Intrapreneurial Behaviour of Employees in the Era of Transformative Marketing: A Multidisciplinary Approach

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Improving company performance is the top priority of every executive. Before digitalisation and globalisation, the increase in assets and financial performance were counted as top indicators of company performance. However, innovation as well as understanding and meeting customer performance are considered top priority for companies today. This era has been named as the period of transformative marketing. In transformative marketing, companies are required to transform themselves with changes in the business landscape. These changes are dependent on employees. Only highly motivated and entrepreneurial employees can help companies in this transformation. The transformation is not routine and employees cannot be formally pushed to participate. Transformation needs the highest level of employee involvement. Therefore, this study uses a multidisciplinary approach suggesting a framework for improvement of company performance in the era of transformative marketing. The study concludes that transformative marketing and entrepreneurial behaviour of employees can result in better company performance. Future researchers are recommended to use this framework and validate it across various cultures.

\textbf{Keywords: Transformative Marketing, Intrapreneurial behaviour, Multidisciplinary approach, conceptual framework.}
Introduction

Digitalisation has revolutionised the world (Faroq, Janjua and Khurshid 2016; Farooq and Raju 2019b, 2019a). This revolution has blurred boundaries between countries. Top ten companies today are exist across the world. This blurring in boundaries is not limited to companies, the world of research has also changed. Today’s researchers are undertaking research in multiple fields. For example recent articles of Journal of Marketing: Chase and Murtha (2019) have merged the field of entrepreneurship, finance and financial marketing in an article entitled “Selling to Barricaded Buyers.” Centobelli, Cerchione and Singh (2019) have merged marketing and information technology in “The impact of leanness and innovativeness on environmental and financial performance: Insights from Indian SMEs.” Gai and Klesse (2019) discuss agricultural marketing in “Making Recommendations More Effective Through Framings: Impacts of User- Versus Item-Based Framings on Recommendation Click-Throughs.” Combining various disciplines is a common trend within Social Sciences. However, there are a few studies which explicitly connect these disciplines and provide a conceptual framework for a range of disciplines to work together for increased organisational performance. Therefore, this study aims to fill a gap by having three objectives. The first objective is to define entrepreneurship, intrapreneurship and transformative marketing, the second is to investigate top models on Intrapreneurship and transformative marketing and the third objective is to connect the results of intrapreneurship and transformative marketing and provide a conceptual framework.

The era of Entrepreneurship, Intrapreneurship and Transformative Marketing

The concept of intrapreneurship is a few decades old. It was originally introduced by Pinchot in 1978 in his work “Intra-corporate entrepreneurship.” where pointed out that entrepreneurial thinking of employees is crucial for organisations in order to rapidly grow and thrive in the ever changing economy (Arunga 2017). Intrapreneurship draws its roots from entrepreneurship (Antonicic and Hisrich 2001; Karimi et. al. 2011). However, it differs from entrepreneurship in several ways (Marchiori, Madeira, and Dinis 2018). For instance, entrepreneurs use their own resources while intrapreneurs use the resources of their organisations to exploit opportunities (Honig 2001). It is evident from previous studies that research on intrapreneurship focuses primarily on new businesses and a generation of new products and services in already existing organisations in order to further strengthen their revenue base (Saegebrecht et. al. 2019; Woo 2018). Intrapreneurship has been widely defined by various studies since the date of its inception. According to Antonicic, (2003), intrapreneurship refers to entrepreneurship in already established organisations. Therefore, entrepreneurship can exist at the individual as well as organisational level. It is a behavioural phenomenon of emergence such as new business formations or innovation in already existing organisations. Similarly, Gawke, Gorgievski and Bakker, (2018) defined intrapreneurship as
a process of new business creation and strategic renewal in already existing organisations. Therefore, we may define intrapreneurship for our study as strategic renewal brought about by employees of already existing organisations. For this purpose, organisations need employees who exploit opportunities through their innovative and proactive behaviour (Petra C M Neessen et al. 2019).

Companies need talented and innovative entrepreneurs like their own employees to transform themselves. Transformation is the core reason why companies became successful in last decade. This era has been defined by Kumar (2018) as the era of transformative marketing. Digitalisation has empowered customers which resulted in customisation. Today companies are required to use customer data and prove the value of new products and services. In the era of transformative marketing, companies can use data to meet the expectation of all stakeholders which include governments, company owners, employees and customer preferences (Farooq et al. 2019; Kumar 2018; Meyer 2018; Varadarajan 2018).

