Output 6 — Teaching Material
Activity Code O6-A1

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Best Practice in External Marketing Communication

prepared by Auður Hermannsdóttir, Katrin Zulauf

MARCIEE's aim is to identify how entrepreneurs can be innovative in using external marketing communications in a successful and efficient way. An important role in reaching that aim is to realize how successful entrepreneurial companies are working with regards to external marketing communications in order to learn from them. The assignments of the ISP in Budapest were intended to give us such information and thereby deepen our knowledge of the opportunities for entrepreneurial companies to be resourceful in using external marketing communication successfully.

Following is a description of the development of (a) an assignment the students did before going to Budapest where they created case studies on examples of best practice companies with regards to external marketing communications, (b) the assignments the students' worked on in Budapest where they worked with the cases and (c) the evaluation criteria used to evaluate the work of the students in Budapest.

Development of case studies description

Student groups in each country were supposed to identify entrepreneurial companies on the B2C market that could represent examples of best practice in external marketing communications. It is reasonable to expect that marketing communications might be different for companies that have recently entered the marked and companies that have been on the market for a longer period of time. It is also an aspect to consider whether they operate on the services or in the NGO sector might also make some further distinctions. And finally we should consider the type, the structure of the ownership and the size, too. There are number of reasons the practices might be different in some way. One possibility is available recourses (e.g. financial and human resources) where it is more likely that companies that have been on the market longer have more resources than companies that are younger. Another possibility is the awareness of the existence of the companies. Younger companies are likely to have less awareness on the market than companies that have been on the market longer and therefor it is reasonable to assume that their emphasis in external marketing communications might be different.

It is also reasonable to expect marketing communications to be in some ways different for companies that are focusing on a domestic market and international market. There are number of reasons this might be the case. One is

the cultural aspect of marketing communications where companies that are working on an international market are likely to have to consider cultural differences and different habits in for example media usage among countries. Because of this it is reasonable to assume there might be differences in marketing communications usage and emphasis depending on whether the company is focusing on a domestic market or an international market.

Because of these, each national student group was supposed to choose four entrepreneurial companies, one from each of the following classes: (1) A company with a domestic market focus that had been on the market for 1 to 2 years, (2) a company with a domestic focus that had been on the market for more than 2 years but less than 10 years, (3) a company with an international market focus that had been on the market for 1 to 2 years and (4) a company with an international market focus that had been on the market for more than 2 years but less than 10 years.

It was thought to be important that the companies had already put their product or service on the market. Companies that are still in the development stage with their first product or service could therefor not be included. The main reason was that is was thought to be important that the companies had shown that the market accepts their idea. A product or service that is still on the development phase has not proven its acceptance by consumers even though the idea might be good and even though it might have gotten acceptance from investors. In order to be truly successful, the market (consumers), must accept the product or the service.

The case studies were supposed to be built on both secondary data and primary data. The primary data were supposed to be in form of an interview with the founder or a manager within the company since those individuals can be expected to have good insight into the business.

Development of the assignments in Budapest

In Budapest the students worked in multinational groups of five. The students got information about the assignment and their group members about a week before arriving to Budapest. They could therefor contact each other and start discussing the assignment trough e-mail or social media.

Their assignment was to work with the best practice cases previously done by the national groups. The overall purpose of the assignment was to find both similarities and differences between the companies discussed in the cases. In order for the comparison to be realistic it was thought to be important to work with similar types of companies with regards to the market focus and time on the market. Therefor each group was supposed to start by choosing one of the previously defined classes based on domestic vs. international market focus and based on younger companies (1 to 2 years on the market) vs. older companies (less than 10 years on the market). After choosing the class, the groups were supposed to choose five cases within that class to work with throughout the assignment.

In Budapest the students had five working days and the assignment was divided up into three deliveries. The first delivery was due on the second day of work, the second delivery on the fourth day of work and the final delivery on the final day. The final delivery was mostly based on the first two deliveries so the students could use the feedback they got from the teachers and supervisors after the first two deliveries and improve for the final delivery.

The first two deliveries were in the form of presentation and the final delivery was both a presentation and a report. The presentations were performed for a jury of five teachers and three student groups.

Development of the evaluation criteria

The rubric for the evaluation criteria of the assignment in Budapest was partly based on evaluation criteria from Dr. Edward Desmarais in Salem State University[1].

In each delivery the content contributed to 50% of the evaluation and presentation performance contributed 50%. This was meant to emphasize that it is not only important to deliver good content, it is just as important to be able to deliver it in a clear and confidence manner within a specific time and answer questions related to the subject at hand.

Presentation performance was valued on four different metrics; coherence, performance, timeliness, and question responsiveness. Coherence involves formulating the content in a clear manner with good and logical flow. Performance is important to get the message to the audience and show confidence and professionalism. It is always important to respect the audience time and be within the set time limit. To be able to answer questions related to the discussion in a clear and confident manner shows professionalism and needs to be practiced.

A jury of five teachers evaluated each group. Each jury member did her/his own evaluation, which were then summed up in the end and divided by five. The final score was therefor the weighted average of the jury.

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[1] See criteria from Dr. Edward Desmarais at Salem State University
http://w3.salemstate.edu/~edesmarais/courses/470general/performancemeasurement/presentationevaluationcriteria.doc

CLASS: ENTREPRENEURSHIP

Teachers: Birgit Hagen, Emilia Cubero-Dudinskaya.

ISP Budapest

May 2015

General description

Starting and managing a business is a risky albeit potentially rewarding undertaking. The complexity and challenges – as well as the potential payoffs – which entrepreneurs and their businesses face vary across different countries and are even greater when their business ventures are international in scope.

This course addresses the issues specific to entrepreneurship including the entrepreneurial mindset/orientation, processes of identification and exploitation of opportunities, the various contexts in which such processes take place, and effectuation and causation logics. The exploitation side of opportunities (e.g. bringing products and services and/or the new venture to the market) is the link to digital marketing and innovative communication strategies.

Structure of the lecture

- Introduction to key concepts in entrepreneurship, i.e. entrepreneurs vs. entrepreneurship, the role of innovation, individual/firm level entrepreneurship etc, opportunity identification and exploitation.
- Illustration of the scholarly domain and trends in the field
- Discussion of entrepreneurship data in various (participants) contexts, i.e. countries, firms, universities and respective influences of contexts on entrepreneurial activity.
- Discovery, identification and creation of opportunities - examples and cases of entrepreneurial orientation and processes
- Introduction to a "new" theory of entrepreneurship: effectuation vs. causation logics and examples.
- Data sources

Intended learning outcome – main objectives

After taking this class, students should be able to:

- Understand the key concepts involved in entrepreneurship

- Analyze the conditions for entrepreneurship in various countries.
- Identify possible sources and characteristics of viable business opportunities
- Relate to and integrate functional areas into strategic business problems
- Foresee challenges of developing a business concept in different contexts.
- Differentiate between the effectual and causal logic and being able to implement both.

Related theories – research roots

Entrepreneurship has multiple research roots e.g. in

- Economics - classic, neoclassical and Austrian Market process schools
- Innovation (e.g. Kim & Mauborgne, 2005 – Blue Ocean Strategy, Christensen & Bower, The innovator's dilemma)
- Uncertainty & Risk (e.g. Frank Knight, 1905 – Cost, Value and Profit – notion of entrepreneurship as the 4th factor of production)
- Resource based theories (e.g. Alvarez & Busenitz, 2001, The entrepreneurship of resource-based theory)
- Psychology - the traits of the individual (e.g. Benz & Frey, 2008, Being independent is a great thing)

Main readings

Shane S. A. (2007). A General Theory of Entrepreneurship: The Individual-opportunity Nexus, Edward Elgar: Cheltenham, UK

Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of management Review*,*21*(1), 135-172.

Sarasvathy, S. D. (2001). Causation and effectuation: Toward a theoretical shift from economic inevitability to entrepreneurial contingency. *Academy of Management Review*,*26*(2), 243-263.

Zucchella, A., & Scabini, P. (2007). *International Entrepreneurship: Theoretical Foundations and Empirical Analysis*. Palgrave Macmillan.

Exercises

1) Produce and comment a graph of GEM data of your choice. For the data please view: http://www.gemconsortium.org/Data
2) Please look at your favorite companies and think about whether they made or found opportunities.

Data sources

- GEM - Global Entrepreneurship Monitor http://www.gemconsortium.org/Data
- GUESSS – Global University Entrepreneurial Spirit Study http://www.guesssurvey.org/
- CIS – Community Innovation Survey (EU data)
- http://ec.europa.eu/eurostat/web/microdata/community_innovation_survey

„In a world with just one time zone –'now'- business must source materials, innovation, talent, logistics, infrastructure and production wherever they are best available."

(Yang Yuanqing, Lenovo)

„What's dangerous, is not to envolve."(Jeff Bezos)

„I knew that if I failed I wouldn't regret that, but I knew the one thing I might regret is not trying." (Jeff Bezos)

A Cambrian moment

(The Economist, 2014)

Cheap and ubiquitous building blocks for digital products and services have caused an explosion in startups. Ludwig Siegele weighs its significance

ABOUT 540M YEARS ago something amazing happened on planet Earth: life forms began to multiply, leading to what is known as the "Cambrian explosion". Until then sponges and other simple creatures had the planet largely to themselves, but within a few million years the animal kingdom became much more varied.

This special report will argue that something similar is now happening in the virtual realm: an entrepreneurial explosion. Digital startups are bubbling up in an astonishing variety of services and products, penetrating every nook and cranny of the economy. They are reshaping entire industries and even changing the very notion of the firm. "Software is eating the world," says Marc Andreessen, a Silicon Valley venture capitalist.

This digital feeding frenzy has given rise to a global movement. Most big cities, from Berlin and London to Singapore and Amman, now have a sizeable startup colony ("ecosystem"). Between them they are home to hundreds of startup schools ("accelerators") and thousands of co-working spaces where caffeinated folk in their 20s and 30s toil hunched over their laptops. All these ecosystems are highly interconnected, which explains why internet entrepreneurs are a global crowd. Like medieval jour-
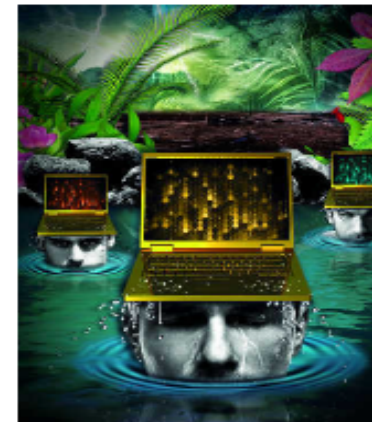
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Marciee

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"Entrepreneurs are among the happiest individuals across the globe when it comes to individual well-being and satisfaction with their work conditions."

(GEM, 2013)

WHAT IS ENTREPRENEURSHIP?

Creation of firms?

Firm Level?

Being innovative?

Individual Level?

Opportunities exploration & exploitation

Entrepreneurial act or process over time?

- Entrepreneurs & entrepreneurship – individual and firm level

- Act and process

- Opportunities – exploration and exploitation

"New Venturing"

"... the doing of new things or the doing of things that are already being done in a new way"

Notion of so-called **"new combinations"**: refer to the introduction of a new product or new 'quality' of a product, a new method of production, a new market, a new source of supply of raw materials or half-manufactured goods, implementing the new organization (Schumpeter, 1934, S.66 ; 1939, S.84f)

DEFINING ENTREPRENEURSHIP

- "Entrepreneurship is the **mindset and process** to create and develop **economic activity** by building **risk-taking, creativity and/or innovation** with sound management, within a **new or an existing organization**. "

(European Community, 2003)

- "*Entrepreneurship is a **way of managing** that involves **pursuing opportunity** without regard of the **resources** currently controlled. Entrepreneurs identify opportunity, assemble required resources, implement a practical action plan, and harvest the **reward** in a timely, flexible way.*"

(Sahlman and Stevenson, 1991)

	Static	Dynamic
Organization	**Organizations at a point in time** (Gartner, 1988; Baum et al., 2001; Samuelsson , 2001; among others)	**Organizations along time** (Shane and Venkataraman, 2000; Covin and Slevin, 1999; Lumpkin and Dess, 1999; among others)
Individual	**Individuals at a point in time** (Cantillon, 1795; Schumpeter, 1934; Kirzner, 1947; Sheperd, 1999)	**Individuals along time** (Westhead and Wright, 1998; Alsos and Kovereic, 1999; Erikson, 2003)

WHO IS AN ENTREPRENEUR?

- Schumpeter's (1934) entrepreneurs

  ➤ Respond creatively to the environment (do not adapt).

  ➤ Take a reflective stance towards established practice.

  ➤ Can envision alternative ways to get things done.

- Correspond to Miles and Snow's (1978) prospectors – who continuoulsy search for new products and markets

A REVIEW OF EXTANT DEFINITIONS

- Entrepreneurs buy at certain prices in the present and sell at uncertain prices in the future. The entrepreneur is a bearer of uncertainty (Chantillon, 1755/1931).

