

## Business Development: What's Behind the Name?

by

Anne Theresa Eidhoff, Jana Poelzl

University of Hohenheim, Germany

eidhoff@uni-hohenheim.de, poelzl@uni-hohenheim.de

*Abstract.* Growth is one of the biggest challenges for companies in the context of increasing global competition and highly differentiated customer needs. Many markets have reached their saturation and can no longer continue to grow. Therefore, companies have to adapt to new market demands and need to identify new opportunities to further develop their business beyond current market boundaries. Identifying growth opportunities is the core challenge business development units face. Although business development is now a widely spread term in the business world, yet little is known about its nature from an academic point of view. The purpose of this paper is to explore on the basis of in-depth field interviews with practitioners from German B2B companies to analyse the concept and scope of business development. The research design aims at analysing five main areas to explore the new phenomenon, namely: understanding, organisation, employees, instruments and trends of business development. In detail we first look at what business development encompasses, second how it is organised within the company and its interaction with other departments, in particular with the marketing department. Third, what qualification do the employees who work in business development have and what competences are crucial. Fourth, which instruments are used and fifth which current trends in this respect can be identified.

*Key words:* business development, business-to-business, marketing.

JEL classification: M31, M10.

### 1 Introduction

Business development is a term frequently used in business context but neither in academic literature nor in practice is specified what lies behind the name. Despite its undefined nature, it can be observed that recently more and more companies have established business development units in their organisation (Davis and Sun, 2006; Kind and zu Knyphausen-Aufseß, 2007). One possible reason for the current attention business development is granted can be found in the increasing necessity of growth for companies. Given an environment that is characterised by globalisation, increased competition and strongly differentiated customer needs, growth becomes an essential challenge for most companies (Kotler, 2011). Many markets are saturated. As a consequence companies can no longer continue to grow within present boundaries. Instead, they have to adapt to new market requirements and identify new opportunities to further develop their business beyond the existing business segments. For example B2B companies in Germany have a strong necessity to develop their business and products due to the

fact that about two thirds of German current industrial products find themselves in the phases of stagnation or decline considering the product life cycle concept (Penzkofer, 2004).

There are many ways in which companies can implement internal and external growth, enabling them to further develop their business. A key to unlocking potential growth opportunities lies in the ability of firms to foresee changes in the market, to anticipate trends and customers' needs and to derive fitted strategic measures from these prevailing circumstances. By doing so, they no longer only compete but rather shape their competitive environment themselves and become market leading innovators. Thus, the ability to innovate in combination with the development of new business segments enable companies to lever new growth opportunities (Kim and Mauborgne, 2004; Kuratko *et al*, 2009).

Many companies have recognised the importance of continuous growth and the associated challenges and have begun to integrate the new activities as business development in their organisation (Sorensen, 2012).

The term "business development" is generally understood as the further development of a company respective a business segment. In addition, however, little is known about the nature of business development. To date, only a few scholars have conducted research on this topic. Consequently, no universally accepted definition of business development can yet be found nor are the scope and activities performed in business development known. Regarding this background, this paper attempts to fill this research gap by seeking to examine the phenomenon business development with the help of in-depth field interviews with practitioners from German B2B companies working in business development. In particular we seek to answer the following research questions: (1) How do B2B companies define business development and what tasks does it encompass? (2) How is business development organised within the companies and what interaction with other departments exist, especially with the marketing department? (3) Further, what employees work in business development and what crucial competences are needed? (4) What instruments and methods are used? (5) Finally which current developments and trends can be identified in business development?

## 2 Theoretical background

To date the field of business development has received very little attention in research (Davis and Sun, 2006; Keil *et al.*, 2008; Kind and zu Knyphausen-Aufseß, 2007), despite the fact that it has a high impact on identifying growth potentials for companies (Davis and Sun, 2006). Although current academic literature provides some insights into the new research field of business development, these studies only provide little information on how to define the term business development and how to describe its corresponding academic foundation.

Four key research areas can be seen as most influential on business development research. These research areas are (1) strategic management research (Johnson and Scholes, 1999; Porter, 1996), (2) strategic marketing research (Varadarajan, 2010), (3) fields of research on

corporate entrepreneurship (Zahra *et al.*, 1991) and (4) innovation (Kuratko *et al.*, 2009).

