandic major banks’ (Arion Banki, Íslandsbanki and Landsbanki) personal online banking solutions. The second one, “Kjördæmi”, utilizes the user’s data to provide customers with relevant offers from companies that sell products or services related to previous spending habits. This solution is accessible via the web or app. Regarding Meniga’s entry to foreign markets, the focus has been on providing customers of foreign banks access to the personal finance management tool by selling the software solution to banks (Meniga, 2017).
3.3 Discussion on the Participant Companies

It is important to mention that there is much contrast between the firms. As mentioned above, they operate in various industries, they differ somewhat in age, and are at different times in their life-cycle. However, they all have recently introduced new products and are entering undiscovered waters. For example, Meniga and Bioeffect have recently ventured abroad, Dohop is extending its product line to B2B, iglo+indi has recently changed manufacturers and is moving resources to expand abroad, the Gyðja collection has recently expanded into new product categories and the rest are relatively new in the market or even, like Lava Centre, just in the launch phase.

3.4 Interview Procedure

This study employs semi-structured interviews as the main method of data collection and makes use of other secondary information about participant enterprises available on site or online. An enquiring qualitative analysis technique was used, which involved a two-phase protocol strategy where the open-ended questions were sometimes narrowed down more by asking probing questions that focus the interview and lay the ground for subsequent discussions. This method that allows for free flowing interviews is described by Miles & Covin (2002) and Savage & Black (1995). A semi-structured interview form was designed based on the seven dimensions of entrepreneurial marketing, with the addition of questions related to overall marketing practice and is influenced by the current literature (see Bateman & Crant, 1993; Jogaratnam & Tse, 2004; Miles & Darroch, 2006).

To conduct the qualitative study, a list of open questions was created to serve as a guide when interviewing the participants. The open-ended interview guide changed somewhat over time during the data collection phase of the study and ultimately included fewer questions than first set out. This was done because the researcher felt that more saturation could be reached by having fewer but more open questions. The question guide is included in Appendix A1.

All the interviews, with prior permission of each respondent, were recorded and later transcribed for the purpose of this study. Further, the interviewees were also asked if
the name of their company could be presented in this paper. All respondents were advised beforehand to not provide private or sensitive company information.

Most of all, interviewees were marketing managers or marketing directors, but some worked as CEOs or directors of the companies that were interviewed. Because not all interviewees would have a formal background in marketing, we decided that the questions asked should not include specific marketing terms or jargon. Care was taken when asking questions to see if the respondent understood the concept and meaning of each question, but questions had to be explained to the respondents only very rarely.

Interview times and location were agreed upon with email communication in all cases. In almost all cases where the inquiry for the participation of the study was accepted, an interview was scheduled, but in some instances, it was not possible to arrange a meeting because of a lack of communication or other reasons. A suitable location of the interviewees’ choice was selected and most interviews were conducted at companies’ offices, though one was carried out via Skype, one at Reykjavik University and one in a restaurant (before dinner service). All interview settings were quiet, relaxed, and allowed for easy communication.

Preceding each interview, the research was introduced and a brief overview of the questions was given to ensure that respondents felt comfortable with them. Also, some informal communication transpired in all cases and rapport was established prior to the formal interview, which helped ease the setting and allowed both parties to relax. All interviews were conducted in English. Although all but one interviewees were Icelandic, English was chosen for the interview language so that the meaning of answers would not be lost in translation. All the respondents felt comfortable with this format and all of them were proficient in the language. The duration of the interviews ranged from around 40 minutes to an hour. Although they differed somewhat in duration, all interviews were carried out with no major interruptions and all topics were covered.

The respondents knew the theme of the interview and the topic of the thesis beforehand, as this was stated in the email sent out, but a list of questions was not given to the respondents prior to the interviews. This was done to allow the discussion to be more
free and open and to make sure that the answers were not prepared and practiced beforehand to avoid any biases.

The interviews were recorded with the permission of each respondent. It was made clear beforehand that the respondent could ask to pause the recording, take a break, or skip a question at any time. Following each interview, the respondents were asked if all the information that they had given could be made public and if some information that they had given during the formal interview should be omitted from the study for privacy purposes.

3.4.1 Discussion on Interview Proceedings

The semi-structured format of the interviews allowed the discussion to flow freely, although a guiding frame of topics, as discussed by Miles & Covin (2002), was used to prepare for the interviews. The interviews often moved into very different and unplanned directions and every opportunity that gave a reason to elaborate on a certain point of discussion was seized by asking probing questions to gain a deeper understanding of a certain topic. The motive of the interviews was not to ask each question on the list verbatim. Instead, the topics and questions in the interview guide were used as a foundation. In the interviews, each theme or topic was visited but otherwise the interviews were allowed to take different directions.

3.5 Methods of Data Analysis

The data collected for the study from qualitative interviews was studied via descriptive analysis. Initially, the qualitative data obtained through the interviews was transcribed from sound recordings to written text. Secondly, the respondents’ answers were analyzed interpretively, considering their current approaches to marketing, entrepreneurship, and entrepreneurial marketing. The answers from the respondents, which are presented in the next chapter, were categorized by each dimension of entrepreneurial marketing as the questions asked, were based on the same dimensions. This was done to structure the discussion and to provide the researcher with an understanding needed to identify either convergence or divergence from the entrepreneurial marketing approach. It must, however, be mentioned that although the
aforementioned dimensions are used to classify the answers into themes, the dimensions can overlap and are not strictly set in stone.
4 Results

The results, presented below are categorized both by company and by the dimensions of entrepreneurial marketing that the questions were based on, with the addition of the topic of overall marketing practice. Selected quotes from the respondents are also included.

In the next chapter, the results will be discussed in relation to the literature and explored more in a more general manner. Here, the answers from the respondents related to each theme are presented.

4.1 Overall Marketing Practice

To understand in broad terms how marketing is practiced in the firms of this study, the respondents were asked questions such as how they utilize marketing, who is responsible, and what marketing channels are mainly used to gain customers’ attention. The companies operate in various markets and thus inherently use different channels, but some common themes emerged.

Bioeffect
Bioeffect mainly targets its product towards the higher end of the beauty and cosmetics market. The vice president of the company stated: “Of course, we're a small company and we can never compete with the marketing budget of the big companies [...] so this meant that we had to do this differently and there are two things that we decided to do, that was to rely on word of mouth and also on PR.”