- Entrepreneurs attempt to predict and act upon change within markets. The entreprenur bears the uncertainty of market dynamics (Knight, 1921).

- The entrepreneur is the innovator who implements change within markets through the carrying out of new combinatios of: new good or quality, new method of production, new market, new supply source or new organization (Schumpeter 1934).

- Entrepreneurial activity involves identifying opportunities within the economic system (Penrose, 1959).

The Entrepreneurial Mindset

- Is a dynamic process of vision, change, and creation.

- Requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions.

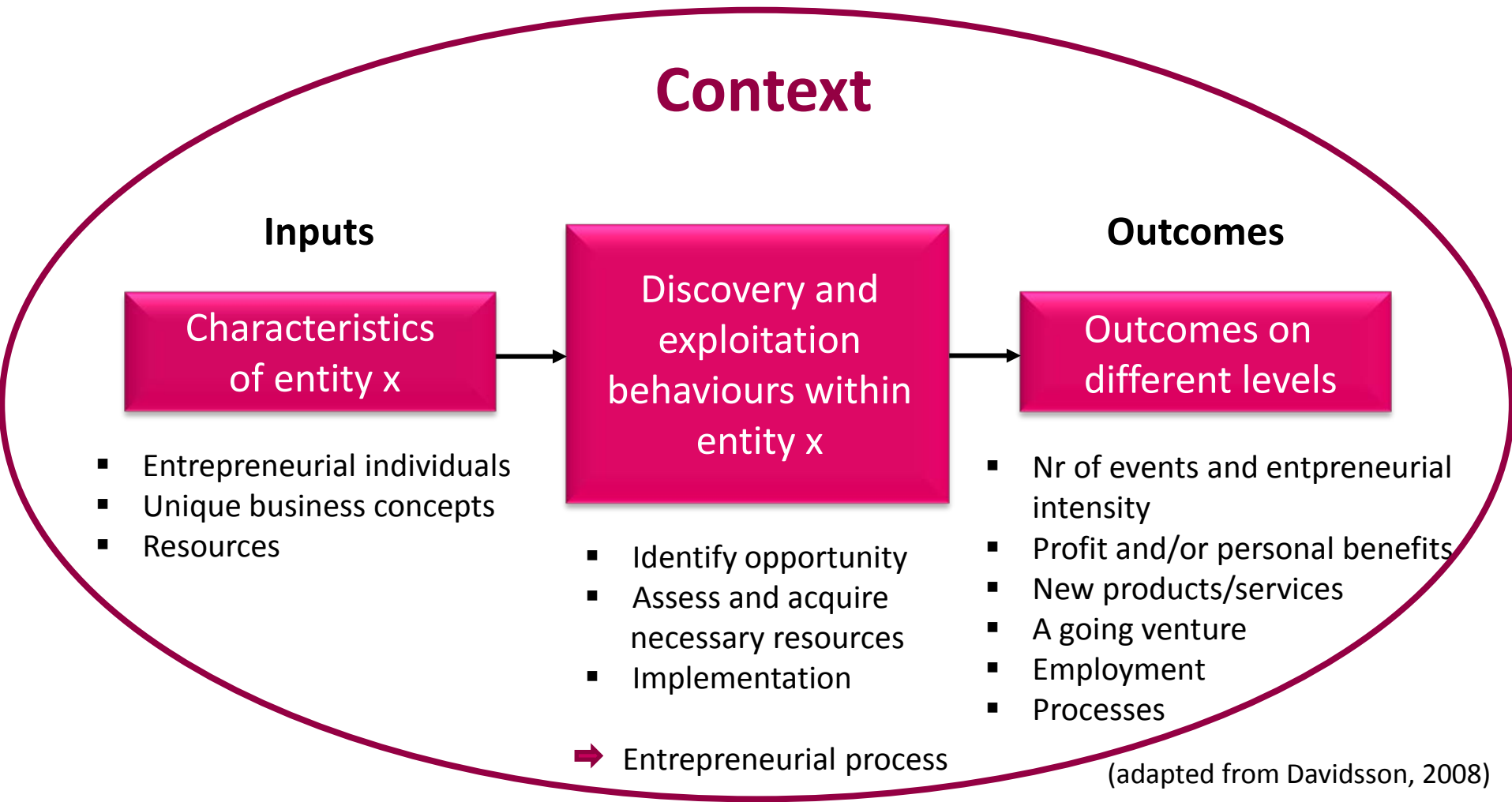- Is the vision to recognize opportunity where others see chaos, contradiction, and confusion.

Innovativeness reflects a tendency to support new ideas, novelty, experimentation and creative processes.

Competitive aggressiveness refers to the type of intensity and head-to-head posturing that new entrants often need to compete with existing rivals (Lumpkin & Dess 1996).

Proactiveness refers to the capacity to anticipate and act on future needs and desires.

Risk taking is the will to commit large amount of resources to projects where the risk of failure might be high.

Context

Inputs

Characteristics of entity x

Discovery and exploitation behaviours within entity x

Outcomes

Outcomes on different levels

- Entrepreneurial individuals
- Unique business concepts
- Resources

- Identify opportunity
- Assess and acquire necessary resources
- Implementation

- Nr of events and entpreneurial intensity
- Profit and/or personal benefits
- New products/services
- A going venture
- Employment
- Processes

➡ Entrepreneurial process

(adapted from Davidsson, 2008)

GEM DATA: ENTREPRENEURIAL INTENTIONS – TEA ACROSS MARCIEE COUNTRIES

Entrepreneurial intentions

(GEM data; 2004, 2008, 2012)
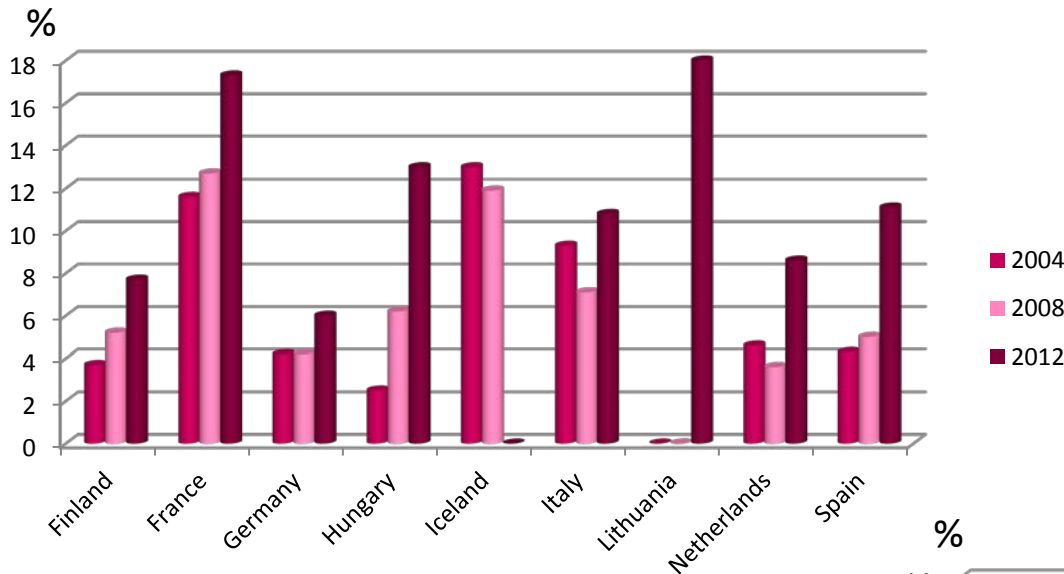
Total early stage entrepreneurial activity
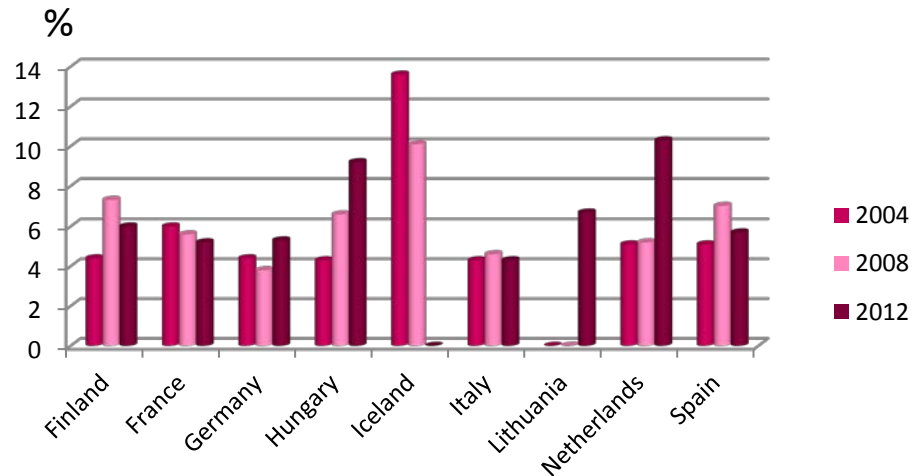
- Fewer than 2 percent of new ventures reach an IPO.

- 92 % of ventures exit without outstanding debt.

- If success is an IPO, then 98 % of ventures fail.

- If failure is bankruptcy, then 8 % of ventures fail.

"Sir, what is the secret of your success?"

"Two words."

"And what are they?"

"Right decisions."

"And how do you make right decisions?"

"One word."

"And what is that, Sir?"

"Experience."

"And how do you get experience?"

"Two words."

"And what are they, Sir?"

"Wrong decisions."

" In Europe, as serious social stigma is attached to bankruptcy. In the US, bankruptcy laws allow entrepreneurs who fail to start again quickly and failure is considered part of the learning process. In Europe, those who go bankrupt tend to be considered "losers". They face great difficulty financing for a new venture. "