### 2.1 Influence of strategic management research

Strategic management research addresses the activities and decisions which deal with the strategic long-term orientation of a company (Wheelen and Hunger, 2011). These activities include the analysis of internal resources and external market conditions, the formulation of corporate strategy, its implementation and ongoing monitoring. With regard to business development the research done by Ansoff (1965), Johnson and Scholes (1999) and Porter (1980, 1985, 1996) can be identified as the most influential studies on this matter. For instance, the product-/market matrix by Ansoff (1965) systematises possible competitive development strategies and thus marks initial steps of how a company can develop their current business. Possible strategies are: market penetration, product development, market development and diversification. Furthermore the generic competitive strategies by Porter (1980) and his process analyses of the value chain (Porter, 1985) aim at identifying potential development opportunities.

### 2.2 Influence of strategic marketing research

Of particular interest for the strategic marketing research is the interaction of a company in the market with customers, competitors and other external stakeholders. Aspects to be analysed in this context are the preparation, communication and delivery of products and services in order to create value for the customer and to establish a sustainable competitive advantage for the company (Varadarajan, 2010). Therefore, strategic marketing addresses questions regarding market choice, competitors and market entry (Jain, 1983). Due to its main focus on market-orientation strategic marketing is essential for business development as it fosters the market-aligned development of companies and business segments.

## 2.3 Influence of corporate entrepreneurship research

The research on corporate entrepreneurship examines possibilities of how companies can develop new ventures within the company in order to give leverage to prospective sales potentials (Narayanan et al, 2009). This can be realised by either an individual creating a new organisation within the company or a group of individuals initiating the implementation of new ideas (Sharma and Chrisman, 1999) with the objective of increasing the company's innovative capability (Sharma and Chrisman, 1999).

Following the perspective of Kuratko *et al* (1991) the implementation of corporate entrepreneurship is one possibility for growth-oriented business development.

## 2.4 Influence of innovation research

Already in the last century Schumpeter (1934, 1939 and 1942) pointed out the importance of innovation for economic development in his theory of creative destruction and his vision of an entrepreneur. Since then many scholars have dedicated their research to different types of innovation as a source of developing a sustainable competitive advantage (De Luca and Atuahene-Gima, 2007; Shelton, 2009; Rochina-Barrachina *et al*, 2010). Hence, innovations represent a fundamental element for business development focusing on further growth.

Finally, the main reason why business development touches many different research areas is its interdependency. For example a study by Tsai *et al* (2013) shows that market-orientation, and as such a field of strategic marketing research, is one of the main determinants for the success of new product launches. This result demonstrates that the connection of market- and innovation-orientation has a crucial influence on the success of a company's growth.

## 2.5 Theoretical implications

Concluding, given the interdisciplinary theoretical background of business development, neither a uniform definition nor scope of responsi-

bilities of business development can be identified in academic literature. Giglierano *et al* (2011) state that the inconsistent understanding of the concept and scope of business development emanates from the early stage of scientific research progress regarding this area. However, scholars come to a minimum consensus regarding the objective of business development, namely: aiming at the identification of growth potentials in order to establish a competitive advantage for a company and to maintain long-term economic success (Littler and Sweeting 1987; Sorensen, 2012).

## 3 Research design

Due to the early stage of research on business development and therefrom derived extensive lack of research done on this scientific topic, we chose a qualitative explorative research design. By doing so, we aim at gaining a first impression of the understanding of business development in the business world. Therefore we conducted in total sixteen in-depth field interviews with German practitioners working in business development in B2B companies. As mentioned in the introduction we chose to analyse B2B companies since they face the particular need to develop their current business. As a result, more business development units can supposedly be found in industrial companies. Moreover, with the objective of reducing complexity of our research design, we limited our research to German practitioners. In order to obtain a diversified sample, we selected a variety of different industries. The corresponding industries are: industrial goods, B2B services, transportation, trading, food production, paper, power tools and engineering. Other characteristics to describe the sample are: size of company, age of business development department and hierarchy level of the participants. Regarding the size of the companies, the number of employees ranges from 150 to 300.000. Accordingly, the age of business development departments also varies among the companies. The oldest business development department was founded in 2003 and the most recent one was established 2013. With respect to the hierarchy level of the participants