Regarding word of mouth, the respondent stated that they knew it would work because the company knew they had a good working product. In terms of PR, it was considered a good approach since it was believed that the company has a very special story tell, but the respondent said the company is nevertheless very selective on who they work with in terms of PR (magazines, influencers etc.).
**Dohop**
At Dohop, the focus of marketing has been on building the brand and thus emphasis has been put on public relations and other brand building activities. Online marketing, such as search advertising, is also utilized. The marketing manager mentioned that knowledge gathered from the Icelandic market has proven very valuable to the company when they have entered other markets and that she prefers to practice marketing where you can directly measure results over traditional advertising and other activities where the results are not as salient.

**Gyðja Collection**
When marketing their products, the company’s founder utilizes her relationship with people in the media along with PR and word of mouth to bring attention to the brand. The founder said: “*What I have always used is the media, traditional media because it’s free! I don’t buy advertisements ever. I use PR and word of mouth. So, I create hype for the product. [...] What you need to do is to have an interesting story about either you, your company or your product. I try to do everything. I have an interesting story about myself, about the perfumes, about the product, something different. [...] And then I feed the media.*”

**Himbrimi**
Himbrimi is marketed in a very subtle way and relies heavily on word of mouth. Awareness of the brand has mainly been created by connecting with professionals in the restaurant industry. The founder of the company is very much against traditional marketing methods and online marketing, but had to give in to those to a certain extent. The brand represents the founder’s philosophy: “*Now, there are three elements that I want to put in the brand itself. That is, three elements of myself. One, is nature, two is art and the third is feminism. These are three things that I am very, very passionate about.*”

**Iglo + Indi**
The company mainly utilizes social media and PR, for example, through appearances or interviews in fashion magazines, working with bloggers and the media. In terms of overall marketing practice, the marketing manager said: “*We are a small company, it’s very hands on, it’s very personal, [...] the channels that we mainly use are social media and then our distribution list. We are very, very selective of the kind of magazines or*
any kind of advertisements that we do. But I only buy them in the best kids wear magazines in the world or fashion magazines, [...] I want to see us as next to Kenzo or Stella McCartney Kids."

**Into the Glacier**
Marketing at Into the Glacier mainly involves creating relationships with resellers, that is Icelandic and foreign travel agencies, and creating awareness in customer minds through online and traditional marketing. The marketing director stated: “...We are operating according to a marketing plan. Our target audience is basically travelers in Iceland. And so that's a pretty wide focus group. We are reaching these guests both through direct sales and marketing to appear on the B2B level, with Icelandic and foreign travel agencies. And then we are also reaching these guests online, from where they live in their home country and also through Icelandic media which is to focus on tourists in Iceland, printed media mostly, and maps and travel books. We also are also working with PR. So, we have PR projects for media, and we have been working closely with the various magazines and newspapers. So, there are various channels that we use to connect with our target audience.”

**Lava Centre**
The Lava Centre relies heavily on building relationships in the tourism sector, for example, by utilizing past business relationships and connecting with people in the industry at conventions and seminars. The business’s main sales route is through B2B, so relationships with tour operators are very important. Also, the company has been working with locals and promoting the idea to them. The Icelandic media is also considered important and relations to people in that industry have also been utilized to promote the business.

**Meniga**
There are two sides of marketing at Meniga: marketing in Iceland and marketing abroad. In Iceland, the focus is on individuals and the message is to get customers to use the Meniga tool for their personal finance. For this group, Facebook is the most utilized channel, but the company is also present online (e.g. in banners) and in traditional media. Abroad, Meniga practices B2B marketing, which relies on personal selling and relationship building. The product (personal finance management systems) is mainly being sold to banks and financial institutions. To create awareness and create new
business relationships, the team attends award ceremonies and conferences, for example.

From these results, it is prominent that the companies interviewed rely much on public relations activities and word of mouth. The smaller ones often mention monetary constraints and thus they seek to get “free publicity”. The more established ones show a degree of more maturity in their marketing and their practices are more constructed.

4.2 Innovativeness

When discussing innovativeness, the respondents were asked if they invested a constant effort in innovating their products and services and if they use market information in their product or service development. Innovation in this sense can be viewed both in terms of product and marketing practice innovation.

Bioeffect
Regarding innovation and marketing at the company, its innovative roots are very much reflected in the core product of Bioeffect. The respondent reflected on this: “Well, of course biotechnology is all about innovation, but we realized that we had a very unique technology, unique ingredients, just completely unique in this business. So, we knew that we had to do everything to be innovative in all respects, so this is the reason why we put a lot of resources and effort into design and we came up with this design that has been celebrated around the world […] It's a part of our past and part of our DNA, so to speak.”

Dohop
At this company, the marketing department works closely with the product development team to bring new features to the service. Marketing information, like customer behavioral data, is used in product development and vice versa. The manager said: “In our case, it's not just marketing figuring out what makes sense for the user and then asking front [end developers] to implement [it]. But it's all of us together figuring things out and improving based on that. There's a lot of input from front end and product in terms of what would do better all the time and we combine that with marketing knowledge. And then we are just building together on creating the best user experience
and journey. I actually find that to be very important and it's something that I really like about Dohop and the way we work here”

**Gyðja Collection**
The company has utilized unique and almost unorthodox ways of marketing their product. Also, in terms of product development, ideas are acquired from many different sources, such as natural occurrences, new types of available material, and new trends in the market. The CEO gave an example: “Fish leather is a really cool material because it’s eco-friendly. And it's a byproduct, meaning that you don't kill the animals [only] to use their skin. So instead of throwing [the leather] away, they [a company that works the leather] work it so we can use it [...] It's really good to do something like that because it's good for sales and marketing to be able to say that it's eco-friendly.”

**Himbrimi**
The idea for the drink came about when the founder started experimenting with creating his own food from scratch. Later he wanted to create a drink suitable for fishing trips with an Icelandic touch and it was then when Himbrimi came about. The respondent states that every batch is different. The company is now considering developing a premium version of the product which could feature a wooden presentation box.

**Iglo + Indi**
When asked if the company shows a constant effort in innovating its products and services, the manager said: “I hope so. I think our designs are always evolving, we add new products and we try to support that with strong marketing. We do limited editions as well, so that's something new. Before every big season, we have a small collection coming out that’s available in small quantities but that creates a buzz.”

