

Innovation, risk management, and proactive behavior: An insight into the aspects of entrepreneurial marketing in SMEs

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Abstract: Innovation, risk management, and proactive behaviour are the primary rudiments of entrepreneurial marketing that drive success and augment the competitiveness of business firms. Hence, exploring the interlinkage of these entrepreneurial marketing strategies in detail and looking forward to their underlying influence on the competitiveness of small and medium-sized enterprises (SMEs) is a useful approach to getting an overview of the current standing of small and emerging businesses in this regard. Therefore, the current study intends to contribute to this paradigm by sampling a total of 400 respondents from 47 SMEs in Kuwait. Data was collected via a questionnaire, and the responses were analyzed using SPSS v23. The outcomes depicted that all three dimensions of entrepreneurial marketing strategies have a positive and strong correlation with each other and a pronounced impact on driving competitiveness in SMEs. It has been noted that the aspiration towards bringing innovation, taking and managing risk for the anticipated good of the firm, and a proactive mindset are among the cardinal aspects that are imperative for the success and overall competitiveness of a firm to evolve and thrive in a diverse corporate sector and adopt change for the better of the organizations as well as the involved stakeholders.

Keywords: Competitiveness, Entrepreneurial marketing, Innovation, Proactive behavior, Risk management, Small- and medium-sized enterprises, SMEs.

1. Introduction

Innovation (Buccieri et al., 2021), risk management (Palich & Bagby, 1995), and proactive behaviour (Liu et al., 2017) are among the most integral elements of entrepreneurial marketing, playing a crucial role in the success and sustainability of businesses in today's dynamic and competitive marketplace. With the evolution and flourishing of entrepreneurial marketing, organizations and entrepreneurs are coerced to adopt a proactive mindset and embrace innovation while effectively managing risks (Crick et al., 2020; Yadav & Bansal, 2021).

Entrepreneurial marketing is a distinct marketing approach that focuses on the unique challenges faced by entrepreneurs and small businesses. It involves the identification and exploitation of opportunities, the creation of new value for customers, and the development of competitive advantages (Hisrich & Ramadani, 2018). In this context, innovation, risk management, and proactive behaviour are intertwined concepts that are essential for entrepreneurial marketing success.

Innovation, often considered the lifeblood of entrepreneurial endeavours, refers to the creation and implementation of new ideas, products, services, processes, or business models that result in added value for customers and differentiation from competitors (Çapoğlu, 2009). Innovation enables entrepreneurs to meet changing customer needs, gain a competitive edge, and capitalize on emerging trends and technologies (Trimi & Berbegal-Mirabent, 2012). It is not limited to technological advancements but also encompasses novel approaches to marketing, distribution, customer engagement, and business operations.

Innovation in entrepreneurial marketing involves a mindset that encourages experimentation, adaptation, and continuous learning (Farooq, 2023). Entrepreneurs must be willing to challenge

traditional norms, take calculated risks, and explore uncharted territories to create breakthrough solutions and meet evolving market demands (Govindarajan & Trimble, 2005). They need to foster a culture that encourages creativity, collaboration, and a relentless pursuit of improvement (Sahlberg & Oldroyd, 2010). By embracing innovation, entrepreneurs can leverage their unique insights, resources, and capabilities to develop customer-centric strategies and drive sustainable growth.

However, innovation inherently involves risks (Govindarajan & Trimble, 2005). The entrepreneurial journey is characterized by uncertainty (Townsend et al., 2018), ambiguity (Kubberød & Pettersen, 2017), and the possibility of failure (Cacciotti et al., 2020). Entrepreneurs must navigate various risks, including market risks, technological risks, financial risks, and operational risks (Peschl et al., 2021). Risk management is the process of identifying, assessing, and mitigating these risks to protect the business and maximize its chances of success. It involves a systematic approach to anticipate and respond to potential threats while also recognizing and capitalizing on opportunities that arise (Seanor & Meaton, 2008).