the majority is at top management level: out of the participants one is chief executive officer, ten are highest-ranking business development officers and five are business development team members. Regarding the conduction of the interviews, the participants were provided with the interview guideline four to five days prior to the interview. The interviews lasted between thirty and sixty minutes. In order to assure unaltered results, the interviews were recorded and later transcribed. With the aim of analysing the interviews systematically, we clustered and coded the answers by using a qualitative data analysis tool (MAXQDA). The codes were derived from our research questions. The respective codes were (1) understanding of business development and its assigned tasks, (2) organisation of business development and its interaction with other departments, (3) qualification of employees working in business development and what competences are crucial, (4) the use of instruments and methods in business development units and (5) current developments and trends in business development.

## 4 Empirical findings

### 4.1 Understanding of business development and assigned tasks

First, the participants were asked to describe their understanding of business development. The consensus of all interviews is that business development refers to activities and processes which aim at identifying and managing new growth potentials in the companies.

Despite this comprehensive understanding the precise meaning of business development varies among the practitioners. Some exemplary quotes are:

*“Business development has the responsibility to foresee the future and identify trends and serious developments and deriving corresponding countermeasures.”*

*“We are more of an “all-rounder weapon” which is used where it is needed.”*

As the last quote suggests, most interviewees did not directly define the term, but rather de-

scribed what business development encompasses by listing those tasks business development is responsible for in their companies. Hence, with regard to the tasks assigned to business development we find that business development activities are not highly standardised within or among the firms. In other words, business development routines and practices vary greatly among firms.

To find out what exact tasks are assigned to business development the participants were asked to name and describe their scope of work. The aggregated results are illustrated in table 1.

Table 1. Tasks assigned to business development listed by number of mentions

Tasks	No.	Tasks	No.
Developing businesses and identifying growth opportunities	8	Developing strategies	2
Mergers and acquisition processes	8	New network alliances	1
Innovating business models (incl. testing and implementing)	4	Initiation and management of cooperation	1
Identifying customer needs	3	Developing new sales channels	1
Business process re-engineering	3	Organizing and leading projects	1
Forecasting of trends	2	Strategies for market entry/exit	1
Developing diversification	2	Preparing and leading market exits	1
Initiation of joint ventures	2	Supporting the business units	1

The scope of tasks is quite large and diverse. For instance, the listed tasks range from a simple expansion of existing sales channels to a comprehensive new business model set-up. Further, business development for example was found to be responsible for developing new strategies and assessing them, finding new growth opportunities, creating new business models, identifying customer needs, developing strategies for market entry or exit and managing the mergers and acquisition process.

Although, business development practices vary among firms and industries, the consensus is that the mentioned core activities are of high



strategic importance. In summary, the activities consist of conceptualizing and implementing strategies in evolving markets, the expansion of existing market entries and the development of new opportunities and business models.

## 4.2 Organisation and interaction with other departments

Second, concerning the organisation of business development the participants were asked to indicate the organisational structure of business development in their companies. Three different types of organisation could be identified. In twelve of the sixteen surveyed companies, business development is organised within an institutionalised staff function (1) reporting directly to the management level. Alternatively, it is integrated into the organisation as line function (2) or performed by cross-functional teams (3) within the companies. The thereby strategic standing of business development is shown by the following quote:

*"We have given the department the required importance to be seen and heard within the company."*

Further, we asked the participants to name other departments with which business development collaborates on a regular basis. The answers are displayed in table 2.