The respondent also mentioned how the company has been adding features to its site to improve the experience for online shoppers and sales agents and that the company adds new colors, designs, and sometimes even new product categories like socks or swimwear for each season.

**Into the Glacier**
This company has created a product that has never been attempted on the same scale before and had to work with various people from different backgrounds to make it a
reality. The company also had to invest in special custom-made vehicles that were developed to move passengers on to the glacier. The company believes it has an advantage over competitors because it offers a unique product, the interviewee said: “...That's why we have an edge against other competing attractions, entertainment and adventures.”

**Lava Centre**
From the creation of the concept, which emerged as an idea after the Eyjafjallajökull eruption, the company has been working with different ideas and concepts and is always thinking of new ways to improve the experience. The company has been careful in selecting which partners to work with and they have been very critical about the ideas that have come to light. Concepts have been tested, evaluated, and reevaluated to bring the best experience possible to the end customer. The end product, which is the first of its kind and scale, will immerse visitors in a unique experience utilizing the latest technology in CGI (computer-generated imagery) and lighting effects.

**Meniga**
The company shows an effort of constantly innovating both in terms of their marketing and product offerings. For example, Meniga’s newest product, “Kjördæmi”, uses the data that the company has about users to offer them discounts based on their past behavior with various companies that in turn buy consumer purchase information from Meniga. The respondent states: “*We're in a business where you have to be innovative in order to survive. And I feel like that's also something that's translating into our marketing efforts here. We're constantly trying to find new ways to reach people and we have to be innovative with the marketing efforts just because of the [limited budget we have] ...*”

It is understood that the companies all view innovativeness as an honorable quality they want to embrace and communicate to their customers. Innovation and innovativeness are both viewed as terms to describe new product and service development and also as an important factor to devise novel methods of marketing.
4.3 Proactiveness

To enquire about whether they view their organizations as proactive, the respondents were asked, for example, if they viewed themselves as pioneers in terms of product development and if they could give an example of how they have responded to new trends and demands in the marketplace.

Bioeffect
The vice president gave an example of how the company has responded to a new trend in the market. When the EGF serum was first launched, the company learned that some women found it too sticky and that it was difficult to add a second layer of make up on top of it. The company responded by developing a new product that had the elements of both the original product and a day cream that people can apply in the morning.

Dohop
The respondent said: “Yeah, I would say that we are definitely a pioneer, especially in the travel industry here in Iceland. We always keep an eye on our competitors globally, we keep track of changes in travelling behaviour and in how the market shifts. Our team members are present at all of the most important travel conferences around the world and we like to keep up with trends and to move fast when changes are needed. Spotting opportunity is important in all businesses and industries”

The company shows an effort to improve their core product to better satisfy customers and more features have been added to make it easier for customers to book flights.

Gyðja Collection
The company displays an effort to be ahead of the competition and have acted on opportunities as they present themselves on several occasions. An example of this is a fragrance that was developed when a volcanic eruption happened in Iceland. The product was put into development after the eruption but introduced to market as soon as the eruption settled, thus exploiting the strong worldwide media attention deliberately.
Himbrimi

For Himbrimi to exist, there needed to be a space in the market for the product. The founder noticed that there was a lack of finer Icelandic strong spirits and he took that opportunity to position Himbrimi in the higher end of the market.

Iglo + Indi

The marketing manager gave a few examples of proactive approaches the company had taken recently. For example, customers had asked for swimwear so the company started designing swimwear to satisfy that demand. Recently the company moved production from China to Portugal, and according to the respondent, this has been very beneficial and has allowed the company to work closer with the producer and has given them more freedom, flexibility, and agility in terms of product development, testing new designs, and bringing the product to market.

Into the Glacier

The company shows a degree of proactiveness in various forms. For example, the company saw an opportunity to move more passengers on to the glacier by utilizing custom-built mega trucks. Another example of proactiveness demonstrated by the company is how they can vary the product according to customer needs. The respondent describes this: “First, we are able to change the lighting inside, like red for Coca-Cola, blue for Pepsi, and that sort of thing. So, we're able to change the product and customize it to our bigger clients’ [needs]. And we are able have concerts and all kinds of events inside the tunnel besides the tunnel tour.”

Lava Centre

The venture is a pioneering project and the company has taken advantage of the increased tourism in Iceland and the amplified interest in Icelandic volcanoes and geology. The respondent stated that: “The tourism in Iceland has been sort of focusing on that so we need to go further into producing products or new destinations that focus on increased services and better quality. And I think in that sense we are also a pioneer there too to invest a huge amount of money into a project like this which is focusing on being a sole provider of information and a learning process about Iceland's nature. I think this is truly something that can be inspiring for all of us as well.”
Meniga
The company actively seeks out opportunities in the marketplace to promote their product. The respondent gave an example: “With the limited budget we have, we tend to jump on fads. One example I can think of now is currently on [Nutiminn.is], where there's the ‘Kattarshians’ show, like a live feed of a reality show of cats and they have ads in their system so you can both buy banners and product placement stuff.”

The respondents of the companies interviewed all reflected on some demands or instances or situations in the market that they had to respond to. The companies that operate in the tourism sector show a clear example of this but the others also gave examples on how they had to modify their product or introduce new ones to fill a gap in the market. The managers view their external environment not as constant but as an ever-changing landscape that they have to adapt to.

4.4 Opportunity Focus
To understand how and if the companies pursue opportunities in the marketplace, the respondents were asked to reflect and give examples on how they have identified and pursued such opportunities.

Bioeffect
An example of opportunity focus at the company is how they managed to put themselves in the driver seat when selecting which stores can sell their products. By first focusing on entering the most prestigious lifestyle stores like Colette in Paris, and at the same time rejecting others, the company has attained a status of prestige and gained the attention of other boutiques and department stores. The manager said: “For the first three years or so, we were only in Colette and of course there were other stores that would have liked to sell the product, but we decided to be only in Colette. Colette is just the top of the top and if you manage to go into Colette, you have ‘made it’ so to speak in terms of appreciation and design because this is the number one lifestyle store in the world.”
**Dohop**
When exploring opportunities, the company relies on “scientific” approaches like analyzing data about customers and markets, and by looking at the competitive environment in more non-concrete ways. The manager gave an example: “Germany is a strong market. They travel a lot and we had data on how much they travel and how there is an increasing trend towards them traveling more. And most importantly, I think it's a country that's very sensitive to price. They actually care about finding the cheapest flights, which is what we are providing them with [the option of finding the cheapest flight connections], so [we] kind of took advantage of that.”