Kumar (2018) has defined transformative marketing as: “the confluence of a firm’s marketing activities, concepts, metrics, strategies, and programs in response to marketplace changes and future trends to leapfrog customers by offering superior value over competition in exchange for profit for the firm and providing benefits to all stakeholders.”

The definition of transformative marketing expects employees to be innovative and respond to the development of the market place. In transformative marketing, employees are expected to vault customers and provide offers which are valuable for both the firm and its stakeholders. These results are only possible through the intrapreneurial behaviour of employees.

**Theories in Intrapreneurial Behaviour**

**Intrapreneurial Behaviour**

Intrapreneurship is the process of innovation at one end and business formation at the other. Employees within already existing organisations engaged in this process exhibit some additional behaviours which are termed as intrapreneurial behaviour of employees (Gawke, Gorgievski, and Bakker 2018; Valsania, Moriano, and Molero 2016). Such Intrapreneurial behaviour includes innovativeness, risk taking and proactiveness amongst employees (Mahmoud, Ahmad, and Poespowidjojo 2018). Intrapreneurial behaviour is considered as crucial for the growth and competitive advantage of organisations irrespective of their size (Carter and Tamayo 2017; Olokundun et al. 2017; Yang et al. 2007; Zhang et al. 2018). Moige, Mukulu and Orwa, (2016) studied intrapreneurship in relation to the performance of food companies. Gawke, Gorgievski and Bakker, (2017) investigated the impact of intrapreneurship on employee engagement and concluded a positive relationship between
these two variables. Apart from the impact of employee intrapreneurial behaviour on organisational outcomes it is also important to ascertain the construct of intrapreneurship. Many researchers have agreed about the view that intrapreneurship/intrapreneurial behaviour of employees has three predominant dimensions including innovation, risk taking and pro-activeness (Farrukh, Ying and Mansori, 2016; OTSU, 2016; Neessen et. al., 2018).

**Dimensions of Intrapreneurship**

Previous studies have suggested several methods to measure intrapreneurial behaviour of employees. According to Antoncic and Hisrich, (2001) intrapreneurship has four main dimensions such as innovativeness, self-renewal, proactiveness and new business venturing. Similarly, (Auer Antoncic and Antoncic 2011) also divided intrapreneurship into four dimensions including new business venturing, product or service innovation, process innovativeness and self-renewal. Subsequently, researchers measured intrapreneurial behaviour through three main dimensions called innovativeness (Åmo 2006; Davis 1999; Farrukh et. al. 2017; Hughes and Mustafa 2017; J. P. C. Rigtering and Weitzel 2013) risk taking (Kelley et al. 2011; Kollmann et al. 2017; Moriano et. al. 2014; Vargas-Halabí, Mora-Esquivel and Siles 2017) and pro-activeness (Baczyńska, Rowiński, and Cybis 2016; Farrukh, Ying, and Mansori 2016; OTSU 2016; Yoo and Jeong 2017). Several studies also considered other dimensions of intrapreneurial behaviour of employees such as opportunity recognition (Urban and Wood, 2017; (Kibirango et. al. 2017), networking (Chen, Chang and Chang, 2015; Heinze and Weber, 2015; Kühn et. al., 2016), autonomy and competitiveness (Covin and Wales 2012) . In this study we will use three dimensions of intrapreneurial behaviour as described by Stull and Singh (2005); Valsania, Moriano, and Molero (2016).

**Innovativeness**

Innovativeness means initiating new and novel ideas and creative processes which are distinct from current practices (Linton 2019; Lumpkin and Dess 1996). It is the willingness of organisations to depart from customary activities to either new ways of doing already existing processes or to offer new products and services. According to Zhao, (2005) entrepreneurship and innovation are alternate terms and a combination of what is vital for the success of the organisation. Many researchers have studied innovativeness regarding organisational success, keeping in mind its importance (Caseiro and Coelho 2019).

**Risk Taking**

According to March and Shapira, (1987) risk level is linked with the choices made by decision makers in order to achieve high returns. As higher returns are associated with higher degrees of risk taking (Maneemaroj, Lonkani, and Chingchayanurak 2019). Therefore, risk
taking is the willingness to invest in projects with unknown results (J. C. C. Rigtering, Weitzel, and Muehlfeld 2019). It is an employee trait that helps organisations refrain from imitating and duplicating the procedures of other organisations. Rather, it helps them to take courageous actions that will pay more dividends in the long run. It is also the level of failure accepted by higher management to receive higher returns in an organisation (Gursoy and Guven 2016).