Table 2. Interaction with other departments listed by number of mentions

Department/ Function	No.	Department/ Function	No.
Finance	14	Market research	2
Marketing	8	Mergers and acquisition department	2
Research and development	5	Technical service	2
Sales	5	Logistics	2
Purchasing	3	Human resources	2
Management	4	Management consultancy	1
Law department	4	Production	1
IT	3	Corporate strategy	1
Product management	3	Corporate intelligence	1

Most frequently, the finance department and the marketing department were named for either having a close working relationship with business development or for providing valuable information. Altogether these results show that collaboration with other departments is very common for business development. The following quote expresses the importance of such collaboration:

*"Again, I would like to point out how important it is to show all departments the added value, so that the business development department is not kept aside. The success of business development results from the cooperation of all."*

In particular, the participants were asked to evaluate marketing's influence and relevance in their business development. In almost all corporations marketing is valued as an important partner in business development.

*"But often I've recognized that business development is inextricably linked with the issues of marketing."*

*"So, for us it [business development] is integrated into marketing and, in principle, yes, business development and strategic marketing are very closely connected."*

*"I think it [the interconnection between business development and marketing] depends in particular on the role and influence of marketing in the company and what competences this department possesses."*

In addition to the general importance of collaboration with marketing, the extent of collaboration varies. According to the participants, whenever projects require a higher necessity for integrating customer needs and knowledge of market developments the influence of the marketing departments for the project increases correspondingly.

### 4.3 Qualifications and desired competences of employees

Third, the participants were asked to describe the qualifications of current employees working in business development and desired competences for potential candidates. With respect to the qualifications, i.e., educational background and experience, our interviews indicate that in most firms business development is performed by interdisciplinary teams. Business developers can be characterised by their knowledge of management, technologies, specialised departments, industries, their academic education and previous experience in business development. The full results can be seen in table 3.

Table 3. Qualification of business development employees listed by number of mentions

Qualification	No.	Qualification	No.
Academic background	9	Finance	2
Management	6	Law	2
Engineering	5	Management trainees	2
Marketing	5	Accounting	2
Product/industry knowledge	5	Purchasing	1
Management consultancy	4	MBA	1
Graduate	3	Previous experience in business development	1
Sales	3		

Apart from their professional qualification, business developers also need to possess certain competences. Namely, they are expected to have strong methodological and analytical skills, an understanding for markets and customers and project management skills. Additional desired soft-skills are creativity, an entrepreneurial mind-set, an implementation drive and in general a certain amount of personal openness to succeed in fulfilling their tasks. All mentioned competences are found in table 4.

Table 4. Desirable competences for business developers listed by number of mentions

Competences	No.	Competences	No.
Methodological and analytical skills	8	Extraversion	2

Knowledge in management /engineering	7	Entrepreneurial mind-set	2
Understanding markets and customers	6	Implementation drive	2
Capability for abstraction	5	Potential to cope with frustration	2
Project management skills	4	Independence	2
Convince and inspire others	3	Ability to take decisions	1
Build up networks	3	Working experience	1
Creativity	3	Potential to cope with insecurities	1

Additionally, a combination of personnel with different years of working experiences is described as most effective and promising by the participants.

*“You need a healthy mix. You need people who question proceedings and the familiar view of things.”*

In summary, the qualifications of employees working in business development differ which reflects the different tasks performed by business development units. The competences a business developer needs can be summarised as analytical skills, creativity and a certain intrinsic determination. Moreover a mix of people with different levels of working experience is considered most eligible.

### 4.4 The use of instruments and methods

Fourth, the practitioners were to name the instruments and methods they use in business development. Our results reveal that many of the mentioned instruments and methods can mainly be related to strategic management and strategic marketing. Specifically, company valuation methods, business plans, SWOT analysis, portfolio analysis and benchmarking can be subsumed under strategic management methods (Jarratt and Stiles, 2009; Webster *et al*, 1989). The analysis of competition and markets form part of strategic marketing instruments as indicated by academic literature (Drummond *et al*, 2008; West *et al*, 2006). For analysing existing and potential target markets the instruments

applied are: market analysis, market research, industry structure analysis and scenario analysis. Concerning competitor analysis and positioning mentioned instruments are: competition analysis, benchmarking and portfolio/ positioning analysis. All mentioned instruments and methods are shown in table 5.