**Gyðja Collection**
In seeking opportunities, the company demonstrates an effort to introduce products to market when chances to create awareness arise. The company has prospered with the tourism boom and increased interest in Iceland. Many of the company’s products take their name and ingredients from Icelandic nature and are directed at foreign visitors. The respondent mentioned: “We are not only 300,000 people here anymore. We have all these people [tourists]. They want to buy something Icelandic so I have started to focus on Iceland again.”

**Himbrimi**
The company took advantage of being one of the first to market in the higher end of Icelandic spirits. But Himbrimi is already starting to notice some competition, as the respondent mentioned: “…if you’re going to the duty free and you see the newest gin types, there’s a new gin type called old Islandia in a bottle that is very similar to our bottle.” However, the company believes it has a strong product in a niche market and thus does not expect to retaliate.

**Iglo + Indi**
The marketing manager mentioned an example: when the company noticed a famous model who visited Iceland they took the chance to gift her with clothes from the brand which resulted in increased brand awareness and media opportunities. She explained: “So [I like] those opportunities because ads are really expensive and we don't have an unlimited budget, but we do have a product that I think is really strong in terms of speaking for itself, So I'd rather give somebody a product and they can test it and then really talk about their experience.”
The respondent also talked about how the company has identified the trend of parents allowing their children to decide what they wear and that the company is really making sure they are part of that trend because it aligns with the brand’s core identity.

**Into the Glacier**
The company, like many others in the Icelandic tourism industry, saw an opportunity in the market when visits to Iceland started to increase. The company often deals with harsh weather conditions but the marketing manager considers that as an opportunity rather than a barrier because it changes the whole experience: “*When going to a glacier in great weather, it's a great experience and you will be able to experience the glacier and the surroundings and have a lovely day. However, in bad weather, when you have no visibility, then you are OK of course, but you're experiencing bad weather. That's an experience on its own and a great experience nonetheless*”

**Lava Centre**
The opportunity for the business was identified when managers noticed the increased interest in Iceland’s nature and geology after the recent volcanic eruptions in Iceland. The founders noticed that there was a gap in the marketplace that could be filled by establishing a business like the Lava Centre.

**Meniga**
The company actively seeks new opportunities as they arise. There is no stiff competition for the company in Iceland but the challenge is to drive up user engagement. For example, the company actively advertises more when consumers are more conscious about their budget, like after Christmas and the summer holidays.

The respondents gave very different examples on how they have hunted and exploited new opportunities in the market. With maybe the exception of more information-driven companies like Dohop and Meniga, most of the companies interviewed rely on formal measures to estimate the market potential for new products or services, but it is clear that market potential is indeed gauged but usually in an ad hoc, unformulated manner and after product development. For most of the firms, their product or service ideas lead
them to find a market for them rather than the other way around, which would demand that the product idea and development follow the market research.

4.5 Resource Leveraging

Resource leveraging is the term used to describe how resources are moved, shifted, or obtained to seize new opportunities. To evaluate this aptitude, the interviewees were asked to reflect on if and then how they have had to move or seek resources to exploit the opportunities they have sought.

Bioeffect
This respondent mentioned how important it has been, and still is, for the company’s people to take on different roles. In the beginning, most of the staff was just doing heavy lab work and research related tasks but when the company matured, the same people had to take on and adapt to new roles, like sales and marketing, for example.

The respondent said: “This is a small company. This is extremely important because you have to have flexibility, you have to have the option of moving stuff within the company [...] and then when you continue the growth, you have to be able to read the need or see the need for acquiring people with completely new skills you don’t have.”

Dohop
In terms of managing resources, the marketing manager stated that resources are put where they are most likely to drive results: “I like the [marketing] budget to be very well accounted for and I want visible results. So I allocate more to the types of activities that allow me to say: ‘Yes, so these many thousands of euros went into this and this exact many thousands of euros came back through’”. Of course there are always many activities that are helpful on a brand level for example, where you cannot always measure exact results in numbers and those are important but I personally like an approach which shows me clearly the effectiveness of a marketing activity and the exact impact and results coming from this activity.”

Gydja Collection
In terms of resources, the company has had to seek outside funding to bring their products to market but is currently trying to move away from having to rely on external investment. To do so, the founder stated that she has been working on a new business
model. Also, the founder revealed a shift in focus and resources to emphasize travelers who come to Iceland more instead of moving more resources towards exporting.

**Himbrimi**
The company has produced 4,000 bottles to date and is struggling to keep up with demand. The company could possibly grow at a more rapid pace but the founder wants to keep it under control and not sacrifice quality for faster expansion. The company is also very selective of where the product is available and not every bar can serve it.

**Iglo + Indi**
Leveraging resources and pursuing opportunities seem to go hand in hand for the company. When new market trends and opportunities appear, the company must take measures to make sure it has the right products in enough quantity and in the right stores. The manager gave an example: “Now this is a trend [allowing kids more freedom] we’re more ready for [and] there’s now an opportunity [for us] to be on the front page in one of the biggest industry magazines for kids wear in the UK. So now we need to make sure that we have a possibility to sell to the shops and that we can deliver in our factories.” The respondent also mentioned that it is very important for the company to have its warehouse abroad because shipping from Iceland would be too expensive.

**Into the Glacier**
An example of shifting and expanding resources is the response to the unanticipated demand the company has had to accommodate. The company has had to recruit more staff to be able to operate in both summer and wintertime and to increase the number of trips each day.

**Lava Centre**
From the start of the project, the company has been working with various people and organizations, both public and private, to bring the product to market. The marketing manager stated: “So, it's mostly combining all these different people [...] with different knowledge and bringing them to the table and getting as much out of it as possible. And this has resulted in very good cooperation and full agreement that we should go [ahead] and they're all backing us up.”
Meniga
In general, the company strongly represents resource leveraging. With a limited budget and manpower, the company must readily shift and select resources and opportunities. The respondent stated that he would like to have more time doing certain tasks such as data analytics but that it is important being able to easily jump on and between new tasks and assignments. He added: “You know I am curious, we have two people working part time [on marketing] and I feel like we're still doing pretty well. I'd be interested in what we would do with a tenfold budget and 30 people working [on the same tasks]. But then again, I suspect you might be disappointed.”
In the entrepreneurial organization, people will have to be ready to jump into new roles quickly and will often have to be “the jack of all trades” to fulfill the roles needed each time. The managers of even the largest organizations of the study mention this and certainly this need is even more noticeable in the smaller organizations. The managers also named other examples of resource leveraging, such as moving manufacturing and staff recruitment.