Effective risk management requires entrepreneurs to be proactive in their approach (Sylla, 2003). Proactive behaviour refers to the ability to anticipate and act in advance to influence outcomes and shape future events (Crant, 2000). It involves taking initiative, being forward-thinking, and engaging in activities that are aimed at preventing problems rather than simply reacting to them (Bateman & Crant, 1999). Proactive entrepreneurs actively scan the business environment, identify potential risks, and implement strategies to mitigate them. They stay updated on industry trends, technological advancements, and regulatory changes, allowing them to adapt their marketing efforts and seize opportunities ahead of competitors (Van Ness et al., 2020).

Proactivity also extends to seizing opportunities for growth and innovation (Zampetakis, 2008). Entrepreneurs with a proactive mindset actively seek out new ideas, develop strategic partnerships, and build networks to expand their knowledge and reach (Verzat et al., 2017). They are not content with maintaining the status quo but instead embrace change as an opportunity for improvement and growth (Crant, 1996). By being proactive, entrepreneurs can position themselves as market leaders, driving innovation and shaping the industry landscape.

To sum it up, innovation, risk management, and proactive behaviour are integral components of entrepreneurial marketing. In today's rapidly evolving business environment, entrepreneurs must embrace innovation as a means of creating value, differentiating themselves from competitors, and meeting the evolving needs of customers. However, innovation is not without risks, and entrepreneurs need to adopt effective risk management practices to navigate uncertainties and safeguard their ventures. Additionally, a proactive mindset enables entrepreneurs to anticipate and respond to challenges and opportunities, ensuring long-term success and sustainability. By understanding and integrating these concepts into their marketing strategies, entrepreneurs can position themselves for growth, competitive advantage, and a thriving business in the dynamic marketplace.

1.1. Problem Statement

Small and medium-sized enterprises (SMEs) are the driving force of labour and employment worldwide, specifically for developing economies. It has been evidenced that SMEs offer around two-thirds of all formal jobs in developing nations and nearly 80% in low-income nations (Endris & Kassegn, 2022).

As per the definition of IMF, Kuwait is a developing country (WorldData.info, 2023). With regard to the labour market, the SMEs in Kuwait employ an estimated 23% of the country's overall 2.1m workforce (OBG, 2023). Hence, it can be asserted that SMEs have a vital role in the context of Kuwait. Thus, being an indispensable integral of the country's workforce, SMEs must perform well to elevate the economy and have a competitive advantage across the international markets. Consequently, entrepreneurial marketing strategies ought to be effective and innovative to bring competitiveness and success to the corporate sector they are involved in. Hence, studying the underlying influences and resulting impacts of these aspects is a potential research area in this paradigm.

1.2. Research Aim

In consideration of the priorly discussed matter, the current study aims to conduct a study in the context of Kuwait to explore the role of entrepreneurial marketing strategies (innovation, risk management, and proactive behaviour) and their consequential impact on the competitiveness of small and medium-sized enterprises (SMEs) through an empirical approach.

2. Methodology

2.1. Research Design

To gather comprehensive data on the topic, a structured and original research design was implemented. This approach was carefully crafted to ensure the collection of relevant and reliable data. Central to this design was the development of a detailed survey, which was meticulously constructed to capture a wide range of information from participants.

The survey included a variety of question types, such as multiple-choice, Likert scale, and open-ended questions, aimed at eliciting both quantitative and qualitative data. This mixed-method approach allowed for a more nuanced understanding of the participants' perspectives and experiences.

Participants were invited to complete the survey electronically, utilizing an online survey platform. This method of data collection was chosen for its efficiency, broader reach, and ease of use, ensuring that responses could be collected promptly from a diverse pool of participants. The electronic collection of responses also facilitated easier data management and analysis, as the data could be directly exported into analytical software for further examination.

2.2. Research Sample

The research sample was carefully selected to provide a representative snapshot of HR and managerial profiles from small and medium-sized enterprises (SMEs) in Kuwait. The sample population consisted of professionals from 47 distinct SMEs, ensuring a diverse range of insights and perspectives on the topic at hand.

In total, 400 respondents were included in the sample. These participants were chosen based on their roles within their respective organizations, ensuring that the data collected would be relevant and insightful regarding HR and managerial practices. The selection process was designed to capture a balanced mix of participants, including individuals from various levels of management and different functional areas within HR.