Table 5. Instruments and methods used in business development listed by number of mentions

Instruments / methods	No.	Instruments / methods	No.
Company valuation methods	8	Market research	2
Business plans	6	Industry structure analysis (e.g. Porter's 5 Forces)	2
Competition analysis	5	Strength-weaknesses analysis	2
Market analysis	5	Benchmarking	1
Scenario analysis	4	Forecasting	1
SWOT analysis	4	Investment valuation	1
Business model innovation Canvas (Osterwalder)	3	Project management tools	1
Business unit analysis	3	Scoring models	1
Portfolio/positioning analysis (e.g. BCG-matrix)	3	Simulation analysis	1
Business model valuation	2	War-Gaming	1

To conclude regarding the instruments and methods used in business development most of them are originated in strategic management and strategic marketing.

#### 4.5 Current developments and trends in business development

Fifth, the participants were asked about current developments with regard to the relevance of business development and according environment-driven and company-driven trends impacting the work of business development.

To begin with the question of possible development directions and future relevance of business development is addressed. Due to the fact that business development is a relatively new phenomenon the question arises, whether or not it is of sustainable relevance for the strategic

orientation of a company. Across all industries more than half of the participants credited business development increasing importance for the near future. This is reflected by an enlarged scope of business development tasks and approval of additional personnel capacities. Many of the participants point out the necessity and advantage of creating and establishing a unit in which ideas and new growth opportunities can be developed aside from day-to-day operations.

*"In my opinion, the relevance of business development grows and will become more important. We work in an environment that is becoming more dynamic, the competition is getting stronger and we are reaching a point where we notice that it becomes necessary to prepare for this challenges detached from daily businesses."*

The other half of the participants is convinced that their current structure has reached a stable status and will endure in their corporations in the near future. Besides, the practitioners from the transport, power tools and trading industries emphasise that the importance and relevance of business development depend on the company's current strategic orientation and the deriving topics management focuses on.

As far as current trends affecting the work of business development units in the future are concerned, we distinguish between environment-driven trends and company-driven trends. The mentioned trends are shown in table 6.

Table 6. Environment-driven and company-driven trends listed by number of mentions

Environment-driven trends	No.	Company-driven trends	No.
Changing demands (based on customer, technical, legal and market developments)	12	Creating new business models	9
Digitalisation	9	Re-design of cooperation with partners	4
Sustainability	6	Diversity	3
Demographic changes	3	Integration of digitalisation	3
		Modification of products and service in accordance with	3

	customer demand	
--	-----------------	--

Crucial environment-driven trends include the predominance of changing demands, either resulting from customers, technical or legal developments and market developments. Specifically, three global megatrends which have an influence on the work of business development were named in the surveyed companies. The mentioned megatrends are: digitalisation, sustainability and demographic changes. First, concerning digitalisation companies increasingly transfer their businesses into the digital world, especially e-commerce. Second, in the matter of sustainability, the necessity of sustainable management is crucial. This holds especially true for companies that produce their goods with natural resources but also for companies that have a high consumption of natural resources like water and energy within their production processes. Third, demographic changes, such as the aging society, hamper the recruitment of high potentials for the companies and thus also for business development units.

Taking a closer look at what company-driven trends determine the focus of work of business development, it can be detected that the creation of sustainably successful business models is and will be of highest importance to business development managers. To be more precise, creating a successful business model includes changing and adjusting components of the current business model to remain competitive as well as the reconfiguration and set-up of new business models. The main focuses identified in this respect are the re-designing of cooperation with partners within the value chain, the integration of the increasing digitalisation in the business operations and the modification of the services offered towards specific customer requirements. In summary, according to the interviewees, the relevance of business development is either increasing or will remain at the present level. Moreover, environment-driven trends such as changing demands and market developments do affect the work of business development. With regard to company-driven trends business models are becoming more and more important for the work of business developers.

## 6. Conclusions

Business development has evolved as phenomenon within many firms in recent years. Although the potential and general strategic opportunities for economic development and company growth have been examined in detail, little is known about the emerging business development units within corporations. The aim of this paper is to yield a first insight into the nature of business development from a business practice point of view. For this purpose, we analyse the understanding and tasks of business development, the organisation, the use of instruments and current trends by conducting sixteen in-depth interviews with German practitioners from B2B companies.