4.6 Risk Taking
In the literature on entrepreneurship, some authors hint that the entrepreneur is risk seeking (Miller, 1983). However, in the entrepreneurial marketing literature, the marketer is describe more as a calculated risk taker (Srivastava et al., 1999). During the interviews, the respondents were asked about their approach to risk taking and how risk is assessed and managed.

Bioeffect
In terms of risks, the manager mentioned that the biotech industry is a very risky business environment and that companies that are in the same business as ORF (Bioeffect’s parent company) are using a very high risk business model, which involves developing few products and then selling them to a large pharmaceutical company. The company did not want to take the same approach in terms of risk, as the manager described: “Our business model would [include] developing the production platform as quickly as possible, while developing a product portfolio that could go into different markets. So that's the reason we decided to select growth factors as our product
portfolio. We have many of them so we could always go into different markets. If one market doesn't work out then we have another market to stick to.”

**Dohop**
The marketing manager stated that she prefers to test most aspects of marketing before investing more in a new market. For example, lower risk marketing efforts such as search advertising, where the cost of acquisition can be measured, are first utilized to test the response of the market. The manager stated: “So, in terms of taking risk, I would say that there is not much risk as long as you actually test the market and see how well it fits you or not.”

**Gyðja Collection**
When asked if how the company estimates risk and market conditions, the respondent answered: “I always do something that hasn't been done before, at least here in Iceland. You can take all the time you need to do research [...] but in the end this is just how you proceed, how you make things happen.”

**Himbrimi**
The company had identified an opportunity in the market for the product prior to launch through informal market research and the venture was started without leveraged funding. The respondent stated: “Mostly, [the research] was saying that in Iceland there was nothing available that would be classified as super premium, made in small batches with effort.”

Further, the founder had also gained some insight about the reception of the product beforehand:

“[The bartenders who tried the product] made me think that there was no risk involved. Like this is something that would work because 10 out of 10 people loved it. I said like, ‘Okay if 50% like it and the others don’t then I’m going to go ahead’ but everybody was asking, ‘When can we order this? When this will be ready?’ And that was basically it. There was no question about it.”

**Iglo + Indi**
The respondent stated that because the company has such a personal and close relationship with the factories, it’s easy to try out new products and designs. However,
the products need to make sense business wise, and if a new product idea is too risky and expensive, there needs to be a financial upside to it as well.

**Into the Glacier**
In reply to the question about risk, the marketing director said: “*This product is a huge risk. Not many people believed in it and regular investors were not very excited about the project [...]. They [The Icelandic Tourism Fund] believed in the project and put money into it. So, it was a risk. I mean we're in a glacier and we're operating in the middle of winter. And it's kind of a crazy idea to be on top of a glacier in a 500m long tunnel. Glaciers tend to move so that [had to] be calculated and investigated a lot before doing this; but the calculations have proven right so we're quite happy.*”

**Lava Centre**
When the venture started, the company identified the resources they had to have on hand and what opportunities were based on solid information. For example, it was estimated how many tourists would travel through the area and so forth. A business plan was created and calculations were done to estimate the potential return on investment. As stated by the respondent: “*And of course, the investors wanted to be able to see that there would be a return of investment within a number of years. [...] but the business plan is the focus and that's really the beginning of everything.*”
The process of evaluating risks and the profitability of the project was a one-year process.

**Meniga**
The respondent stated that the company has learned from many past mistakes and mentions that they put a lot less money into TV ad creation because of low success in the past. The company is now investing more in less risky channels where results can be measured, for example, Google AdWords and Facebook.

Most of the managers interviewed do not reflect the characteristics of a risk seeker like the literature on entrepreneurs suggests. More in line with EM theory, most of the managers seem to enter carefully into new ventures and calculate risks beforehand. What was even more prominent from the answers, and not discussed in the current literature on EM, was that most of the managers think about their monetary return on investment even more than just the risks themselves.
4.7 Customer Focus

Discussing customer focus, the respondents were asked how important their customers’ needs and wants are to their firm and how or if these are measured. All of the companies regard their consumers highly and understand they are the foundation of their existence.

**Bioeffect**
Regarding how important customers are to the firm, the vice president said: “They are the most important of everything. I mean, we have to understand our customers and this is so, so important!”

Adding to this, the respondent emphasized how important it is not only to offer products that the customers want but also to come up with new products that the customer do not yet know they could want or could exist.

**Dohop**
The marketing manager stated that the company is very lucky because customers contact the company a lot and are quick to point out drawbacks, especially Icelanders. The company also contacts users directly and asks about the service to learn from users. Also, the company invests an effort into improving both marketing and their products through analyzing usage and reaction to advertisements.

**Gyðja Collection**
The founder of the company explained that she connects with customers in a personal way, using Snapchat, the social media phenomena: “When we do something [new], I use it [Snapchat]. And the day after, it [the advertised product] will sell out. It's just how it works. It's like our own news channel to the customer. I also do fun stuff just to get attention because they [the customers] don't want us to be talking about products every day. So, I try to get to know them and try to get them to know me as well. And that's a good thing. If they know me, they will connect to me emotionally and want to buy my stuff.”

**Himbrimi**
The company is very customer experience oriented and much care is taken with the look and feel of the product and their positioning in the market. The founder said: “Yes, there was demand for a beautiful product that people are proud of and that they can take along and take a piece of Iceland [with them].”
The company works intensely with bartenders who convey both their own reaction and customer feedback.

**Iglo + Indi**
The company invests an effort into building relationships with customers, especially customers in Iceland. The respondent mentioned that the company connects with its customers both online on social media and in stores themselves and that the feedback received personally from customers in Iceland helps internationally as well. The respondent also mentioned that the company serves an interesting group of customers: “So it's an interesting customer, you know, you have someone who is your customer until their kids are 11 and then they're gone. [...] They [current customers] become grandmas and grandpas in the future, but you constantly need to find new customers.”