All participants willingly partook in the survey, with no external pressure or coercion involved. Their voluntary participation was crucial to the integrity of the data collection process, ensuring that the responses were genuine and reflective of the participants' true opinions and experiences. To maintain this ethical standard, participants were fully informed about the purpose of the research, the nature of their involvement, and their right to withdraw at any time without any consequences.

This well-defined and ethically sourced sample provided a robust foundation for the research, enabling the collection of high-quality data that would contribute to a comprehensive understanding of the subject matter. The diversity of the sample, combined with the voluntary nature of participation, ensured that the findings would be both reliable and broadly applicable to the wider population of SMEs in Kuwait.

2.3. Data Collection

To gather the necessary data for this study, a self-administered questionnaire was meticulously designed and prepared. The questionnaire was developed to encompass a comprehensive range of items addressing the three critical dimensions of entrepreneurial marketing: innovation, risk management, and proactive behaviour. Each dimension was carefully examined through specific questions aimed at understanding their respective impacts on driving competitiveness within the context of small and medium-sized enterprises (SMEs).

The questionnaire included a mix of question types, such as Likert scale items to gauge attitudes and perceptions, multiple-choice questions to assess specific behaviours and practices, and open-ended

questions to capture detailed insights and examples from the respondents. This diverse range of question formats ensured a rich and multifaceted collection of data, enabling a thorough analysis of the complex relationships between entrepreneurial marketing dimensions and SME competitiveness.

Once the questionnaire was finalized, it was electronically distributed to the targeted sample of HR and managerial professionals from 47 SMEs in Kuwait. The use of electronic distribution was chosen for its efficiency and convenience, allowing respondents to complete the questionnaire at their own pace and from any location with internet access. This method also facilitated the timely collection of responses and streamlined data management processes.

The distribution process was accompanied by clear instructions and assurances of confidentiality, encouraging honest and thoughtful participation. Respondents were informed about the purpose of the study, the importance of their contributions, and their right to withdraw from the survey at any point without any repercussions. These measures were taken to ensure the ethical conduct of the research and the reliability of the collected data.

2.4. Data Analysis Method

Following the administration of the survey, the collected responses underwent a thorough screening process to ensure data quality and integrity. This initial step involved carefully examining each response for any missing, improper, or unclear information. As a result of this rigorous screening, only 309 fully completed surveys were deemed suitable for the final analysis, while the remaining 91 responses were excluded due to issues such as incomplete answers, improper entries, or ambiguous responses.

To conduct the statistical analysis, the data from the 309 valid surveys were processed using SPSS (Statistical Package for the Social Sciences) version 23. SPSS v23 was chosen for its robust analytical capabilities and user-friendly interface, making it well-suited for handling the complex data sets associated with this research. The results of these statistical analyses are presented and discussed in the subsequent section, providing a comprehensive overview of the findings and their implications.

3. Results and Analysis

Table 1.
Pearson correlation coefficients of the dimensions of the study variables.

Dependent variable Independent variable		Cost reduction	Differentiation	Growth	Quality	Competitiveness
Innovation	<i>r</i>	0.312*	0.342*	0.235*	0.300*	0.343*
	<i>p</i> -value	0.000	0.000	0.000	0.000	0.000
Risk management	<i>r</i>	0.339*	0.379*	0.384*	0.404*	0.434*
	<i>p</i> -value	0.000	0.000	0.000	0.000	0.000
Proactive behavior	<i>r</i>	0.361*	0.365*	0.328*	0.361*	0.409*
	<i>p</i> -value	0.000	0.000	0.000	0.000	0.000
Entrepreneurial marketing strategy	<i>r</i>	0.553*	0.558*	0.528*	0.544*	0.630*
	<i>p</i> -value	0.000	0.000	0.000	0.000	0.000

Table 2.

The results of a simple linear regression analysis for the impact of innovation on competitiveness.