(European Commission, 1998)
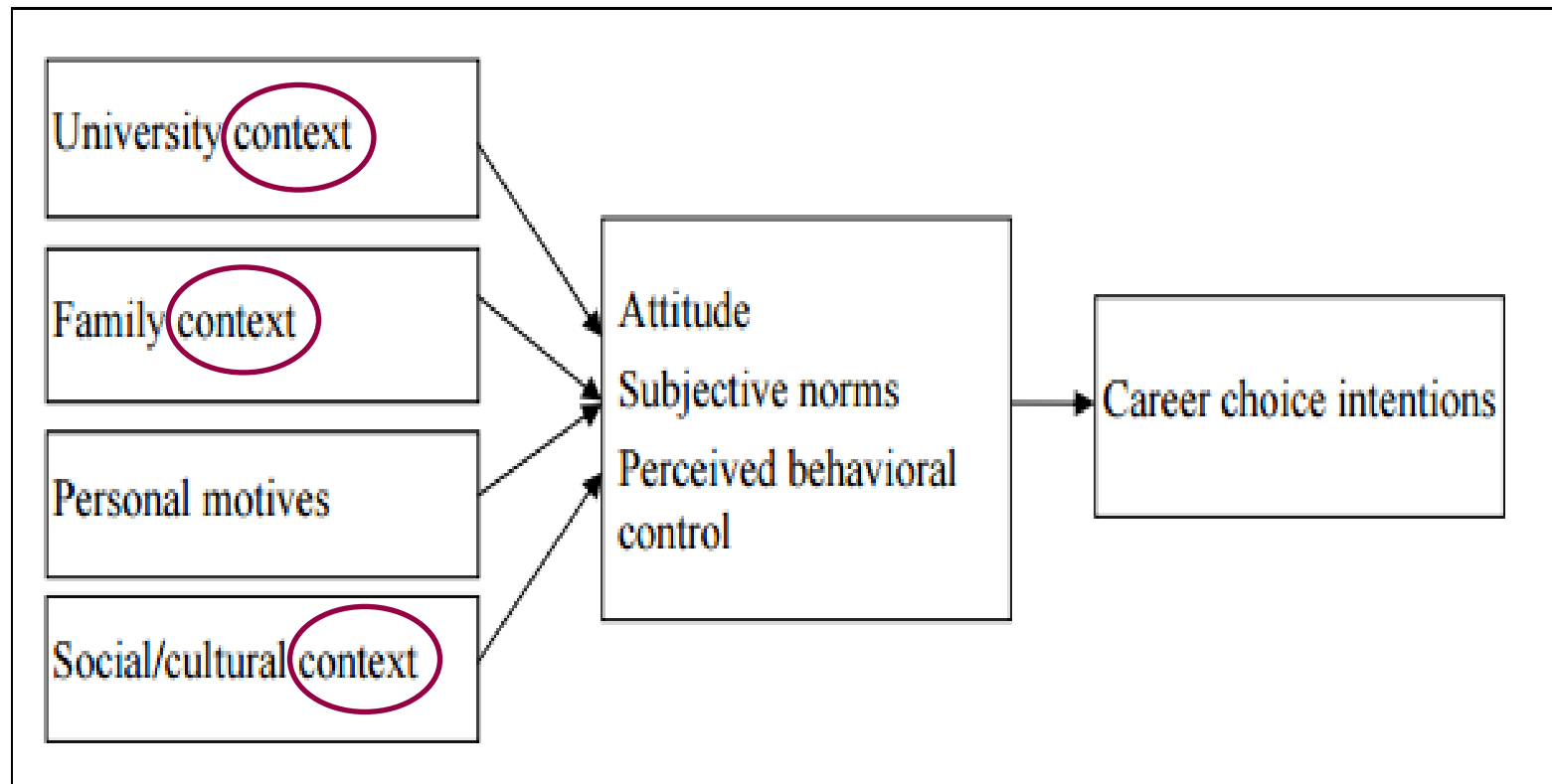
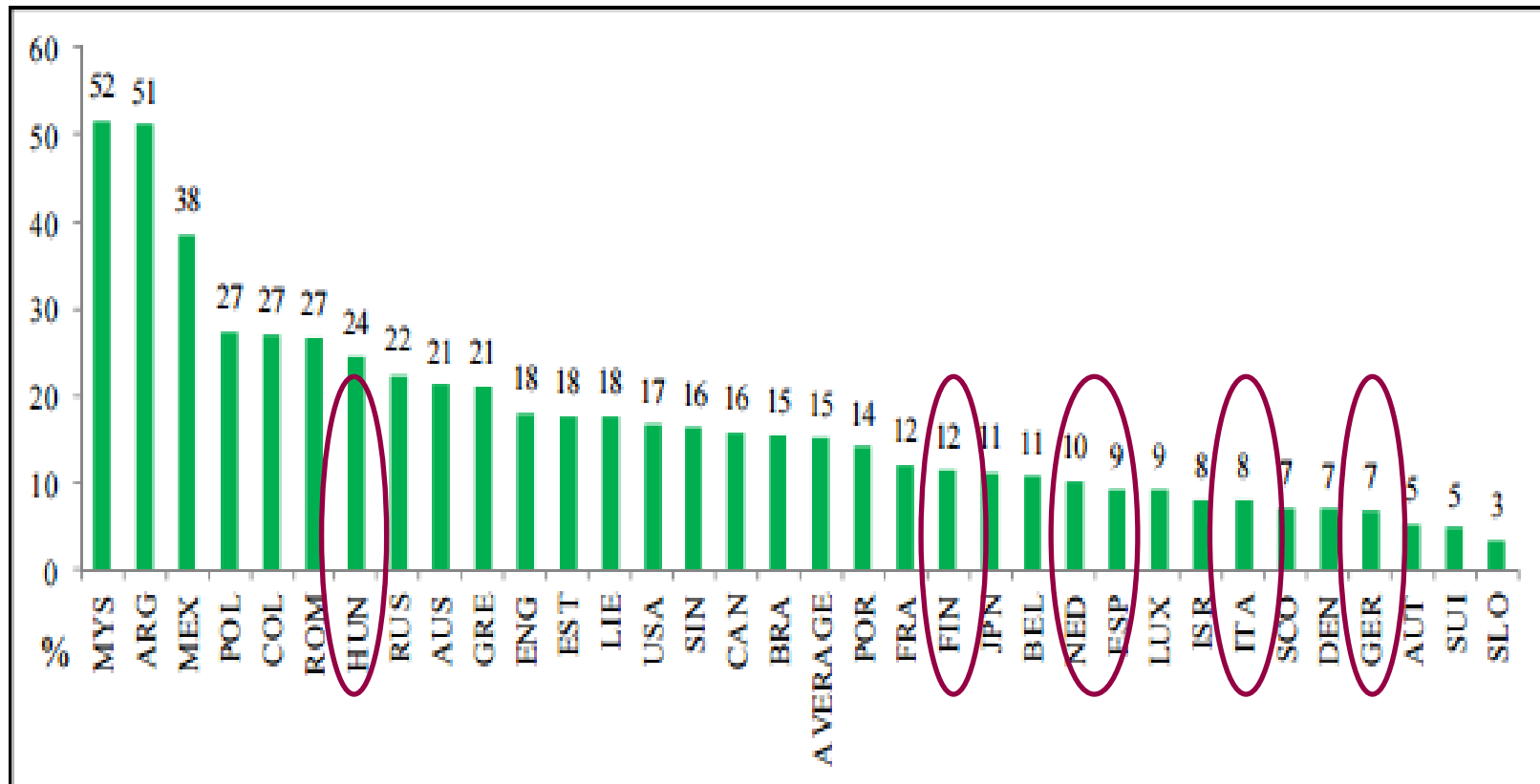Figure 1: Theoretical framework of GUESS 2013/2014

Figure 54: Share of nascent entrepreneurs across countries

(GUESSS, 2013/2014)

Are opportunities found or made? Discovered or created?

- Exploration of a given set of existing markets and the identification of the most promising opportunity

  ⇨ Search and select approach

- Of course there was a market for low-cost airlines!

- Of course people wanted to buy their books online!

- Effectuation vs. causation logic (Sarasvathy, 2001)
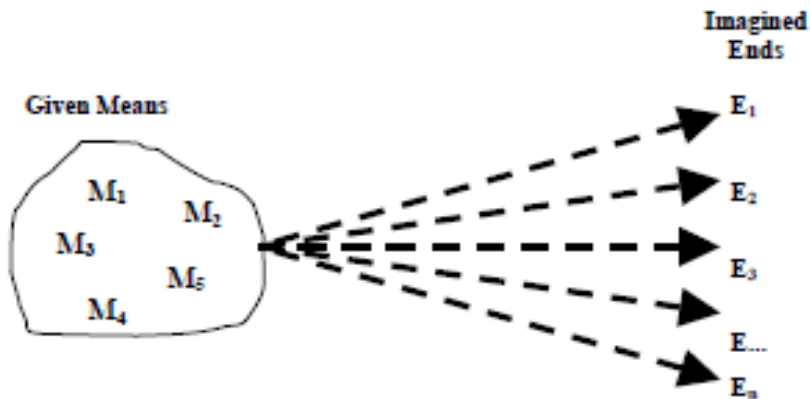
EFFECTUATION OR CAUSATION?
OPPORTUNITY CREATION OR DISCOVERY?

Creation

Entrepreneurial Thinking -- Effectual Reasoning

Distinguishing Characteristic:
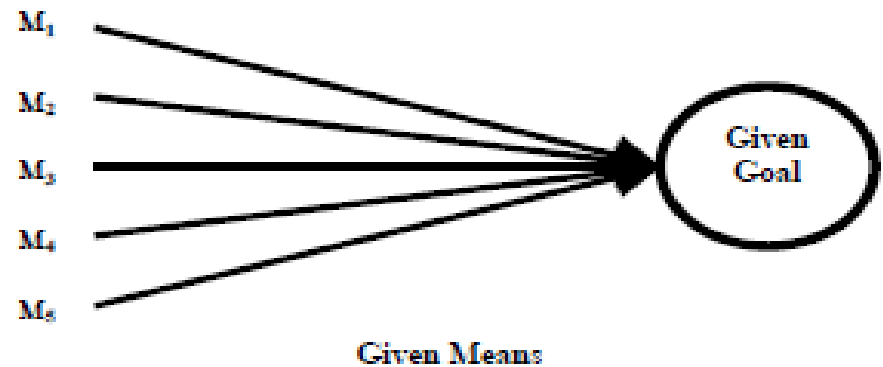**Imagining possible new ends using a given set of means**

Given Means

M_1 M_2 M_3 M_5 M_4

Imagined Ends

E_1
E_2
E_3
$E...$
E_n

- Who am I?
- What do I know?
- Who do I know?

Discovery

Managerial Thinking -- Causal Reasoning

Distinguishing Characteristic:
Selecting between given means to achieve a pre-determined goal

M_1
M_2
M_3
M_4
M_5

Given Goal

Given Means

- Unfulfilled needs
- Non existent/unsatisfactory product
- Present work environment

(Sarasvathy, 2001)

CURRY IN A HURRY!

Let`s build an imaginary Indian restaurant!

Effectuation

1) Examining the particular set of means or causes available (limited resources).

2) Possible starts: Delivery food service, counter in a establish fast food restaurant, partner, investor, etc.

3) First customer = target customer

4) Customer and partners feedback → Segmentation

Not only one strategy!

Causation

1) All potential customers

2) Segmentation (demographics, income, eating out, surveys, focus groups)

3) Targeting

4) Positioning

5) Communicate

Time and resources!

(Sarasvathy, 2001)

- Business plans

   (see: Bill Sahlmann (1997): "How to write a Great Business Plan ")

- Pitches – Business plan in an elevator ride

- Marketing

  - ➢ Know your audience

  - ➢ Risk management – identify "bottlenecks"

  - ➢ Build brand

Data sources:

GEM - Global Entrepreneurship Monitor
http://www.gemconsortium.org/Data

GUESSS – Global University Entrepreneurial Spirit Study
http://www.guesssurvey.org/

CIS – Community Innovation Survey (EU data)

http://ec.europa.eu/eurostat/web/microdata/community_innovation_survey

CLASS: CROSS CULTURAL COMMUNICATION

Teachers: Prof. Dr. Dolores Sanchez Bengoa

ISP Budapest

May 2015

General description

Cross cultural competences are of vital importance for entrepreneurs with an international perspective in mind. One of them is cross cultural communication, being regarded by many scholars as the most challenging one in international business.

Cross cultural communication embraces many aspects, from personal entrepreneur's communication style, company internal and external communication or marketing communication campaigns to name but a few.

The course is divided in two parts. One related to verbal communication and the other one to non-verbal communication which in an international level plays an important role. The course explores also options when the entrepreneur decides to ignore cultures and the consequences on marketing campaigns. Practical tools for understanding cultures and tipis and recommendations for improving cross cultural communication are provided.

Structure of the lecture

- Introduction to the definitions of cross cultural communication and the main barriers identified when making business internationally.
- The meaning of operating culturally blind and the consequences for marketing communications
- Usage of models for analyzing and understanding cultures
- Exploration of non-verbal communication
- Providing guidelines for effective cross cultural communication and implications for marketing

Intended learning outcome – main objectives

After taking this class, students should be able to:

- Develop cultural awareness
- Analyze the implications for marketing communication on a culturally blind policy
- Understand and use cultural models
- Understand the international communication and listening process
- Develop effective marketing communication campaigns fitting different cultures

Related theories – research roots

- Hofstede
- Hall
- F.Tromprenaars & Ch. Hampden-Turner

Main readings

Lewis, R.D. (2015), When Cultures Collide. Nicholas Brealey, USA

Samovar, L.A., Porter, R.E., McDaniel, E.R., Roy, C.S. (2013), Communication Between Cultures, Cengage learning.USA.

Thill, J.V. and Bovee C.L. (2011), Excellence in Business Communication. Pearson.

Marketing Communication Innovativeness

of European Entrepreneurs

MARCIEE

CROSS CULTURAL COMMUNICATION

Dolores Sanchez Bengoa

International Business School

Vilnius, Lithuania

AGENDA

1. Opening YouTube Video : Meeting with Indians (white marker advertisement) http://www.youtube.com/watch?v=YiHUw-Hz3BU

2. Cross cultural communication: definition

3. Main problems in intercultural communication

4. Cultural blindness

5. Tools for understanding different cultures and its impact on communication

6. Intercultural Non-verbal communication

7. Closing YouTube Video

ATTITUDES DURING THE COURSE

- Being respectful

- Having a good will

- Being communicative

- Being open-minded

- Being active/flexible

- Being focused, don't forget to switch **on** your phones after each lecture

1.

OPENING YOUTUBE VIDEO : MEETING WITH INDIANS

http://www.youtube.com/watch?v=YiHUw-Hz3BU

- Is the transfer of **information and understanding** from one person to another via **meaningful** symbols.

- It is a way of exchanging and sharing ideas, attitudes, values, opinions and facts. Communication is a process that requires both a sender, who begins the process and a receiver, who completes the communication links.

(Hellriegel und Slocum, 2002)

2.

CROSS CULTURAL COMMUNICATION: DEFINITION

- Is the process whereby individuals from different cultural background try to share meanings, exchange of knowledge, ideas, thoughts, concepts and emotions among people.

(Matsumoto, 2000; Harris und Moran, 2000)

3. **MAIN PROBLEMS IN INTERCULTURAL COMMUNICATION**

CULTURAL DIVERSITY

Advantages

- Expanding meanings beyond own culture
- Greater openness to new ideas
- Multiple perspectives
- Multiple interpretations
- Expanding alternatives
- Increasing creativity
- Increasing flexibility
- Increasing problem solving skills

Disadvantages

- Ambiguity
- Complexity
- Confusion
- Difficulty converging meanings
- Miscommunication
- Harder to reach agreements
- Ethnocentrism
- Harder to agree on specific actions

- **Recognition** is not the same as judging people from one culture to be better or worse than from other cultures. It's simply an acknowledgment that they are different.

- No cultural group manages better or worse than any other group.