**Into the Glacier**
According to the marketing director, the company strives to offer guests a unique experience and also to educate them. Also, the company listens to guests’ concerns and needs, both informally on the tours and by sending out formal questionnaires to get feedback to improve the experience.

**Lava Centre**
According to the respondent, the needs and wants of the customers are a top priority and the focal point of the business. The customers’ experience and happiness is considered crucial as the company believes that word of mouth is critical to success. The respondent stated: “Well, of course the customer is most important, without a doubt. You know... we are there only for the customer and the customer will have to be happy when they leave because the best promotion you can ever get is a happy customer.”

To assure this, the company has tested the concept on the main target group: foreign tourists. The company also plans to have regular questionnaires and surveys distributed to their guests to measure satisfaction.

**Meniga**
Relationships and knowledge about customers is considered very important. The company regularly holds seminars where they teach consumers about Meniga’s services and ask them about it and how it can be improved. Also, the respondent stated company
personnel use every opportunity they get to go out and seek information from customers.

It is the author’s view that the small and close nature of the Icelandic environment heavily influences the companies’ relations with their customers. Icelandic consumers are thought to be demanding, in a good way, and the companies all show an effort to communicate effectively with them. What seems to perhaps distinguish these entrepreneurial companies from larger and more established firms is how easy it is for them to reach their local consumers, and vice versa because the routes of contact are shorter and there are less hierarchical boundaries in the way. It is understood that communicating with customers is more challenging internationally.

4.8 Value Creation

Value creation reflects how companies’ products and services can create value for their customers. If consumers do not see any value in a company’s offering, they will clearly not want to anything to do with it. In the interviews, the managers were asked how, in general, they believe their products or services create value for their consumers.

Bioeffect
This company believes it is creating value by providing customers with a product that can help them have healthier and younger looking skin. The respondent explained: “We are fortunate because we know that most people are concerned about how fast they age; it’s our vanity. Most people have this characteristic that they want to look better and if you can understand what's happening in the skin, like we believe we can [...] then you just have to educate the customers. And of course, that's difficult and it's challenging.”

The company makes sure that customers are aware of the product benefits and understand the product by training and educating all distributors, who in turn train their sales staff, so they understand the product and the company.

Dohop
The company claims to create value for users by helping them find the cheapest flights and flight connections. Recently, the company started to offer a guarantee to lessen the risk of connecting flight itineraries to add value to its services.
Gyðja Collection
When discussing how the company creates value for its customers, the respondent said: “...If you have a product that nobody wants, it won’t work. So, when I create a product, I think about the end. I think about how I would want to have this product and how this [product] would be of value to me...”

Himbrimi
According to the respondent, the product brings value through experience: “There is much thought put into the product experience, from the look of the bottle to the type of sound the cork makes. It is very important that the tap itself makes the right sounds and is made from the right wood. It is very important that you discover the little things on the bottom that are hidden, that you notice, that you keep on finding things about it, that the product respects its clients. It doesn’t tell them what to think.”

The whole idea and concept of the product has its roots in art, not business: “[...] I’m not an entrepreneur, I’m an artist and Himbrimi for me is my art. That is, I mean it has always been. I’ve put all my creativity into it. I’d actually stop making art when I stop making Himbrimi because all my creativity goes into the website, into the marketing, into videos. So, I’m getting a lot of output there.”

Iglo + Indi
When asked how the company creates value for the customer, the manager said: “People really appreciate the design, they appreciate the quality and they come back to us because they know that if they buy something from us it’s going to last. And their kids are going to want to wear it. I think that’s something where we are a bit different from a lot of other brands. I think a lot of brands create clothes that the parents want the kids to wear. But then we always hear again and again if the kids can choose themselves they choose Iglo and Indi, which is such an amazing complement to get. Because it goes in line with our culture here and also the identity of our brand that kids get the freedom to choose.”

Into the Glacier
Regarding value creation, the marketing manager stated: “We are creating memories. We are creating experiences [and] they can't be substituted by something else. This is
a unique experience. So, I would say that we're definitely creating something unique for our guests [...] as they're doing something surreal by going inside [the glacier].”

**Lava Centre**

The company’s main value proposition is to offer guests the opportunity to experience and learn about Icelandic volcanoes and geology in exciting and new ways. The respondent believes strongly that you must create something that will draw attraction itself: “Well, I think that the concept itself, Lava, the Lava building, should be appealing to customers, but as I say you have to build the “magnetic”, you have to build a concept that actually proves that it gets to you. You can't say yes, you have to go there but you'll have to create something that [the visitors] want to go to, the attraction.”

**Meniga**

The marketing manager said: “I feel, for us, as an innovative software company, that our livelihood basically is based on creating content that people want to engage with. [...] I feel like our value proposition to the customer has to be about presenting something of value to them. They allow us to access their data and we then have to turn [that data] around and show them something that's interesting or something that they wouldn't be getting otherwise [...] So, I feel like, for us, the challenge is to constantly be innovating and creating something for users that they don't get elsewhere. [...] You have to constantly think of new ways to engage people on a subject that isn't even that exciting.”

The concept of value creation is believed to be deeply rooted in all the respondents’ minds and is also understood to be the core driver of idea generation and product development for all the firms studied.
5 Findings and Discussion

The study examines the activities and attitudes of marketing managers and directors of entrepreneurial companies in Iceland using entrepreneurial marketing’s seven dimensions as a guiding framework.

In terms of overall marketing practice, the companies all utilize public relations and word of mouth as a tool for marketing communication. By interpreting the respondents’ answers, it seems that this method of gaining attention is applied more than others because it’s free in a sense and can create a buzz in the marketplace. Some of the companies don’t even purchase traditional advertising at all and believe more in gaining awareness through word of mouth, public relations, and media coverage. However, this seems to apply more to the smaller companies in the study more than the larger ones. The larger firms seem to rely on more formal methods of advertising but also combine these tactics with more unconventional and interpersonal means of marketing. These beliefs, that informal marketing tactics such as gaining attention via PR and word of mouth can bring attention to the company, are consistent with the literature; Stokes (2000b) stated that promotional activities of entrepreneurial marketers that serve to attract new customers rely heavily on word of mouth and customer recommendations. This is also in line with current theories of how buzz marketing can stir up the marketplace and lead to more publicity and enthusiasm for a brand (Ahuja et al., 2007; Rosenbloom, 2000).