Independent variable	Partial regression coefficient	Partially standardized regression coefficient	t-value	p-value
Innovation (X)	0.312	0.343	6.396	0.000
Regression constant (α)	2.205	---	11.585	0.000
<ul style="list-style-type: none"> • $R^2 = 0.118$ 				
<ul style="list-style-type: none"> • F Statistic = 40.911 				
<ul style="list-style-type: none"> • P-value of the model = 0.000 				
<ul style="list-style-type: none"> • Confidence level (95%) 				
<ul style="list-style-type: none"> • Error rate of the model = 88.2% 				
<ul style="list-style-type: none"> • Dependent variable (Y): Competitiveness 				

Table 3.

The results of a simple linear regression analysis for the impact of proactive behaviour on competitiveness.

Independent variable	Partial regression coefficient	Partially standardized regression coefficient	t-value	p-value
Proactive behavior (X)	0.386	0.409	7.842	0.000
Regression constant (α)	1.995	---	10.905	0.000
<ul style="list-style-type: none"> • $R^2 = 0.167$ 				
<ul style="list-style-type: none"> • F Statistic = 61.496 				
<ul style="list-style-type: none"> • P-value of the model = 0.000 				
<ul style="list-style-type: none"> • Confidence level (95%) 				
<ul style="list-style-type: none"> • Error rate of the model = 83.3% 				
<ul style="list-style-type: none"> • Dependent variable (Y): Competitiveness 				

Table 4.

The results of a simple linear regression analysis for the impact of risk management on competitiveness.

Independent variable	Partial regression coefficient	Partially standardized regression coefficient	t-value	p-value
Risk management (X)	0.339	0.434	8.452	0.000
Regression constant (α)	2.195	---	14.866	0.000
<ul style="list-style-type: none"> • $R^2 = 0.189$ 				
<ul style="list-style-type: none"> • F statistic = 71.431 				
<ul style="list-style-type: none"> • P-value of the model = 0.000 				
<ul style="list-style-type: none"> • Confidence level (95%) 				
<ul style="list-style-type: none"> • Error rate of the model = 81.1% 				
<ul style="list-style-type: none"> • Dependent variable (Y): Competitiveness. 				

4. Discussion

Small and medium-sized enterprises (SMEs) are crucial drivers of economic growth, job creation, and innovation across many countries. Despite their significant contributions, SMEs frequently encounter challenges when competing with larger, more established firms. These challenges can include limited resources, less market influence, and reduced access to capital. In this context, entrepreneurial marketing strategies have emerged as a vital tool for SMEs to bolster their competitiveness and achieve sustainable growth.

Entrepreneurial marketing involves innovative, proactive, and risk-taking approaches to market development. Unlike traditional marketing, which often relies on established practices and incremental

improvements, entrepreneurial marketing is characterised by its emphasis on creativity, flexibility, and a deep understanding of market dynamics. This discussion will delve into the positive impacts of entrepreneurial marketing strategies on the competitiveness of SMEs, highlighting key areas where these strategies can make a substantial difference.

4.1. Targeted Market Segmentation and Customer Focus

One of the key advantages of entrepreneurial marketing strategies is their ability to enable small and medium-sized enterprises (SMEs) to identify and target specific market segments with precision. This focused approach allows SMEs to hone in on niche markets or particular customer needs that larger competitor may overlook. By concentrating their efforts on these well-defined segments, SMEs can tailor their products and services to meet the unique demands of their target audience, creating a competitive edge.

This customer-centric approach is integral to the success of entrepreneurial marketing. By deeply understanding their customers' preferences, behaviours, and pain points, SMEs can design offerings that resonate more effectively with their target market. This tailored strategy not only enhances the relevance of the products and services but also fosters stronger customer relationships. By addressing specific needs and delivering personalized solutions, SMEs can cultivate a loyal customer base that values the individualized attention and bespoke offerings they provide.

Through personalized marketing campaigns, SMEs can deliver superior value propositions that set them apart from larger competitors. These campaigns might include customized promotions, targeted messaging, and direct engagement with customers through various channels. Such personalization enhances the overall customer experience, making customers feel valued and understood. This heightened level of customer satisfaction is crucial for building long-term loyalty and encouraging repeat business.

Moreover, SMEs can leverage their agility and flexibility to adapt quickly to changing market conditions and customer preferences. Unlike larger firms that may have more rigid structures and processes, SMEs can pivot their strategies and offerings with relative ease. This responsiveness allows them to stay ahead of market trends and continuously align their products and services with the evolving needs of their customers.