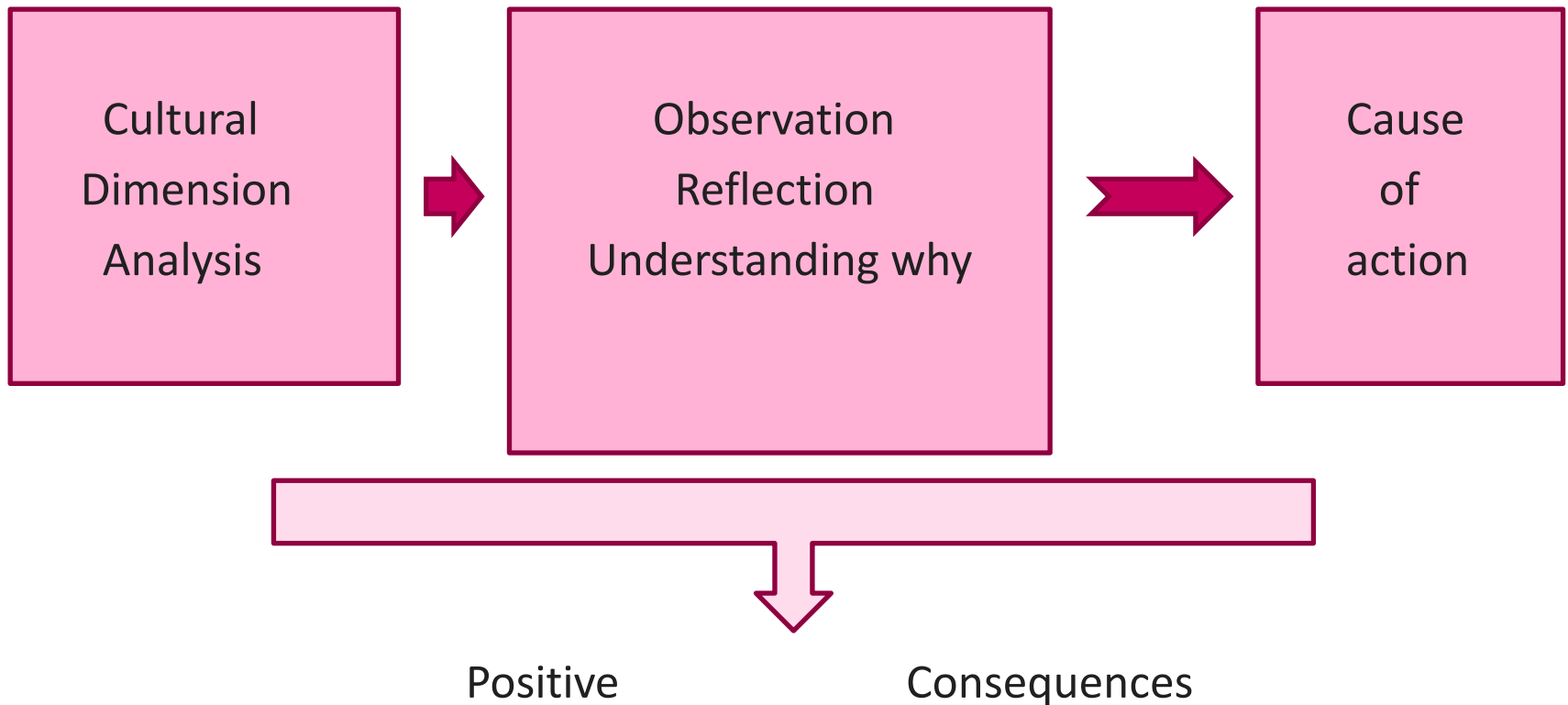- Ignoring cultural differences is unproductive.

4.

CULTURAL

BLINDNESS

- Nova Car

- Coca-Cola

- Philips in Japan

- McDonalds – Saudi Arabian flag on take-out containers, Koran prayer

5.

TOOLS FOR UNDERSTANDING DIFFERENT CULTURES AND ITS IMPACT ON COMMUNICATION

Stages of cultural understanding

Cultural Dimension Analysis → Observation Reflection Understanding why → Cause of action

Positive   Consequences

(Sanchez Bengoa, 2011)

- **Low Context:** Clearness and directness. No need for small talks. Going straight to business.

- **High Context:** Warmth and small talks are necessary to break the ice. Communication relies mainly on the person. Reading between the lines is important. Talking in circles.

Hofstede's research and factors

Engineer and social psychologist. Between 1967 and 1973 empirical studies were conducted in the large multinational company IBM about issues related to motivation, hierarchy, leadership and well being in the organisation. The results of this analysis elicited five cultural dimensions.

The main books' contribution are:

- *Culture's Consequences: International Differences in Work-Related Values* (1980). Tweede totaal herziene versie in 2001 verschenen.

- *Cultures and Organizations. Software of the Mind. Intercultural cooperation and its Importance for Survival* (1991).

1. Power Distance (PD)

- Will measure to what extent a society and its members tolerate an unequal distribution of power in organisations and in the society as a whole.

➢ **Low PD societies:** Members of the organisation tend to feel equal and close to each other in their daily relationships. They rely on own experiences and on subordinates. Subordinates expect to be consulted.

➢ **High PD societies:** Superiors and subordinates feel distant to each other. It is not easy to meet and talk with higher ranking people, and the real power tends to be very much concentrated at the top. There are high bureaucracy and formal rules. Subordinates expect to be told what to do.

2. Uncertainty avoidance (UA)

- To what extent do people in a society feel threatened by uncertain, ambiguous, risky and undefined situations?

➢ **High UA:** Stable careers, rules, procedures and a strong inner urge to work hard. It exists a need for precision and formalisation. Top management are concerned with daily operations. Work place loyalty.

➢ **Low UA:** Tolerance for ambiguity and chaos exist. Top management are concerned with strategy. Frequent rotation of employer takes place.

3. Individualism/Collectivism

- **Collectivism:** Close-knit social structure. Groups care for members in exchange for loyalty. Relationships prevails over task. Strong differentiation between in- and out-group. Direct appraisal spoils harmony.

- **Individualism**: Much loser social structure. People are supposed to care for themselves. Exchange takes place on reciprocity. Task prevails over relationship. Management training teaches the honest sharing of feelings.

4. Masculinity/Femininity

- **Masculinity:** Favouring assertiveness, earning money, showing off possessions, less caring, people live to work, large organization for working are preferred.

- **Femininity**: Favouring nurturing roles, interdependence and caring for others, people work to live, small organization are preferred.

5. Long-Term/Short-Term Orientation (LTO/STO)

- **LTO** fosters the virtues orientated to the future. The focus is in the market position. Main work values include learning & honesty. It is easy to adapt. Accountability and self-discipline are central aspects. Leisure time is not important.

- **STO** foster virtues related to the past and present. The focus is on the bottom line. Main work values include freedom, rights, achievement and thinking for oneself. Leisure time is important.

- **Indulgence** stands for a society that allows relatively free gratification of basic and natural human drives related to enjoying life and having fun.

- **Restraint** stands for a society that suppresses gratification of needs and regulates it by means of strict social norms.

Universalism (focus on rules) *versus*

Particularism (focus on relationships)

Individualism (focus on I and me) *versus*

Collectivism (focus on we and the group)

Neutral (opaque, emotional state) *versus*

Emotional (show immediate reactions)

Specific (precise, explicit, transparent) *versus*

Diffuse (evasive, ambiguous, even opaque)

Achievement (use of title only when relevant to the competence you bring to task) *versus*

Ascription (extensive use of titles, especially when these clarify your position in the organization)

Understanding of time:

Sequential/Monochrome (do only one activity at a time) *versus*

Synchronic (do more than one activity at a time)

Relationship with the environment and nature:

Internal control (conflict and resistance means having own convictions) *versus*

External control (harmony and responsiveness, in other words sensibility)

6.

Intercultural

Non-verbal

communication

NON-VERBAL COMMUNICATION
THE SILENT LANGUAGE

- It is not only important what is said, but it's how you say it what make the difference. Non-verbal communication is an essential part of the communication process.

- 80 % of communication is non-verbal.

Advantages in understanding the silent language

➢ It allows you to become a better receiver from partner's messages.

➢ It contributes to be a better sender of signals reinforcing knowledge absorption.

➢ It increases the degree of psychological closeness between both communicators.

- **Eye contact:** "In Western societies it increases the speaker's credibility, opens the flow of communication and warmth. In some Asian cultures direct eye contact is a signal of disrespect or invasion of privacy." (Varner, 2005, p. 179)

- **Facial expressions:** Smiling is a powerful tool. It gives feelings of happiness, friendliness, warmth and affiliation.

- **Gestures:** If you fail to gesture while speaking, you may be perceived as boring, stiff and unanimated. A lively and animated communication style captures partner's attention. Head nods, a form of gestures, indicate that you are listening.

- **Posture and body orientation:** "The Japanese bow is used when meeting someone, when asking for something, while apologizing, when offering congratulations, when acknowledging someone else, and when departing, to mention just a few instances." (McDaniel, 2006, p. 268).

- **Touching:** In public it is not tolerable in Japan.

- **Proxemics:**

➤ Space (physical space between two members on a face to face conversation)

➤ The way furniture are arranged in an office may indicate the importance of the meeting.

➤ The allocation of sitting place in a business dinner will show who is the authority in some cultures. Japanese prefer large group offices where information can flow easily to all members of the organization.

- **Paralinguistic:** Elements affecting the process of how words are spoken, for example tone of voice, intonation and posture. Silence is a way of communication. Therefore, don't interrupt it.

- **Humor:** Is often overlooked and it is too often not encouraged in business relations. Be careful, jokes don't travel well across cultures.

BUSINESS COMMUNICATION: SOME TIPS

- "Clarify your ideas before communicating." (plan your message keeping the goals, attitudes and *values of the message receiver* in mind)

- "Examine the true purpose of the communication." (i.e. obtaining information, conveying a decision, persuading to act)

- "Consider the setting in which the communication will take place." (also the environment conveys information)

- "Consult with others, when appropriate, in planning communication."

(Hellriegel and Slocum, 2002)

- "Be mindful of the non-verbal messages you send."

  (i.e. tone of voice, facial expression, eye contact, gestures)

- "Follow up the communication." (i.e. asking for feedback)

- "Be sure your actions support your communication."

- "Take the opportunity to convey something *helpful* to the receiver."

  (*benefits* of the message receiver)

(Hellriegel and Slocum, 2002)

CROSS CULTURAL COMMUNICATION AND MARKETING

- **Develop cultural empathy:** Recognize, understand, accept and respect another's culture and differences.

- **Be culturally neutral:** Differences are not necessarily better or worse.

- **Remember:** What works well at home must not work necessarily good abroad. Analyse the differences, then react and adjust your product, services or promotions.

- **Avoid Self-Reference Criterion (SRC):** Incorporate always the values of the new culture and then act.

- **Green marketing and consumer behaviour**

- **Aspects of the product:** Colours, shapes, sizes and superstition (numbers 4)

7.

CLOSING

YOUTUBE VIDEO

- America and Japanese business hospitality

CLASS: ENTREPRENEURSHIP AND FINANCE

Teachers: Isabel Feito-Ruiz

ISP Budapest

May 2015

General description

In this lecture I am going to introduce entrepreneurship, what aspects investors are looking for and how important communication is in this environment. After that, I will talk about the ways to finance a business. In this sense, I will refer to the most relevant types of fundings.

In the 1990s many companies were looking to raise money. But they were not real businesses as known today. They only were ideas. They did not know whether consumers would buy what they were offering for sale or not.

In order to find investors, it is really important that business owners do their homework before asking for money. Investors tend to invest in those businesses that they know. Therefore communication is a key for the success of Start-ups. To find investors a high use of communication in the "Pitch"is relevant.

Also, there are some aspects that an entrepreneur should take into account:

1. Management team. "Investors more than ever want to invest in people". The strength of the team is really important. Biographies of the team should be the first thing to discuss in your pitch. Gaps in the management team are a sure sign that a company is not ready to enter the market.

2. Market opportunity. Investors are not really interested in how your products work. What they want to see is an in-depth knowledge of your **marketplace**. What problems do products and services solve, and why will people with their hard-earned money buy that solution?

3. Money. An entrepreneur should show investors where the revenue, cost and income projections have come from and how realistic they are? If the entrepreneur is not sure about the financial part of the projects, it could present the projection under the headings "best case", "worst case" and "expectations". A good financial plan is relevant.

In the selling process to investors, it could be helpful the "three Cs" of successful business plan: i) Compelling ideas; ii) Competent management; iii) Cash flow.

Financing.

The importance of different types of finance varies across the stages of business development. During the seed and start-up stages, technology-driven high growth SMEs can obtain equity financing from entrepreneurs or from family and friends. In earlier stages,

self-financing is particularly important since innovative entrepreneurs cannot overcome information asymmetry and therefore rarely find any lender or investors, even for potentially profitable projects. Subsequently, financing may be supplementary by seed capital investment from informal private investors (e.g. business angels) and, in a few cases, by seed financing funds and venture capitalists. In the expansion stage, SMEs generally require increasing amounts of equity to maintain R&D and to expand marketing and sales activities, amounts that are typically only available through other sources, such as initial public offerings on stock exchange.

Missing: learning outcomes

Missing: exercise

Missing: most important sources and references

Missing: most important readings

???=I have no idea what Isabel wanted to write

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MARCIEE

INTERNATIONAL MARKETING STRATEGIES: HOW DO START-UP FIND INVESTORS?