A common characteristic among the entrepreneurial companies in the study is that many managers exploit their personal relationships a lot. This is maybe true for all people in marketing to some degree, but it is the author’s view that this is much more important for these younger and smaller firms than for larger, more established companies. For example, the marketing managers of companies in the tourism sector use their former business relations in their business to business marketing efforts and all the companies that produce products for retail use relations with people in the media to advertise their products, be it magazines, TV, or on other platforms. This characteristic of entrepreneurial marketers has been discussed in the literature, where Stokes (2000a) uses the term ‘relationship marketing’ to describe the concept.
Textbook marketing practices require a top-down approach with a predefined sequence of activities, such as segmentation, targeting, and positioning. It is apparent that entrepreneurial firms do not follow that approach strictly. According to the traditional approach, companies first estimate market potential and needs of the market before developing a product. The firms studied show a more entrepreneurial approach to the business orientation as for them, the product idea precedes gauging the market. This notion that the product idea precedes anything else for entrepreneurs has been noted in past research (Stokes, 2000a).

Concerning innovativeness, Davis et al. (1991) explain that entrepreneurship plays an important role in coming up with new or refined products and services and in finding unique solutions to serve organizational functions. Miles & Darroch (2006) explain the role of innovativeness in the entrepreneurial marketing environment as a means of creating superior value.

The respondents in this study expressed parallel ideas concerning innovation to those in the literature. All the companies of this study had introduced new products, services, or an improved version of product/service in the last year or are preparing for product launch. Innovation at the companies can be viewed in terms of product innovation and innovation in marketing methods or tactics. Some of the companies invest more in product innovation than others due to their nature, history, and product offerings. However, there seems to be an indication that the companies who are less concerned with product innovation invest their efforts more in discovering new opportunities or markets for their products.

Proactiveness can be viewed as the drive to lead and pioneer the market in terms of creating new or adapting current products to bring dynamism to the marketing approach of the business. The entrepreneurial marketer does not take the external environment as given; it is viewed as an opportunity horizon according to Morris, Schindehutte, & LaForge (2001). The entrepreneurial marketer strives to refine their external environment to seek opportunities and moderate risk (Morris et al., 2001). In terms of opportunity focus, it has been indicated that firms with an entrepreneurial marketing perspective have better alertness when filtering and evaluating opportunities that are in line with their current strategy and position in the marketplace (Christensen, 1997).
Morris et al. (2002) emphasize the significance of proactively identifying and exploiting opportunities as they arise.

The respondents all displayed an effort to respond to changes or new trends in the market and proactively seek new opportunities. For an example, the companies that target their products to tourists clearly demonstrate how the recent expansion of tourism in the country has opened up new opportunities in the market. These companies have that in common; they have developed new products to directly attract business from foreign visitors. The other companies that were interviewed have all improved their products or offered new products in response to marketplace changes. For example, Bioeffect had to improve its EGF serum to better satisfy customers, Dohop is continually adding features to their core service, iglo+indi has introduced new product lines, and Meniga has added features to their product to increase engagement. Due to their size and limits in budget, many of the companies demonstrate a willingness to seek free publicity, which can contribute to more coverage in the media and conversations between customers. Examples of this are endorsements, appearances in magazines, and use of social media.

According to Morris et al. (2002), at its most fundamental level, leveraging refers to doing more with less. Entrepreneurial marketers need not be constrained by the resources they have at hand at any given time and are inclined to leverage resources in a number of different ways, such as stretching them further than others, utilizing profitable resources that others neglect, using the resources of others for their own purpose, and complementing resources to create a higher combined value.

Coinciding with the theory of stretching or “bootstrapping” resources, the companies of this study fit the criterion to certain degree; however, it is hard to claim that the firms fulfill all aspects of Morris et al.’s (2002) view. The firms studied had to utilize their staff and capital to full capacity to capture an opportunity at some point. Many of the companies had received outside funding from private investors or investment funds to grow the venture. In some cases, companies had to seek outside advisory consultations and many also outsource some elements of their business, with product manufacturing being the most commonly outsourced activity.
The more established companies of this study have all carefully selected their markets for expansion. A careful approach has been taken when evaluating opportunities and the companies show an effort not to bite off more than they can chew. Although the companies were not asked directly about this, it is a possibility that the economic environment that followed the crisis in which these companies were established may have been influential and thus resulted in the incorporation of an element of caution in the organizational philosophy and culture of these firms. The younger companies of this study are not as well established to draw any conclusion in this regard, but the tourism influx may allow them to grow at a more rapid pace than companies in other industries.

Most of the respondents do not show a high affinity for risk seeking behavior. On the contrary, the respondents acknowledge the risks that are present in their external environment and move carefully into undiscovered seas. Furthermore, most of the companies show a will to learn from past missteps and many of their managers demonstrated clearly that they do not move into new ventures or markets without having first estimated potential monetary gains. This approach of carefully assessing and managing risks is in line with the current entrepreneurial marketing theory. Morris et al. (2002) emphasized that making use of opportunities involves risk management and Shane & Venkataraman (2000) state that firms that adopt an entrepreneurial marketing approach try to measure risks and take into account the rationale of the risks that confront them.

In relation to customer focus or customer intensity, Miles & Darroch (2006) pointed out that the need to constantly seek out opportunities drives entrepreneurial firms to increase their customer engagement. Most of the managers interviewed showed a high respect for their customers and explained that they were customer oriented. However, many of the firms connect and communicate with customers to assess their needs and wants through informal means rather than using more formalized methods such as questionnaires or surveys.

Morris et al. (2002) posited that, historically, the focus of marketing has been the transaction but has become the customer relationship more recently. The focal point of entrepreneurial marketing is innovative value creation, which implies that innovation must be a prerequisite for the transaction and the relationship. The marketer’s task is to
discover new sources of customer value. The respondents all show an effort to create superior value for customers and one element that was very prominent in their responses was the concern they showed for the customer experience. The author believes that this characteristic is perhaps more present within entrepreneurial organizations because the people responsible for marketing are also very much invested in product development and innovation. Further, the respondents who were also the founders of their companies show a more emotional relationship with their product.
6 Conclusion

This study explores how marketing is practiced within young, entrepreneurial Icelandic firms via in-depth interviews. The focus of the study and its theoretical foundation is based on the concept of entrepreneurial marketing. The results of this study support existing theories of entrepreneurial marketing practices and how they differ from more traditional approaches to marketing.