By focusing on delivering enhanced customer experiences, SMEs can achieve higher levels of customer satisfaction. Satisfied customers are more likely to become repeat buyers and advocates for the brand, spreading positive word-of-mouth and contributing to the business's growth. This organic promotion is particularly valuable for SMEs with limited marketing budgets, as it can significantly amplify their reach and impact.

Ultimately, the ability of SMEs to implement targeted market segmentation and maintain a strong customer focus leads to increased competitiveness. By differentiating themselves through personalized offerings and exceptional customer service, SMEs can carve out a unique position in the marketplace. This differentiation is critical for standing out in a crowded and competitive environment, allowing SMEs to thrive despite the presence of larger, more established competitors.

4.2. Innovation and Differentiation

Entrepreneurial marketing strategies place a strong emphasis on the crucial elements of innovation and differentiation to ensure that small and medium-sized enterprises (SMEs) can stand out in a competitive market. These strategies enable SMEs to leverage their inherent agility and flexibility to develop innovative products, services, or business models that address unmet customer needs. By continuously exploring new ideas, embracing technological advancements, and taking calculated risks, SMEs can differentiate themselves from their competitors and create a compelling unique selling proposition. Innovation is at the heart of entrepreneurial marketing. SMEs, due to their smaller size and less bureaucratic structures, are often more capable of fostering a culture of creativity and experimentation. This environment allows them to swiftly respond to market changes and customer feedback, leading to the rapid development and deployment of new solutions. Whether through the

introduction of cutting-edge technologies, the improvement of existing products, or the creation of entirely new business models, SMEs can stay ahead of the curve and maintain a competitive edge.

Differentiation is equally vital for SMEs striving to make their mark in the market. By offering unique features, exceptional quality, or distinctive branding, SMEs can set themselves apart from larger, more homogeneous competitors. This differentiation can take many forms, including innovative product designs, superior customer service, or the adoption of sustainable and ethical business practices. Such differentiation not only attracts customers but also builds brand loyalty and trust, which are essential for long-term success.

The continuous pursuit of innovation requires SMEs to stay informed about emerging trends and technological advancements. By keeping abreast of industry developments, SMEs can identify opportunities to integrate new technologies into their offerings, enhancing their value proposition. This proactive approach allows SMEs to not only meet but exceed customer expectations, thereby fostering a loyal customer base and driving repeat business.

Taking calculated risks is another hallmark of entrepreneurial marketing. SMEs, with their lean structures, can afford to experiment with bold ideas and innovative approaches without the fear of significant bureaucratic pushback. This willingness to take risks can lead to breakthrough innovations that disrupt existing markets and set new industry standards. By challenging the status quo and pushing boundaries, SMEs can transform themselves from market participants to market leaders. Furthermore, the focus on innovation and differentiation empowers SMEs to challenge industry norms. By introducing novel concepts and pioneering new practices, SMEs can disrupt traditional market dynamics and create new growth opportunities. This disruptive potential not only enhances their competitiveness but also positions them as thought leaders and innovators within their industries.

4.3. Resource Optimization and Cost Efficiency

Small and medium-sized enterprises (SMEs) often operate with limited resources compared to their larger counterparts. Entrepreneurial marketing strategies empower SMEs to optimize their resources effectively and achieve cost efficiency. These strategies enable SMEs to maximize their impact through innovative and targeted marketing approaches, allowing them to reach their target audience without incurring significant advertising costs.

One of the key ways SMEs can optimize resources is by leveraging cost-effective marketing techniques such as social media marketing, content marketing, and influencer marketing. Social media platforms offer a powerful means for SMEs to engage with a wide audience at a fraction of the cost of traditional advertising. Through carefully crafted content and strategic social media campaigns, SMEs can build brand awareness, foster customer engagement, and drive sales.