Isabel Feito-Ruiz

ifeir@unileon.es

1. Introduction

2. Communication as a key to find investors

3. Ways to finance your business

1. Introduction

Definition

"Entrepreneurship is a process that begins with the generation of an idea, continues with the relevant actions for implementation and market launch and moves towards a consolidation stage which is reached once it has been successfully passed the entrepreneurial phase or *start-up*".

(Hoyos and Blanco, 2014)

- Difficulties to value the project

  - ➢ Uncertainty about the survival and development of the project (Traditional valuation models, such as Free Cash Flow Discount Model, do not work, because historical information and a comparable firm with similar characteristics in the same stage of development is necessary)

- Start-ups do not follow Capital Structure Theories as large firms.

2.

COMMUNICATION AS A KEY TO FIND INVESTORS

- Communication

  ➢ Communication is a key to the Start-up's success.

  ➢ To find investors a great use of communication in the "Pitch" is relevant.

- What aspects are relevant for investors?

  ➢ Management Team

  ➢ Market Opportunity

  ➢ Money

- Essential parts of a "good" business plan

  - Management Team

  - Business Concept

  - Market Analysis

  - Operational Plan

  - Financial Plan

  - Marketing Plan

3.

WAYS TO FINANCE YOUR BUSINESS

Ways to Finance Your Business

- Self-financing

- 3 F's (Family, Friends and Fools)

- Bootstrapping

- Bank Loans

- Venture Capital

- Private Equity

- Seed Accelerators

- Business Angels

- Crowdfunding

- Alternative Investment Markets

- Enterpreneurs Contests or Competitions

- Entrepreneurial Government Aids or Initiatives

- Main source of financing at the beginning

- The higher the personal wealth the higher the probability of being an entrepreneur.

3 F's (Family, Friends and Fools)

Once self-financing ends, family or professional or personal entrepreneurial environment are the only willing to invest in seed stage project to solve the "Equity Gap" of these companies. These agents have prior confidence in the entrepreneur as collateral to invest in high risk projects and uncertainty about the viability of the project.

"Set of tools or creative techniques that allow the entrepreneur to reduce its need for external funding sources and maintain control of the property". It is a form of undertaking the minimum possible resources, postponing seeking external funding.

(Harrison et al., 2004; Ebben and Johnson, 2006; Ebben, 2009)

- Wiborng and Landstrom (2001) consider five bootstrapping methods to minimize the financing needs of the entrepreneur:

  ➤ Deferral or delay in payments

  ➤ Acceleration of recovery

  ➤ Maximizing next funding entrepreneurs

  ➤ Minimization of seed investments required

  ➤ Cooperation and joint use of facilities and resources

- Start-ups face a special restriction on access to bank financing because of issues such as:

  ➢ The lack of credit history

  ➢ The greatest uncertainty or lack of guarantees

  ➢ The lower quality and quantity of information on the financial viability of their projects (information asymmetry), which hamper the assessment of credit quality by lenders.

⇨ The access of bank financing depends on the development of the capital market in the start-up country.

⇨ Some banks provide specific products to start-ups.

Venture Capital (VC)

- Is financial capital provided to early-stage, high-potential, growth start-up companies.

- The venture capital fund earns money by owning equity in the companies it invests in, which usually have a novel technology or business model in high technology industries, such as biotechnology and IT.

- The typical venture capital investment occurs after the seed funding round as the first round of institutional capital to fund growth in the interest of generating a return through an eventual realization event, such as an IPO or trade sale of the company.

- They try to obtain a capital gain when carrying out the divestment or sale of the stake in the medium term (three or five years). E.g. Apple, Twitter and Starbucks

- Three Stages: Seed capital -> Start Up -> Early Stage Expansion

PRIVATE EQUITY

- Private equity consists of investors and funds that make investments directly into private companies in advanced stages of the life or conduct buyouts of public companies that result in a delisting of public equity.

- Capital for private equity is raised from retail and institutional investors, and can be used to fund new technologies, expand working capital within an owned company, make acquisitions, or to strengthen a balance sheet.

  - Capital growth

  - Capital substitution (repurchase participation)

  - Buy-outs (acquisitions financed partly with debt)

  - Merger and acquisitions and build-up

- Seed accelerators are fixed-term programs, that include mentorship and educational components and culminate in a public pitch event or demo day.

- While traditional business incubators are often government-funded, generally take no equity, and focus on biotech, medical technology, clean tech or product-centric companies, accelerators can be either privately or publicly funded and focus on a wide range of industries.

Business Angels

- Are private individual investors who bring capital and expertise to a business project, usually a new venture.

- A business project is financed in exchange for a stake and providing what is known as "**smart capital**" in the form not only of money but also of knowledge, experience and network of contacts (The 4 C's: Capital, Consciousness, Contacts and Confidence).

- They disinvest when the company enters the path of growth. They often invest in local projects or business they know well (e.g. The Body Shop, Amazon and Google).

Origin of the Business Angels

In the twentieth century entrepreneurs who supported the plays and musicals of Broadway (New York) were called "angels". However, the term is associated with the beginnings of "Silicon Valley". A Stanford Professor lent US $ 500 to Ben Hewlett and Dave Packard founded HP with this company.

CROWDFUNDING

- Crowdfunding, collective microfinance or crowdfunding, finances projects and ideas with the addition of small individual financial contributions.

- It is traditionally associated with projects related to art, cinema, music or financing of political campaigns. Now, it is financing the creation of start-ups, audiovisual projects, NGOs or creating free software.

- It requires major communication campaign to succeed.

- Dedicated to financing through equity companies with low capitalization and future growth potential.

- Access to finance for Small Medium Enterprises (SMEs) at a lower cost to traditional stock markets. Minor requirements and the presence of a registered adviser.

- Hatch Pitch

- GW Business Plan Competition

- MIT 100k Entrepreneurship Competition

- BBVA Open Talent

- Go-To Silicon Valley

- Red Innova

- **European Commission Incentives** through financial entities

  → Competitiveness and Innovation Framework Programme

  2007-2013

- **European Investment Funds (EIF)**

  →The EIF provides venture capital for small firms (SMEs), particularly new firms and technology-oriented businesses. It also provides guarantees to financial institutions (such as banks) to cover their loans to SMEs.

- **European Bank of Investment** (majority shareholder of the EIF)

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http://www.invstor.com/learn/what-are-investors-looking-for

CLASS: GLOBAL OR LOCAL MARKETING STRATEGIES

Teacher: Stéphane Ganassali.

ISP Budapest

May 2015

General description

Cultural differences are very important to be taken into consideration by entrepreneurs when designing their international strategies. But it is not so easy and efficient to develop products and services fully adapted to all the local/national situations. Entrepreneurs need to consider advantages and drawbacks of both global and local strategies and ideally, they should try to find the right balance between those two extreme positions. They might be able to develop a "glocalised" posture and find the right level of local adaptations, within a global and consistent company or brand strategy.

Structure of the lecture

- The importance of adaptation in the international marketing strategies
- A focus on the possible differences for regulations, distribution channels or purchasing powers
- Adaptation problems and challenges: cost, market research, languages and consistency.
- Influence of the context: the most and least globalized industries
- The concept of "glocalisation"
- Case study – Impulse: a deodorant all over the World

Intended learning outcomes – main objectives

After taking this class, students should be able to:

- Understand the key determinants of a relevant adaptation to local markets' situations

- Analyze the various key dimensions which differentiate local markets

- Design balanced international strategies taking both global and local aspects into consideration

- Contextualize their analysis, on the basis of the industry in which they would operate.

Related theories – research roots

- Economics – International product cycle (Vernon, 1966; Wells, 1972)
- Sociology – Globalisation and « glocalization » (Robertson, 1992)
- Marketing management – Segmentation and targeting (Kotler, 1970)

Main readings

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Exercises

1) Watch the eight Impulse commercials diffused in 8 different countries approx. at the same period (mid 80's) and try to identify the similarities and the differences, what is global and what is local? Link to the video: https://youtu.be/n6cTG39fOBs

2) Choose one global company or brand and try to describe which aspects they decided to amend for a better local adaptation.

3) Choose two divergent industries to describe a globalised market on one hand and a very localised one on the other hand. Justify your choices and describe the industries more in details.

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MARCIEE

INTERNATIONAL MARKETING STRATEGIES: GLOBAL OR LOCAL?

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AGENDA

1. Adapting to local markets' situations

2. Why globalising?

3. « Think global/act local »

4. Case Study: Impulse international advertising strategy

5. Experience

1.

ADAPTING TO LOCAL MARKETS' SITUATIONS

ADAPTATION

- When going international – it is crucial to adapt to the local situations in terms of:

  ➢ Culture, but not only…

  ➢ Also concrete differences like **regulations**

  ➢ Distribution **channels**

  ➢ **Purchasing** power

  ➢ Media habits etc.

2.

WHY GLOBALISING?

- Pharmaceutical industry

  ➤ Over-the-counter (OTC) drugs are a class of medicines sold directly to a consumer without a prescription from a healthcare professional.

  ➤ OTC products in drugstores in the Netherlands in 1921

  ➤ In France, authorized in 2008 only with strong limitations and conditions
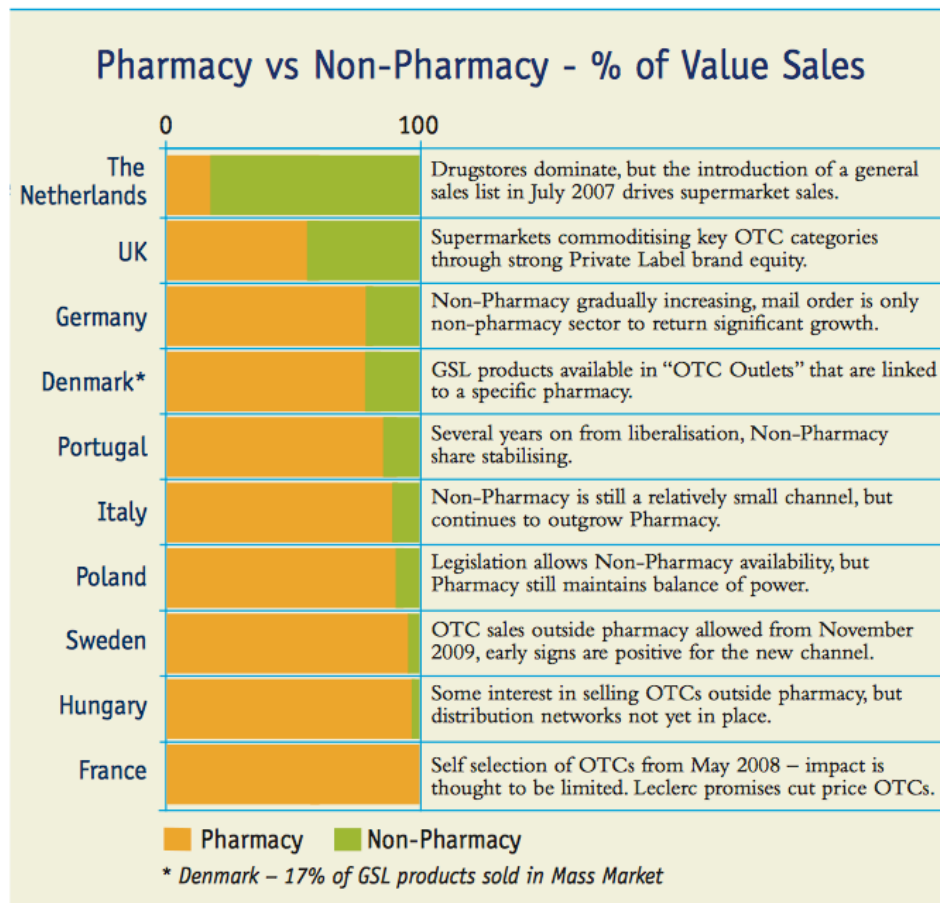
Source:
https://lh3.googleusercontent.com/eRapVVRTVJgGG9Lk4U4Y_WPk4nQdGlBHtTM79UEZFAfsPcr_j8-R9qit7iWWjosDVcW6=s89