The marketing functions of the firms studied are influenced by entrepreneurial qualities and all displayed an adherence to Morris et al.'s (2002) dimensions of entrepreneurial marketing (opportunity focus, proactiveness, innovativeness, risk taking, resource leveraging, customer intensity, and value creation). However, it can be stated that the most prominent one was customer intensity. It is believed that this is because the entrepreneur has to strive for their own customers. The entrepreneurial marketer is not someone who sees their customers through data sheets and analytics. They truly have a connection with their customers.

Concerning innovation at the companies studied is somewhat intertwined between the marketing and product development functions. Indeed, sometimes the roles themselves are filled by the same person, especially in the smallest companies. In the organizations studied, marketing influences innovation and vice versa. Opportunity focus, calculated risk taking, and proactiveness were found to describe similar underlying concepts and themes and it is suggested that these could possibly be added to a future framework for studying entrepreneurial marketing. The managers and marketers of the companies studied demonstrated a low affinity for risk but nevertheless seem to be on the constant lookout for new opportunities to be pursued. It is the author’s belief that the dimension of value creation is possibly too general to be employed in future research on the topic; it can be argued that every marketer will say that they create value for customers but possibly a different research method could establish the presence of this dimension better than through qualitative interviews.

Regarding the question of how marketing is practiced in young entrepreneurial companies in Iceland, it was found that most of the companies are cautious when exploring new market opportunities. Word of mouth and public relations are very
prominent marketing tactics as a means of marketing communication, much focus is placed on the end customer’s experience, and innovation is a driving factor in value creation for the firms studied.

It cannot be underestimated how much the technological environment has changed in recent decades. We are now on the brink of stepping into the fourth industrial revolution or the second major revolution of their lives for some people. It has never been so hard to compete for consumers’ attention. We are bombarded with an abundance of messages from countless sources every minute or hour, so inherently the marketer’s battleground and artillery has changed dramatically in recent times. But how does today’s marketer cope? In this day and age where information is everywhere, it is easy to suggest that the answers lie in analyzing data and working with detailed plans and reports. Entrepreneurial marketing, as an academic field of study, is just in its infancy but it carries an important interpretation of the behavior of the modern marketer. In some settings and circumstances, simplicity, trial and error, and ad hoc decision-making work better than the traditional marketing. It must not be forgotten that we are human after all.

It is the author’s opinion that entrepreneurial marketing approaches should be introduced into the curriculum of universities’ marketing programs, not only to broaden students’ views of marketing practice but also to prepare them for different work environments and circumstances. The marketers of the future will not have the time or the option of employing every textbook solution to real-world problems. The world is a fast-moving place and sometimes a natural human touch, which I believe differentiates entrepreneurial marketing from the traditional approach, is better.

This study solely focused on young entrepreneurial firms. It is suggested that it would be beneficial to also study marketing practices within older and more established firms in the Icelandic environment and compare them to younger entrepreneurial organizations. It is also suggested that the scope of research could be enlarged by sampling a greater number of companies to achieve greater external validity, which this qualitative study inherently lacks. Also, to get a better comparison between companies and their methods, it could have proven beneficial to sample companies in the same industry.
While semi-structured, in-depth interviews are useful to explore and understand attitudes and practice, it would also be interesting for future research in the field to employ a quantitative research approach in the form of a survey to cover a larger sample; however, one might miss out on the finer details that can be revealed through qualitative approaches.

Marketing and entrepreneurship undoubtedly complement each other. Entrepreneurship is of great value to marketing as a practice: the agility, strive for success, and the constant exploration of opportunities may very well be the skills that will set the best marketers apart from the rest in the future. Similarly, understanding the fundamentals of marketing practice may be the last piece of the puzzle for brilliant entrepreneurs to succeed. The fields of study will continue to be investigated apart in the term, but the future is exiting for the fusion of the two fields in the construct of entrepreneurial marketing.


Appendix

A1. Interview questions

• When was the company founded and how many employees does the company have today?
• How did the idea for the company come about?
• How is marketing practiced in your organization?
  o Which channels do you use, who is responsible, what is your main target group?

Dimension 1 – Innovativeness

• Do you show a constant effort to innovate your products and services?
• In the last few years, can you please explain how you managed and responded to the new trends in the marketplace?
• Is market information used in product/service development?

Dimension 2 – Pro-activeness

• Would you describe your company as a pioneer with regards to new product development and technology, and if so, how?
• Can you give me an example of new product and service offerings that have been your response to a demand in the marketplace?

Dimension 3 – Opportunity focus

• What kind of activities do you pursue in order to identify opportunities in the marketplace and how do you select them?

Dimension 4 – Resource leveraging

• How do you manage company resources to pursue new opportunities?

Dimension 5 – Calculated risk taking

• What is your approach to risk taking when pursuing new ventures and how do you assess and manage risk?

Dimension 6 – Customer intensity

• How important are your customers’ needs and wants to your company?
• Do you have any measurement tools to assess these?

**Dimension 7 – Value Creation**

• How do you create value for your current and new customers, in general?
A2. Interview inquiry email

To Whom It May Concern,

My name is Kristófer Kristófersson and I am working towards finishing my MSc degree in Marketing at Reykjavik University this spring/summer. My thesis is on the topic of entrepreneurial marketing and I will be conducting interviews with entrepreneurial Icelandic companies to better understand their marketing practices.

I am very interested in interviewing your company for this research as I believe your company fits the criteria of a young and innovative Icelandic company.

The interview must be conducted in English although Icelandic is my first language, as the thesis must be written in English. The interview must be recorded for transcription purposes and will take less than one hour. I would like to speak to the marketing manager or the CEO of your company and ask a few questions regarding marketing and entrepreneurship. The questions are broad in nature and will not require any confidential information.

The research question of my thesis is:

How is marketing practiced in young entrepreneurial companies in Iceland?

Please let me know, at your earliest convenience, if you are willing to participate in this study. I can schedule the interview at most times during weekdays and I would be happy to see you sooner rather than later. I might also give your company a follow-up call to schedule a meeting or check if you would be willing to participate.

I look very much forward to hearing from you.

Kindly,

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