Content marketing, another vital component of entrepreneurial marketing, involves creating and sharing valuable, relevant, and consistent content to attract and retain a clearly defined audience. By producing high-quality blog posts, videos, infographics, and other forms of content, SMEs can position themselves as industry experts and build trust with their audience. This approach not only enhances brand visibility but also nurtures customer relationships, leading to increased loyalty and repeat business. Influencer marketing is another effective tool for SMEs. By partnering with influencers who have a strong following within their target market, SMEs can amplify their reach and credibility. Influencers can provide authentic endorsements and reviews, helping to build trust and attract new customers. This method is often more cost-effective than traditional advertising, offering a high return on investment for SMEs operating on limited budgets.

Entrepreneurial marketing strategies also encourage creativity and resourcefulness, enabling SMEs to find innovative solutions to business challenges within their budgetary constraints. This might involve leveraging partnerships and collaborations, utilizing free or low-cost digital tools, and engaging in guerrilla marketing tactics that create a significant impact with minimal expenditure. Such strategies help SMEs to stretch their resources further and achieve their marketing goals without overspending. Moreover, resource optimization through entrepreneurial marketing not only enhances the competitiveness of SMEs but also enables them to achieve sustainable growth cost-effectively. By prioritizing efficiency and effectiveness in their marketing efforts, SMEs can ensure that every dollar

spent delivers maximum value. This focus on cost efficiency allows SMEs to reinvest savings into other critical areas of the business, such as product development, customer service, and employee training.

4.4. Agility and Adaptability

Entrepreneurial marketing strategies emphasize the critical importance of agility and adaptability for small and medium-sized enterprises (SMEs) to thrive in a dynamic and rapidly changing business environment. Unlike larger corporations that may be encumbered by bureaucratic structures and slower decision-making processes, SMEs possess the inherent flexibility to quickly respond to market trends, shifting customer preferences, and emerging opportunities.

One of the key advantages of entrepreneurial marketing is its focus on staying attuned to market changes. By continuously monitoring the business landscape, SMEs can identify trends and shifts in consumer behaviour early on. This proactive approach allows them to adjust their marketing strategies in real time, ensuring that their messaging and tactics remain relevant and effective. Whether it involves tweaking advertising campaigns, refining social media strategies, or updating website content, SMEs can make swift changes that keep them aligned with current market conditions.

In addition to adjusting marketing strategies, entrepreneurial marketing enables SMEs to modify their product offerings based on real-time feedback and market demand. This might involve launching new products, enhancing existing ones, or discontinuing underperforming items. The ability to quickly iterate on product development ensures that SMEs can meet the evolving needs of their customers and maintain a competitive edge. For example, an SME in the tech industry might rapidly integrate new features into their software based on user feedback, thereby increasing customer satisfaction and loyalty.

Agility also extends to how SMEs respond to customer feedback. Entrepreneurial marketing places a strong emphasis on listening to customers and incorporating their input into business decisions. SMEs can quickly address customer concerns, resolve issues, and implement suggestions, creating a positive customer experience and fostering strong relationships. This responsiveness not only enhances customer satisfaction but also builds a reputation for reliability and attentiveness, which can be a significant differentiator in the market. Furthermore, the adaptability of SMEs allows them to capitalize on emerging market trends and seize competitive advantages. By being nimble and flexible, SMEs can pivot their strategies to exploit new opportunities as they arise. This might involve entering new markets, adopting innovative technologies, or experimenting with unconventional marketing tactics. For instance, an SME might leverage a sudden surge in demand for eco-friendly products by quickly developing and marketing a new line of sustainable goods.

The ability to swiftly adapt to market dynamics is a cornerstone of entrepreneurial marketing. SMEs that embrace agility can stay ahead of the curve, continuously refine their competitive strategies, and maintain a forward-looking perspective. This dynamic approach not only enhances the competitiveness of SMEs but also positions them as nimble and innovative players within their industries.

4.5. Relationship Building and Networking

Entrepreneurial marketing strategies place significant emphasis on the importance of relationship building and networking, which are crucial for small and medium-sized enterprises (SMEs) to enhance their competitiveness. SMEs can leverage their smaller size and closer proximity to customers to establish personal and meaningful relationships, which larger corporations often struggle to replicate.