- Food retailing concentration
  - ➢ Market share of modern retail (super/hyper markets, convenience stores…) compared to total grocery market
  - ➢ In some countries the grocery retail market is highly fragmented and regionalised with a predominance of traditional stores (incl. market, non-branded neighbourhood stores, butchers and bakers).
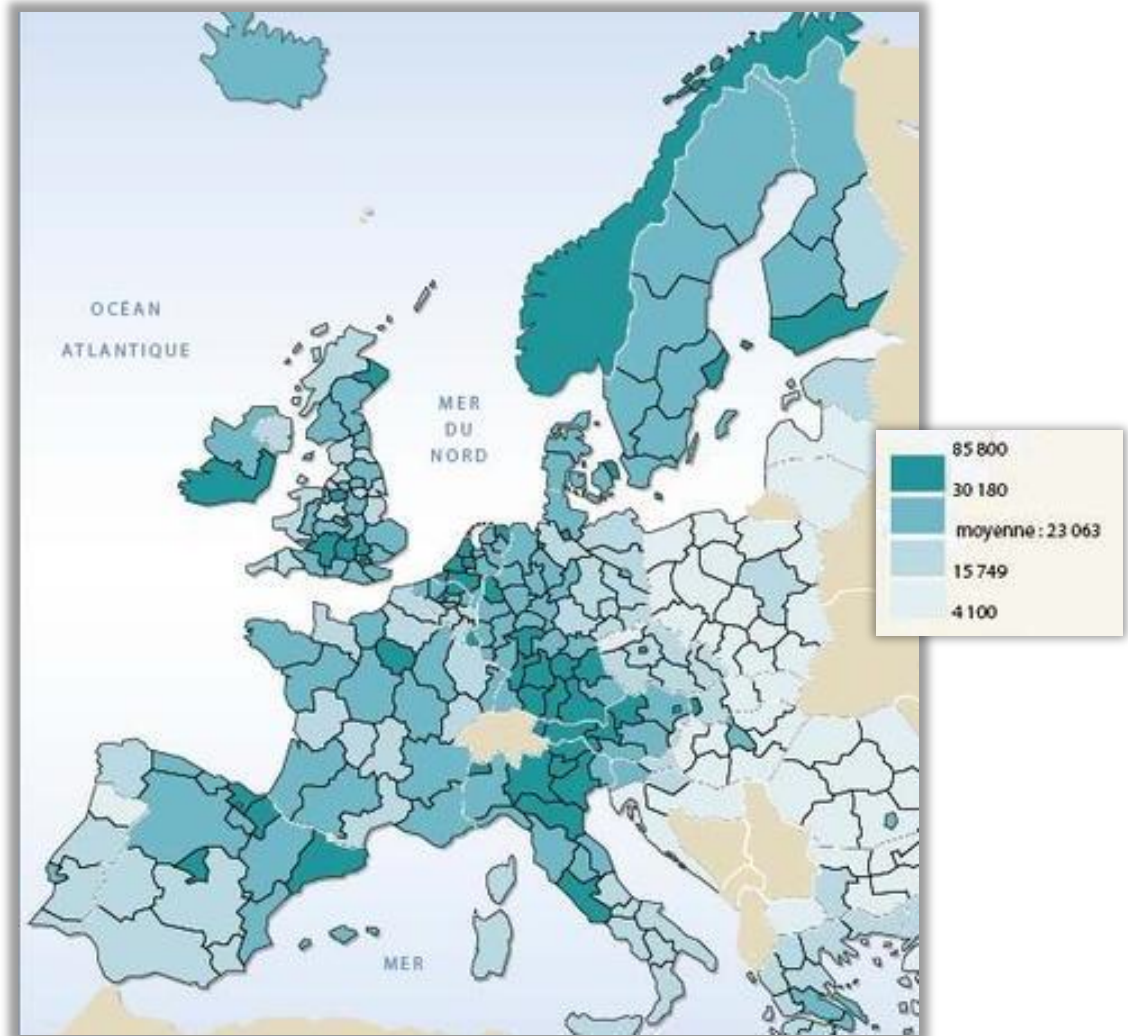

Source: https://lh3.googleusercontent.com/4_8vTTY2_VawVf__xIIX2-Fe32IvyUutvQ3ReF3drMksECpeiUeAXMJ7t6kh-wxTwi8gHSo=s144
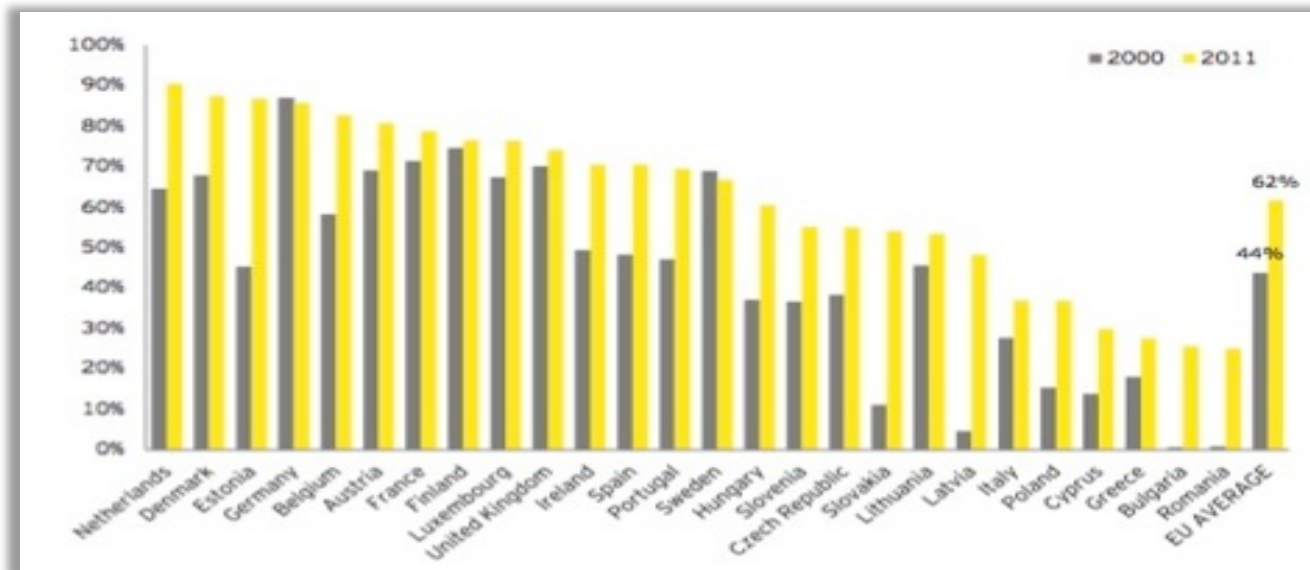
- ➢ Germany:
  88% ⇔ Italy: **38%**
- ➢ «Push» strategies must be different

- Gross national income per capita (2013 – World bank)

- Romania: $ 9 050

- Norway: $ 102 700

|	
	85 800
	30 180
	moyenne : 23 063
	15 749
	4 100

Source: questions internationales, 2011.

But...

- Adaptation can be very **expensive**
- Especially for small and-medium sized enterprises (SME)
- Difficult to know about the local specificities (market **research**)
- There are 24 different official **languages** in the EU

- And it is also important to have a **consistent** global strategy – in terms of
  - ➢ Positioning
  - ➢ Brand image capitalisation
  - ➢ Pricing (a challenge now because of the Web)

- From one country to another, marketing variables should be similar otherwise…

EASIER TO GLOBALISE...

Industry Depth Comparisons, 2010[8]
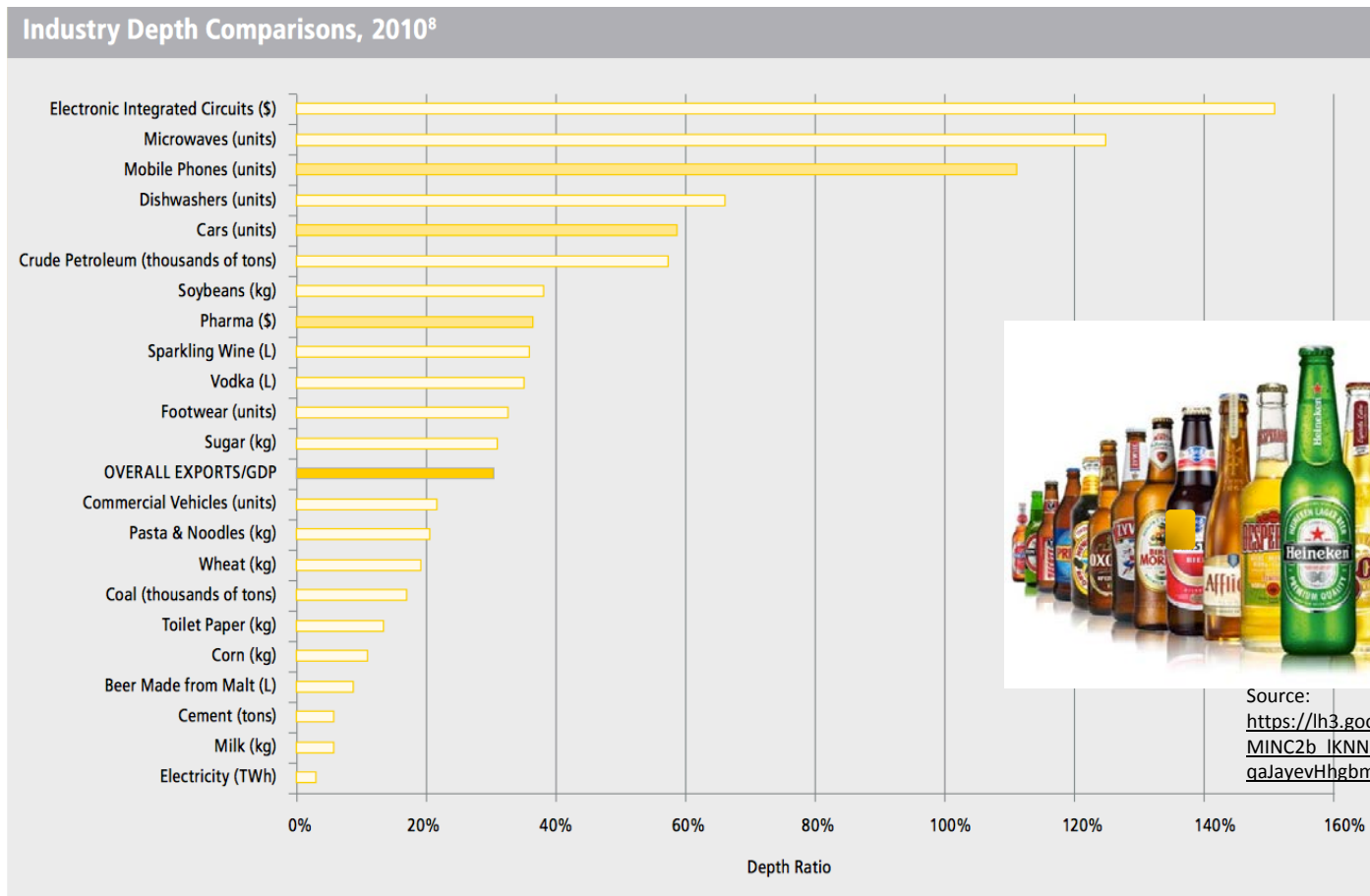
The depth of industries' global connectedness, measured by comparing exports or imports of their finished products to their production or consumption, varies from 3% in the case of electricity to over 100% for electronic integrated circuits, microwaves, and mobile phones.

Source:
https://lh3.googleusercontent.com/YJsGm
MINC2b_lKNNk9NIy1gHZfdIttI7UivNceHKY1f
qaJayevHhgbmln1xVT8KrgK0MqA=s140

Source: DHL 2012 – based on Ghemawat and Altman

3.

THINK GLOBAL

–

ACT LOCAL !

GLOBALISATION

- Ideally companies/brands try to define their global approach and to adapt it – to a certain extent - to the local specificities.

- The **strategy** remains global: mission – vision – positioning – branding - USP & shall be **operationally** derived, according to the local expectations (and resources).

- «Think global, act local»

CASE STUDY: IMPULSE ALL OVER THE WORLD

- Impulse is a brand of Unilever.

- It was originally launched in South Africa in 1972 as a "perfume deodorant", the first product to combine fragrance with deodorant.

- In the 80's – 5% share of the deodorant market in Europe

- The brand's core values: **fragrance** and **romance**

- Slogan: "*Men can't help acting on Impulse*"

Source:
http://v005o.popscreen.com/eDhqa3phMTI=_o_pub-pour-deo-impulse.jpg

- According to Unilever, the brand's mission is to inspire spontaneous, romantic gestures from men by helping women to smell and feel gorgeous.

- Still operating in some European countries like UK, Hungary, Germany, South America and Australasia, as a "body spray".

- International advertising campaign in the mid 80's = vintage/retro

NICE HAIR
NICE EYES
NICE TEETH

BUT these charms may be wasted if she uses the **WRONG DEODORANT**

Source: http://www.huffingtonpost.com/2014/01/16/vintage-sexist-ads_n_4612110.html

ACTIVITY

- Try to find eight commercials diffused in eight different countries approx. at the same period (mid 80's).

- Which similarities and differences can you identify in the commercials?

- It seems to be the same scenario
  - ➢ Same duration: 30 seconds
  - ➢ Unexpected meeting man/woman
  - ➢ The man is stricken by the odour of the lady.
  - ➢ He decides to get flowers for her.
  - ➢ She disappeared – he's looking for her – it's difficult – there are some obstacles.
  - ➢ We can see her spraying the deodorant/perfume on herself.
  - ➢ He offers the flower(s) to her.
  - ➢ She's happy and the contact is created.
  - ➢ Pack shot and slogan

  - ➢ There are the so-called "**baselines**" = all the mandatory components of the ad, that have to be respected (and derived) by the creative teams in the different countries.