**Proactiveness**

The tendency of employees is to seek opportunities within the given resources is termed as proactiveness (Lumpkin and Dess 1996; Rahman, Civelek, and Kozubičková 2016). Opportunity recognition refers to the exploration of opportunities for innovation based on existing work conditions. It is the characteristic of employees acting in anticipation of future challenges. It also means an opportunity to seek employee actions based on the future wants and needs of the organisation in relation to its competitors (Covin and Wales 2012). This proactive behaviour has a dual effect and leads to both professional and organisational growth and development (Messmann and Mulder 2017).

**Transformative Marketing Models**

Transformative marketing compared to intrapreneurship is a new concept. It was introduced in July 2018 in the Journal of Marketing as the central focus for the next 20 years. In this era, employees are expected to be innovative and transform businesses to reflect the needs of customers. This transformation has created a great deal of pressure on the marketing department. Marketing has become a top priority of every company. However, based on new research 80% of Chief Executive Officers don’t trust Chief Marketing Officers. Due to immense pressure and responsibility, the turnover rate of CMOs is very high (Kimberly Whitler and Neil Morgan 2017). Marketing departments are expected to demonstrate efficiency by creating better relationships with customers and meeting their preferences.

Moreover, addition different channels have also increased the importance of marketing. The E-channel and social media are additional channels of marketing. Increased numbers of channels have created twofold problems for companies. The first problem is the availability of several channels (such as IVR, USSD, Call Centre and Customer Service Centres) for customer engagement. Uploading of content and continuous improvement of these channels are the core activities of Marketing. The second is providing customers with Omni experience on all channels. Advancements in technology such as 5G, artificial intelligence and machine learning are of increasing importance in marketing and creating pressure on marketing professionals.
Kumar (2018) introduced transformative marketing with the objective of helping companies in reaching their intended audience with a customised service. The product and service must be innovative enough that they exceed customer satisfaction. For these types of products, a single unit or function of an organisation can work. Such projects require the complete involvement of all departments. Thus, having intrapreneurial attitude is important for everyone within an organisation. There are several examples of innovative ideas from employees which help in building an Organisation’s business. For instance, the idea of Southwest Airline not to charge customers for extra services proved to be a competitive advantage (Steimer 2018).

The objective of transformative marketing is to focus on the benefit of all shareholders (Nguyen et. al. 2019; van Osselaer and Lim 2019). Those changes which don’t benefit all stakeholders mostly remain as short-term benefits. For instance, Tata Motors’ Nano, an affordable car for drivers in India was once billed as the cheapest car in the world, is now facing a possible phaseout. When first launched, the car did not have amenities such as a radio, electric windows or locks, antilock brakes, power steering or airbags. When crash test results awarded zero stars for Nano, the recommendation was to add airbags and simple adjustments to the frame to improve safety, all the while keeping the cost affordable. However, the car manufacturer ignored these recommendations but included air conditioning and power steering in all 2017 models (Schilling 2017). The lack of safety features has made the car non-compliant with the regulatory framework under the Bharat New Vehicle Safety Assessment Program, a proposed new car assessment program by the Indian government. As a result, Tata Motors’ managing director recently commented that complying with the new regulatory framework would mean significant investments into the car, therefore the company is considering a possible phase-out in 2019 (Dovall 2018). Thus, regulatory changes meant that Nano was at odds regarding value. In these kinds of scenarios, the intrapreneurial behaviour of employees is crucial.

**Earlier studies regarding Intrapreneurship and Transformative Marketing**

As marketing has experienced various transformations, similarly, employer expectations from employees have also changed (Farooq 2019; Farooq and Raju 2019b; Kumar 2018). Today employees are more empowered compared to a decade ago. The marketing era has gone from a production era to the transformative marketing era (Farooq et. al. 2019; Farooq and Raju 2019a). As shown in the figure below, today Organisation are recommended to use a multi-disciplinary approach to merge with various disciplines.
Multidisciplinary conceptual Framework of Intrapreneurial Behaviour and Transformative Marketing

Based on the discussion and literature models related to Intrapreneurial behaviour, the study recommends the below conceptual framework for future researchers. It is applicable to different companies which are willing to transform their business. The conceptual framework explains why transformative marketing and intrapreneural behaviour should be connected.