By engaging in one-on-one interactions, SMEs can develop a deep understanding of their customers' needs, preferences, and pain points. This direct engagement allows SMEs to tailor their products and services to better meet customer demands, resulting in higher levels of customer satisfaction. Additionally, providing exceptional customer service helps to create positive experiences that foster brand loyalty. When customers feel valued and understood, they are more likely to become repeat buyers and advocates for the brand, recommending it to others and contributing to organic growth. Fostering a sense of community is another powerful aspect of relationship-building for SMEs. By creating an inclusive and engaging environment, SMEs can build strong connections with their

customer base. This might involve hosting local events, participating in community activities, or creating online forums where customers can interact with each other and the brand.

Such initiatives not only strengthen customer loyalty but also enhance the brand's reputation and visibility within the community. Furthermore, entrepreneurial marketing encourages SMEs to actively participate in industry events, such as trade shows, conferences, and networking gatherings. These events provide valuable opportunities for SMEs to showcase their offerings, gain insights into industry trends, and connect with potential customers and partners. By being visible and active within their industry, SMEs can build credibility and establish themselves as key players.

Collaboration with other businesses is another vital component of entrepreneurial marketing. By forming strategic partnerships and alliances, SMEs can access new markets, share resources, and leverage the expertise of their partners. For example, an SME might partner with a complementary business to offer bundled products or services, providing added value to customers while expanding their market reach. Such collaborations can also lead to cost savings, as partners can share marketing expenses, distribution channels, and other resources.

Networking opportunities extend beyond industry events and business partnerships. SMEs can also benefit from participating in professional associations, local business groups, and online communities. These platforms provide a space for SMEs to share knowledge, exchange ideas, and seek advice from peers and industry experts. The insights gained from these interactions can help SMEs refine their strategies, overcome challenges, and stay informed about the latest developments in their field. The ability to build strong relationships and networks is a significant competitive advantage for SMEs. By establishing personal connections with customers, providing exceptional service, and actively engaging in their industry, SMEs can differentiate themselves from larger competitors. These relationships create a loyal customer base, enhance brand advocacy, and open up new opportunities for growth and collaboration.

4.6. Customer Experience and Word-of-Mouth Marketing

Entrepreneurial marketing strategies place a strong emphasis on delivering exceptional customer experiences, recognizing that these experiences are pivotal in differentiating small and medium-sized enterprises (SMEs) from their larger competitors. For SMEs, the ability to provide personalized and high-quality customer experiences can serve as a key market differentiator, setting them apart in a crowded marketplace.

One of the primary advantages of SMEs is their agility and closeness to their customer base, which allows them to offer a level of personalization that larger corporations often find challenging. By truly understanding their customers' needs, preferences, and expectations, SMEs can tailor their interactions to provide exceptional service. This might include personalized recommendations, prompt and attentive customer support, or customized solutions that address specific customer pain points. Exceeding customer expectations consistently leads to high levels of customer satisfaction. Satisfied customers are not only more likely to become repeat buyers but also powerful advocates for the brand. Positive customer experiences often translate into positive word-of-mouth marketing, which is one of the most effective and credible forms of promotion. When customers share their favourable experiences with friends, family, and colleagues, it amplifies the brand's reach and reputation organically.

Word-of-mouth marketing leverages the power of personal recommendations, which are often perceived as more trustworthy and reliable than traditional advertising. A positive reputation built through word-of-mouth can significantly enhance an SME's competitiveness by increasing brand awareness and credibility without the need for substantial advertising budgets. In a world where consumers are bombarded with advertisements, a personal endorsement from a satisfied customer can cut through the noise and make a lasting impact. Furthermore, positive word-of-mouth can drive customer acquisition and retention. Potential customers are more likely to trust a brand that has been recommended by someone they know, leading to higher conversion rates. Additionally, existing customers who have had positive experiences are more likely to remain loyal to the brand and continue to make purchases. This loyalty not only ensures a steady revenue stream but also reduces customer churn, which is crucial for the sustainable growth of SMEs.

The impact of exceptional customer experiences extends beyond immediate sales. It fosters a culture of excellence within the organization, where every team member is committed to delivering the best possible service. This customer-centric approach permeates all aspects of the business, from product development to after-sales support, ensuring that the customer's voice is always heard and addressed. Moreover, by focusing on delivering outstanding customer experiences, SMEs can reduce the need for extensive and costly advertising campaigns. The organic growth driven by word-of-mouth marketing allows SMEs to allocate their resources more efficiently, investing in areas that further enhance the customer experience and drive innovation.