Differences

- It seems to be adapted
  - ➢ Sometimes a body spray/sometimes a perfume-deodorant
  - ➢ The time dedicated to the spraying is different (six seconds in Germany – two seconds in Italy)
  - ➢ Some environments are more social (South Africa, Italy, France), some others more intimate
  - ➢ The way the man gets the flower: taken from the nature (Chile) – quickly bought in the street leaving the change (France & Germany) – stolen (Italy ;-))
  - ➢ The man wears a tie in the Latin countries and not in the USA-UK.
  - ➢ The representation of romanticism is different – but also globalised.

  - ➢ The advertising agencies were national and had to
    - carefully respect the baselines and
    - make the commercial looking and tasting as local as possible, considering the constraints.

5.

An experience: is advertising reality?

CLASS: Social Media in Business

Teachers: Gerrita van der Veen

ISP Budapest

May 2015

General description

Social media nowadays is hard to be neglected by any new business entrant. Some of them have even built their business model around social media and networks (cf. UberPop and Airbnb). For others, social media is a necessary ingredient in the way they market or organise their business (cf. crowdfunding). In this course we are looking into the different ways that social media are incorporated in today's business strategies.

Structure of the lecture

Introduction to the key elements of social media in business:

- The changes in society in the way consumers/customers respond to and interact with companies
- The resources that social media deliver to create value for businesses
- Exploring the business opportunities of social media.
- The process of growth into social maturity
- Organizational impact of social media
- Illustration of scholarly and practical approaches to social media in business

Intended learning outcome – main objectives

After taking this class, students should be able to:

- Understand the key challenges and opportunities of social media for business
- Identify possible sources and characteristics of business opportunities with social media
- Relate to and integrate social media into strategic business problems
- Foresee challenges of developing a social media strategy in different business contexts.

Related theories – research roots

Social media has multiple research roots e.g. in:

- Organizational research - organizational innovation adoption (cf. Frambach & Schillewaert, 2002)
- Resource based theories (cf. Kietzmann et al, 2011)
- Communication theories, i.e. social presence, self-representation and media richness (cf. Kaplan & Haenlein, 2010)

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Exercises

1) Please have a look into the collected cases of entrepreneurship and describe how new media are incorporated in their business strategy.
2) Support the entrepreneurs from your selection of cases by developing a social media strategy for them that fit their business.

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MARCIEE

SOCIAL MEDIA? SOCIAL BUSINESS!

TOWARDS SOCIAL MATURITY

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Marciee | Funded by the European Union | Erasmus+

Source: http://www.trffcmedia.com/wp-content/uploads/2013/03/social-media-business.jpg

From:

- Social Media in Business

- Social Media as a goal

To:

- Social Business

- Social media as a means

Social Media

1. Definition

2. Value creation

3. To join or not to join?

Social Business

4. Impact on business

5. Where to start?

6. Social maturity

1.

DEFINITION

Source: http://www.poynter.org/wp-content/uploads/2012/07/Socialmediacorrections1-150x150.jpg

'Social is a feature, not a product. Social features can be applied to almost any technology that could involve interactions among people (e.g. internet, telephone or television)'.

(McKinsey, 2012)

'....a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content'

(Kaplan en Haenlein, 2010)

Source: https://www.walldevil.com/161752-conversations-in-social-media-wallpaper.html
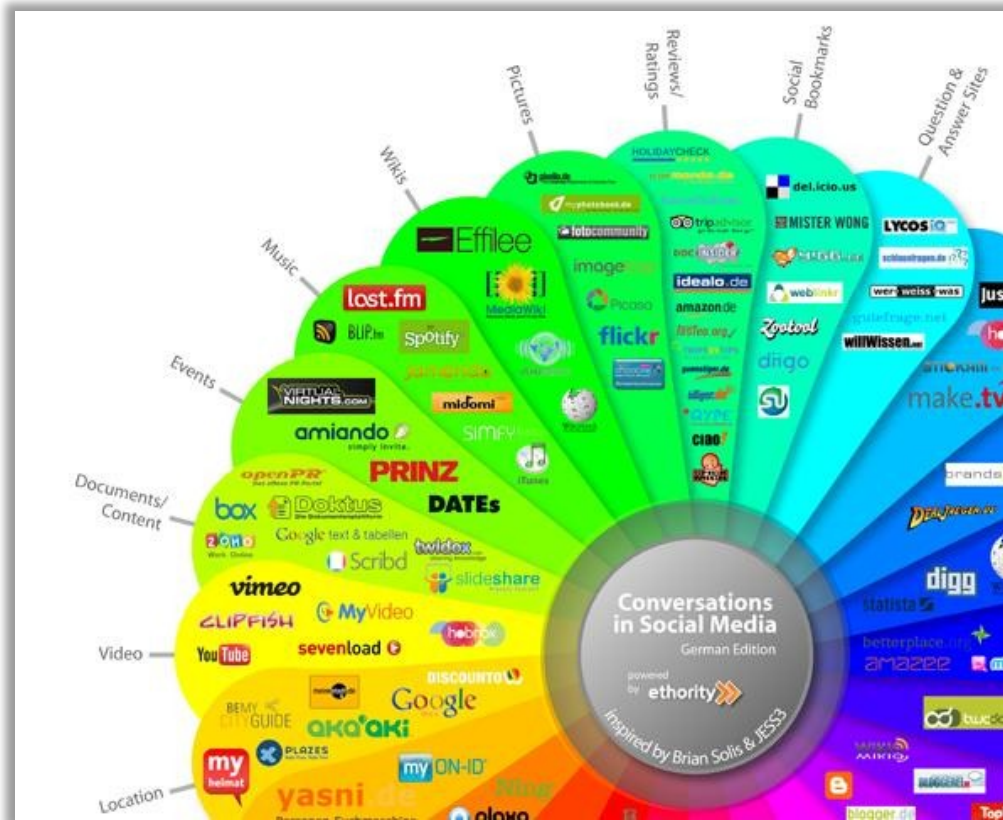
'….there are dozens—if not hundreds—of Social Media applications, and

new ones are appearing on the horizon every day'.

(Kaplan en Haenlein, 2010)

		Social presence/ Media richness		
		Low	Medium	High
Self-presentation/ Self-disclosure	High	Blogs	Social networking sites (e.g., Facebook)	Virtual social worlds (e.g., Second Life)
	Low	Collaborative projects (e.g., Wikipedia)	Content communities (e.g., YouTube)	Virtual game worlds (e.g., World of Warcraft)

Source: http://blog.shootq.com/wp-content/uploads/2011/01/IndustryNetworking.jpg

Social Networks:

- Public access networks (Facebook, Twitter)

  ➢ Paid
  ➢ Earned
  ➢ Owned

- Enterprise Social Networks (Yammer)

  ➢ Owned or licensed

2. **VALUE CREATION**
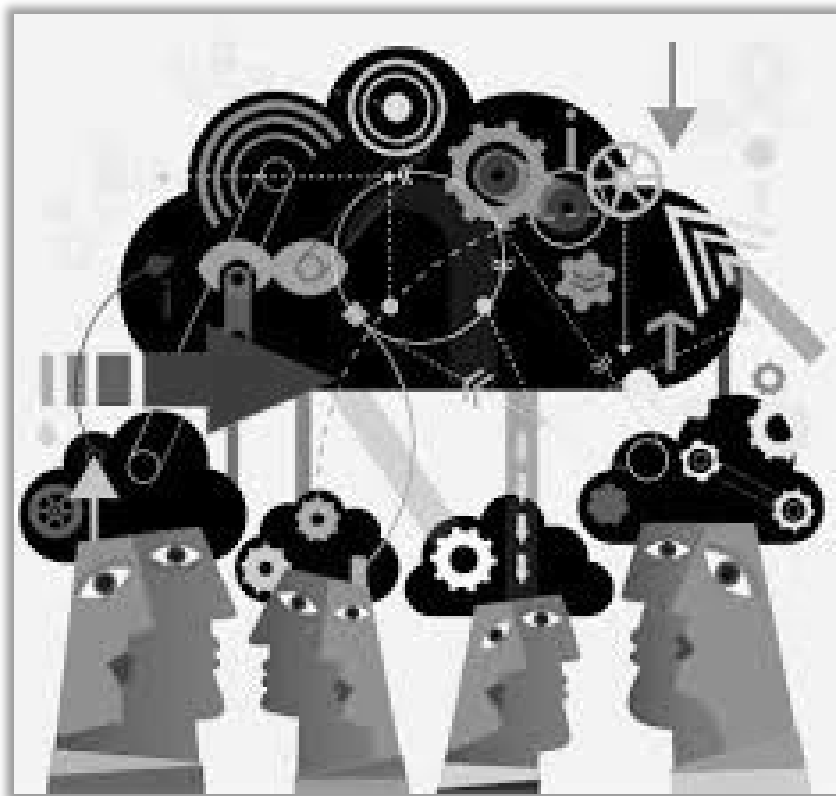
- Resources - mechanisms to create value:

  ➢ Relations
  ➢ Conversations
  ➢ Reputations

Source: http://i.huffpost.com/gen/1958759/images/s-ICE-BUCKET-CHALLENGE-large.jpg

Source: http://www.wipconnector.com/images/graphic3.png
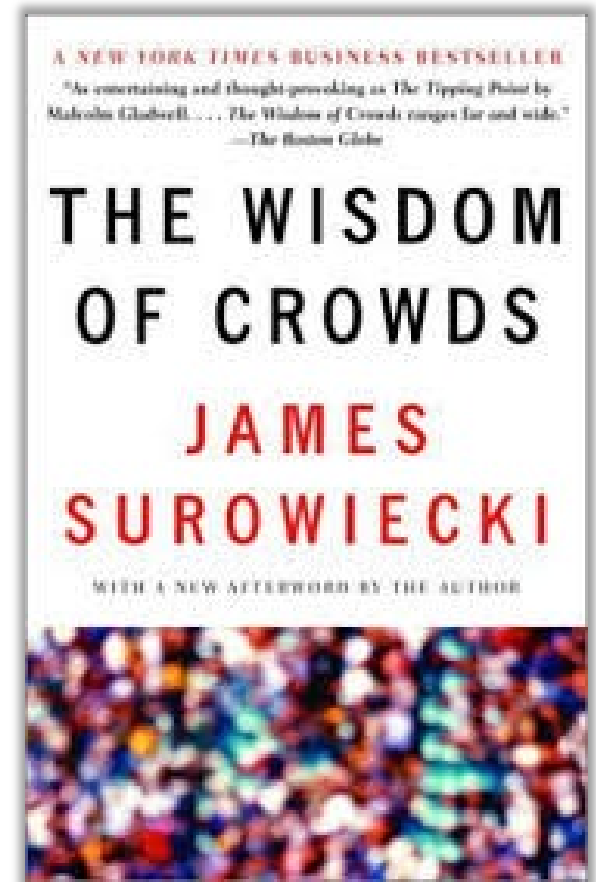
Source: http://ecx.images-amazon.com/images/I/51jDlKtbC-L._SX322_BO1,204,203,200_.jpg

Source:
https://tctechcrunch2011.files.wordpress.com/2014/06/airbnb.jpg?w=764&h=400&crop=1

Source:
https://lh3.googleusercontent.com/duq3lncm9WMEAyFYA_ZqS5guDYYZQkemNPlYcvkp_EWOhrNI3TNZFpGvmNEncGASro2f1Q=s129

Source:http://static.noticiasaominuto.com/stockimages/1370x587/naom_51718be503b94.jpg

Source:http://www.profissionalenegocios.com.br/admin/caras_rh/images/19.JPG

Source: http://gsite.univ-provence.fr/gsite/Local/healthandspace/dir/user-3630/Images/Logo%20ResearchGate.jpg

- Customer Relationship Management

- New product introductions

- Lead generation

- Talent management (HR/Recruitment)

- Corporate networking

Source: http://www.gr8mobiles.net/userfiles/giffgaff.png

Source: https://s-media-cache-ak0.pinimg.com/736x/42/b2/09/42b2098b6b6fd61546faf70e2c502ef8.jpg

- Customer service

- WOM-marketing

- Customer insights generation (market research)

- Knowledge management

- Product development

Source: http://cdn.xl.thumbs.canstockphoto.de/canstock11371787.jpg

- External
  - ➢ Long tail

- Internal
  - ➢ Living the Brand

- Corporate
  - ➢ CSR

3.

TO JOIN OR NOT TO JOIN?