**Figure 1. Multidisciplinary Approach to Intrapreneurial Behaviour and Transformative Marketing**

Through the literature review and analysis of intrapreneurial behaviour models it has been observed that all models have discussed four key constructs of intrapreneurship. These include business venture, innovativeness, proactiveness and leadership as it is also evident from earlier research which state that transformative leadership has a positive impact on the innovative behaviour of employees (Moriano et. al. 2014).
In the era of transformative marketing, transformation is applicable for those firms which are not satisfied with their existing state (Bocken et al. 2019) and for those which are facing disruption either form inside or outside the industry. If the companies focus on transformation and innovation from within, they can outreach performance targets (Gupta and Gupta 2019). The telecom sector has been going through the transformation stage extensively. OTT services have impacted the performance of telecom companies, which are entering into various streams of business such as Fintech and IOT. In this state the behaviour of employees is extremely important deriving sources of change and innovation (J. P. C. Rigttering and Weitzel 2013). Based on the forces which are pushing the firms to change, employees can contribute to company performance through intrapreneurial behaviour (Nasir et al. 2019).

**Intrapreneurial Behaviour**

When a company is experiencing a state of tension, performance does not reach the desired level of the stakeholders. The company is looking for improvement and advances in the
product or services line, then employees are expected to demonstrate the intrapreneurial behaviour. Based on earlier models of intrapreneurialship, four variables are important for intrapreneurship. Employees must have the ability to start a new business venture within the Company. For example, in the telecom sector, companies encourage employees to start an IOT business. With the introduction of 5G, there are more business opportunities for telecom companies. Only employees can help in this regard. In intrapreneurial behaviour employees are expected to have the will to look for a new stream of revenue within the Company. The second intrapreneurial behaviour expected from employees is to be innovative. Only an innovate individual can look for new revenue streams and help companies transform themselves. The third aspect is leadership. Once an employee has the vision to start a business venture, second, he or she is innovative while the third aspect is leadership. Employees are expected to own the business venture and get help from all departments inside the Organisation.

The fourth important behaviour of employees is proactiveness. An employee exhibiting intrapreneurial behaviour is expected to be proactive. He or she is expected to proactively conduct market research, develop products which will improve the rating and equity of existing products. The employee must also be ready to handle any mishap regarding launching the product or service. Therefore, these four aspects are critical. These skills can merge transformative marketing with entrepreneurship and ultimately lead to better organisational performance.

Conclusion

Advancement in technology, improvement of customer interaction channels, enhancement of communication and transportation tools have changed the business landscape. This change has made customers more demanding. To meet customers need, companies rely on employees. Employees are expected to have intrapreneural skills to transform business after design products and services as per customer need. In this regard, industries have appointed Chief Customer Experience officers to help employees interact with customers more effectively. However, there are very few academic studies which have addressed this (Farooq 2019).

The current business landscape is impacted by six factors which include technology, economy, customer preference, government and environmental regulations forces demanding employees to work on new ideas and improve product image and Company services (Farooq et al. 2019; Kumar 2018; Meyer 2018; Varadarajan 2018).

This conceptual research paper advocates a multidisciplinary approach which focuses on merging the Intrapreneurial behaviour of employees in the era of transformative marketing.
Using a multi disciplines has created a new branch of marketing which is often called entrepreneurial marketing. Entrepreneurial marketing has been defined by several authors such as Alqahtani and Uslay (2018) who have established entrepreneurial marketing (EM) as a key construct of organisational performance. Recently entrepreneurial marketing has received attention by researchers. A better understanding of the concept can help organisations implement it in different contexts. During the last 30 years, marketing and entrepreneurship studies have thrived due to uncertainty in the market and fluidity in technology. The literature section discusses the three aspects of intrapreneurial marketing and extracts entrepreneurial marketing through the lens of transformative marketing. The first aspect contains earlier work on the definition of entrepreneurship, intrapreneurship and relates to transformative marketing. The second studies the variables of entrepreneurship and intrapreneurship. The third objective provides an entrepreneurial framework which can be validated by future research in various contexts.

It is recommended that academics and practitioners validate the conceptual framework in different cultures and use it to train and develop intrapreneurial skills in employees which can result in better company performance.
REFERENCE