In conclusion, entrepreneurial marketing strategies significantly enhance the competitiveness of small and medium-sized enterprises (SMEs). By adopting customer-centric approaches, SMEs can effectively identify and meet the specific needs of their target markets, thereby building strong customer relationships and fostering loyalty. Emphasizing innovation and differentiation allows SMEs to stand out in the marketplace by developing unique products, services, or business models that address unmet customer needs and challenge industry norms.

Resource optimization is another critical benefit of entrepreneurial marketing strategies. SMEs often operate with limited resources, and by employing cost-effective marketing techniques and fostering a culture of creativity and resourcefulness, they can achieve significant cost efficiencies. This approach not only helps in managing budgets more effectively but also in finding innovative solutions to business challenges.

Fostering agility and adaptability is essential in today's rapidly changing business environment. Entrepreneurial marketing enables SMEs to quickly respond to market trends, customer preferences, and emerging opportunities. This ability to swiftly adapt to changes ensures that SMEs remain competitive and can capitalize on new opportunities as they arise. Relationship building and networking are also integral components of entrepreneurial marketing strategies. By establishing personal and meaningful relationships with customers and engaging in strategic partnerships, SMEs can expand their reach, share resources, and enhance their market presence. These strong networks and partnerships contribute to the long-term sustainability and growth of SMEs. Additionally, focusing on delivering exceptional customer experiences generates positive word-of-mouth marketing. Satisfied customers become brand advocates, sharing their positive experiences with others, which leads to increased brand awareness, customer acquisition, and retention. This organic form of promotion is particularly valuable for SMEs, as it reduces the need for extensive advertising expenditures.

In today's dynamic business landscape, SMEs that embrace entrepreneurial marketing strategies are better positioned to thrive, succeed, and achieve sustainable growth. These strategies enable SMEs to leverage their inherent advantages, such as agility, innovation, and close customer relationships, to build a strong competitive position. By continuously adapting to market changes and focusing on delivering value to customers, SMEs can ensure long-term success and resilience in the face of competition.

5. Conclusion

To put it succinctly, the current study has attempted to offer insight into the combined impacts of entrepreneurial marketing strategies—namely, innovation, risk management, and proactive behaviour—on the competitiveness of small and medium-sized enterprises (SMEs) in Kuwait. The findings indicate that all three dimensions of entrepreneurial marketing strategies are not only strongly correlated with each other but also significantly influence the competitiveness of SMEs.

The study reveals that fostering innovation, taking and managing risks for the anticipated benefit of the firm, and maintaining a proactive mindset are crucial elements for the success and competitiveness of a business. These entrepreneurial strategies are essential for SMEs to evolve, thrive, and adapt in a diverse and dynamic corporate sector. They also play a vital role in helping organizations and their stakeholders achieve sustainable growth and long-term success.

The importance of innovation cannot be overstated; it allows SMEs to differentiate themselves in the marketplace by developing unique products and services that meet unmet customer needs. Effective risk management enables these enterprises to navigate uncertainties and make informed decisions that

contribute to their resilience and stability. A proactive approach ensures that SMEs remain forward-thinking, seizing opportunities and anticipating market changes to stay ahead of the competition. This study underscores the need for SMEs to integrate these entrepreneurial marketing strategies into their operations to enhance their competitive edge. By doing so, they can not only achieve immediate business goals but also foster an environment conducive to continuous improvement and adaptation.

As a suggestion for future research, it would be valuable to compare these findings in a broader context by examining the differences and similarities between SMEs and large, well-established corporations. Such a comparative study could provide deeper insights into how entrepreneurial marketing strategies are applied across different organizational sizes and sectors, offering a more comprehensive understanding of their impact on competitiveness.

In conclusion, this study highlights the critical role of entrepreneurial marketing strategies in driving the competitiveness of SMEs in Kuwait. By embracing innovation, effective risk management, and a proactive mindset, SMEs can better position themselves for success in an ever-changing business landscape.

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