- Responsiveness

- Individual expression

- Transparency

- Fading borders
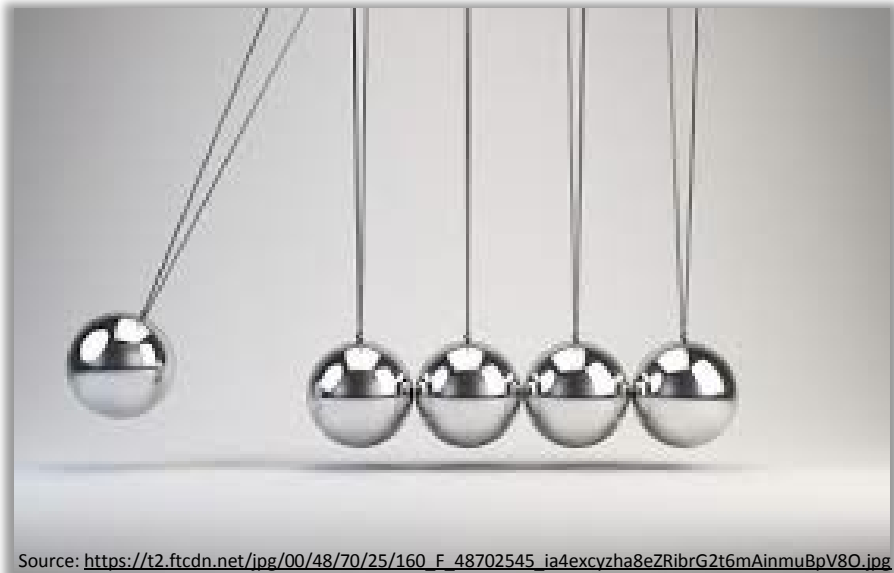
Source: http://www.ukclassifieds.co.uk/files/1504855.jpg

IMPACT DIFFERS ACROSS INDUSTRIES

Source: https://t2.ftcdn.net/jpg/00/48/70/25/160_F_48702545_ia4excyzha8eZRibrG2t6mAinmuBpV8O.jpg

- Unique versus non-unique products

- High/low involvement

- Credence services

- Online versus Offline distribution
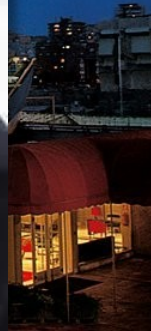
- B2C versus B2B

Unique versus non-unique

Source: http://images.travelnow.com/hotelimages/s/058000/058789A.jpg

Source: http://www.wdwforgrownups.com/sites/default/files/imagecache/lead-image-full/orlando_taxi.png

Source: http://www.studiotrepomero.it/images/in-person-meeting.png

Source: http://www.safehandshaulage.com/Images/iStock_000011221499_ExtraSmall.jpg

Source: http://image.dek-d.com/26/2076199/113672290
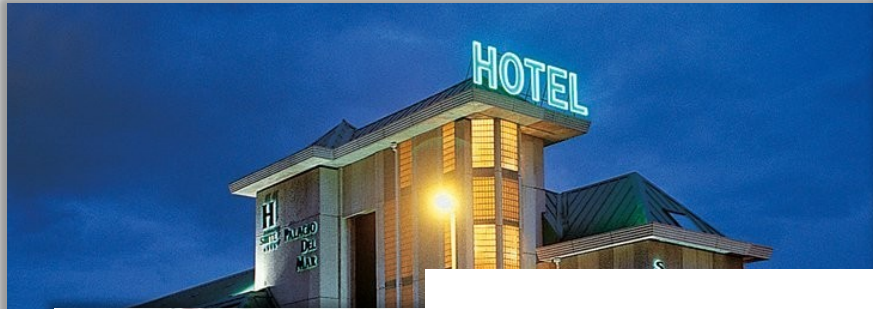
'Higher education would be the next industry disrupted by technology and internet'

(Clayton Christensen, Harvard Business School)

Source: http://luchtzinnig.nl/wp-content/uploads/2013/06/vlag_eneco.jpg

Source: http://www.improntaunika.it/wp-content/uploads/2015/01/2014_anno-delle-energie-rinnovabili-500x500.jpg

Source: http://cahyamedia.co.id/foto_berita/42MESIN_ATM.jpg

Source: http://tse3.mm.bing.net/th?id=OIP.Mf43a08009ddc1f2f793f230a4415c7dao0&h=178&w=300

Source: http://4.bp.blogspot.com/-ij-86BXR3W8/ UgNvRzwuboI/ AAAAAAAAFsU/gNxOS5f2mJQ/s1600/vlaamsch+broodhuys.jpg

Source: https://www.likealocalguide.com/media/cache/f8/ec/f8ecf375410e1702b996b257d710d68f.jpg

Source: http://www.astrin.nl/wp-content/uploads/2014/08/BAM-239x124.png

Source: http://www.ctbxrm.nl/wp-content/uploads/2013/07/bam-is-ook-bouwen-aan-mensen-74-13587726951787402621.jpg

Source: http://static3.hln.be/static/photo/2012/15/6/14/201210211720 22/media_xll_5260469.jpg

CREATIVITY!!!

Source:
https://t2.ftcdn.net/jpg/00/48/70/25/160_F_48702545_ia4excyzha8eZRibrG2t6mAinmuBpV8O.jpg

- Unique versus non-unique products

- High/low involvement

- Credence services

- Online versus offline distribution

- B2C versus B2B

- *Definition*:
  - Consultant: Interaction
  - Science: Applications
  - Business: Networks

- *Value creation*:
  - Relations: Mobilizing power
  - Conversations: Knowledge sharing & creating
  - Reputations: Trustbuilding

- *To join or not to join?*
  - Changing environment
 - Impact differs across industries

4. IMPACT ON BUSINESS

- Business model innovation:
  - ➢ New business models

- Business model replication:
  - ➢ Improvement strategic processes

- Business model fixation:
  - ➢ Efficiency in non-strategic processes

IMPACT

- Business model innovation:
  - ➤ New business models

- New-to-market

- New-to-organization

- Business model replication:
  - ➤ Improvement strategic processes

- Business model fixation:
  - ➤ Efficiency in non-strategic processes
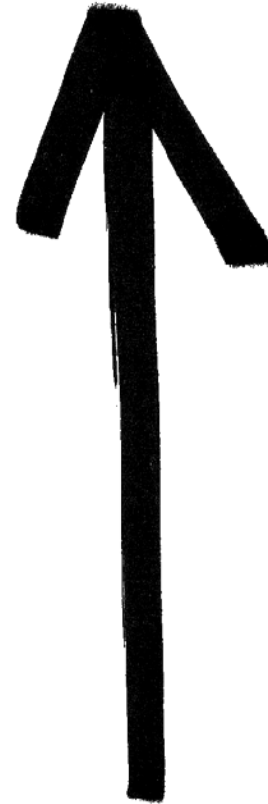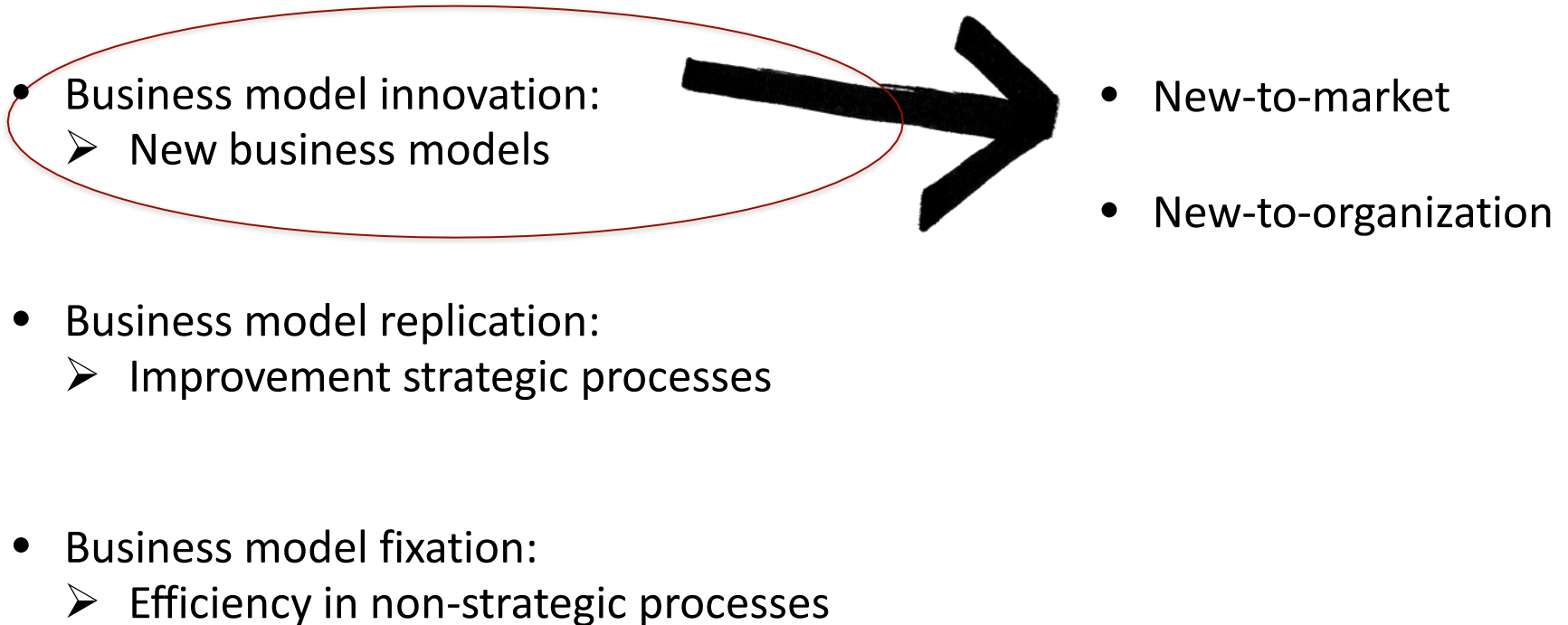
Source: https://encrypted-tbn1.gstatic.com/images?q=tbn:ANd9GcQZCDXNW8IvedJ9QjKEEPLMWC-FjY0oZUBy1wYIaFzh_LPn7k6hMw

Source: https://www.google.co.uk/wallet/images/online-logo-airbnb.png

Source: https://lifeasjosie.files.wordpress.com/2012/09/peerby_logo_final_cmyk-blog1.png

Source: https://forums.sumy.ua/index.php?attachments/301613/

Source: http://vni.s3.amazonaws.com/150703085350040.png

Source: http://www.devicetowear.com/wp-content/uploads/2015/06/tago-arc-17-480x270.jpg

Source:
http://bloggfiler.no/celinesmedieblogg.blogg.no/images/178416
1-12-1378676156297.jpg

- Social salesfunnel

- Crowdfunding

- Logistics

- Business model innovation:
  - ➢ New business models

- Business model replication:
  - ➢ Improvement strategic processes

- Customer intimacy

- Product leadership

- Business model fixation:
  - ➢ Efficiency in non-strategic processes

Source: http://1.bp.blogspot.com/-QBBsUuqmtWY/UiC-YfHgSII/AAAAAAAACiA/DwUgnGF2l_8/s1600/klm.jpg

Source: http://newsimg.bbc.co.uk/media/images/47656000/jpg/_47656323_ash.466.body.jpg

Source: https://encrypted-tbn2.gstatic.com/images?q=tbn: ANd9G_cS6h 3n1 QuZApBj_Ae5dTN9fskM08RcJD7v7F9WDauiekJh03pwa4A

Source: http://thumbs.dreamstime.com/x/female-doctor-holding-money-12315288.jpg

Source: http://www.startupfesteurope.com/site/wp-content/uploads/2015/11/DIA-logo-liggend.jpg

Source: http://5.157.81.93/somehealth/wp-content/uploads/2012/11/Achmea3.jpg

- Business model innovation:
  - ➢ New business models

- Business model replication:
  - ➢ Improvement strategic processes

- Business model fixation:
  - ➢ Efficiency in non-strategic processes

5. WHERE TO START?

Source: http://www.eventdeals.com/blog/wp-content/uploads/2015/08/o-MILLENNIAL-GENERATION-facebook-679x350.jpg

Social by Nature

- Social in its core
- Start-ups
- Millenials

Social by Maturity

Social by Maturity: 3 stages

Pioneering

- *Outside Business*

Getting Serious

- *Social media in Business*

Success with Social Maturity

- Social Business

Marciee

Funded by the European Union

Erasmus+

6.

SOCIAL MATURITY

STRATEGY

	Pioneering	Getting Serious	Success
Social	None	Mono-disciplinary	Company strategy
Organisation	Business as usual	In change	Network

	Pioneering	Getting Serious	Success
Social	Supporting acitivities	Integrated part of service	Social business
Organisation	Champion	Social Hub	Holistic

CULTURE

	Pioneering	Getting Serious	Success
Social	Presence	Engagement (critical mass)	Culture of content
Organisation	Entrepreneurial	Informal	Community

	Pioneering	Getting Serious	Success
Social	Learning	Social Maturity goals	Business performance
Organisation	No KPI's	Consumption Engagement Sharing	Reputation Financial Operational

Summary: Social Media

- *Impact on business*:
  - BM innovation
    - New models
  - BM replication
    - Improvement of strategic processes
  - BM fixation
    - Efficiency in non-strategic processes

- *Where to start?*
  - Social by Nature
  - Social by Maturity

1. Please have a look into the cases of entrepreneurship you collected and describe how new media are incorporated in their business strategy.

2. Can you give them advice on their Social strategy?

Source: http://greyedsolutions.com/wp-content/uploads/2015/06/conference-presentation.jpg