Our research illustrates that business development is of high relevance in the companies surveyed. The tasks assigned to business development are highly strategic, although they vary greatly among the companies. The work generally aims at identifying new growth opportunities for the corporations. With regard to organisational structure, business development is organised within a staff function reporting directly to the management board in most companies. Business development is performed by interdisciplinary teams with differing levels of working experience. Concerning the interaction with other departments, our research shows that finance and marketing are of highest relevance for business development. Furthermore, many of the applied instruments and methods used belong to strategic management and strategic marketing in correspondence to the respective tasks. Moreover, the relevance of business development is either increasing or remaining stable. Finally, trends for business development in corporations can be distinguished between environment-driven and company-driven trends. Environment-driven trends include global megatrends while company-driven trends come down to the development of sustainable business models.

Against this background, concerning academic implications our research can be regarded as one stepping stone on the road towards a holistic understanding of the concept of business



development. The results provide a first insight into the scope and realisation of tasks of business development units in B2B companies. It further reveals that business development is an interdisciplinary research field which interlinks different perspectives of business research and therefore represents an interesting research topic not only for marketing scholars but for scholars from other research fields as well. Another important implication is that a uniform definition and scope of business development are prerequisites for further research in this field in order to classify corresponding research accordingly. With regard to managerial implications, our research suggests that the necessity of evaluating the market is the reason why marketing should be an integral part of a company's business development. Thus, business development managers must work closely with the marketing department. This aspect does not solely hold true for the marketing department but also for all other units involved in the business development process, especially the finance department. Since business development collaborates with other departments it is of high importance for the management to enable these interactions and to establish effective and efficient processes for this purpose. When making decisions about composition of the business development team, managers need to foster diversity with respect to experience and background. In this context, it is necessary to match the teams' skills with the assigned tasks of business development. Regarding the strategic importance of business development, we suggest based on our results that business development should be made top priority of management.

Despite the fact that our study offers valuable insights some limitations need to be mentioned. For instance, restraints based on the methodological approach resulting from the research design and the data collections have to be considered. Although it has been an objective to survey a wide range of corporations that differ regarding industry and size the limited number of interviews conducted allows only a restricted insight into business development. For generalisation purposes scholars should subsequently

conduct a quantitative analysis on a greater scale.

This paper can be seen as a starting point for developing knowledge about business development in general and its correspondence with marketing in particular.

Further research is required to describe specific business development practices, to provide insights into the organisation of business development and to identify intervention points for marketing and business development in order to establish a framework for a market-oriented business development.

## References

- Ansoff, H. I. (1965), *Corporate strategy: business policy for growth and expansion*, McGraw-Hill Book.
- Davis, C. H. and Sun, E. (2006), Business development capabilities in information technology SMEs in a regional economy: an exploratory study, *The Journal of Technology Transfer*, 31(1): 145-161.
- De Luca, L. M. and Atuahene-Gima, K. (2007), Market knowledge dimensions and cross-functional collaboration: Examining the different routes to product innovation performance, *Journal of Marketing*, 71(1): 95-112.
- Drummond, G., Ensor, J. and Ashford, R. (2008), *Strategic marketing* (3rd ed.), Burlington: Butterworth-Heinemann.
- Giglierano, J., Vitale, R. and McClatchy, J. J. (2011), Business development in the early stages of commercializing disruptive innovation: Considering the implications of Moore's life cycle model and Christensen's model of disruptive innovation, *Innovative Marketing*, 7(2): 29-39.
- Jain, S. C. (1983), The evolution of strategic marketing, *Journal of Business Research*, 11(4): 409-425.
- Jarratt, D. and Stiles, D. (2010), How are methodologies and tools framing managers' strategizing practice in competitive strategy development?, *British Journal of Management*, 21(1): 28-43.
- Johnson, G. and Scholes, K. (1999), *Exploring Corporate Strategy*, 5th ed., Essex: Prentice Hall.
- Keil, T., Maula, M., Schildt, H. and Zahra, S. A. (2008), The effect of governance modes and relatedness of external business development activities on innovative performance, *Strategic Management Journal*, 29(8): 895-907.
- Kim, W. C. and Mauborgne, R. (2004), Value innovation, *Harvard Business Review*, 82(7/8): 172-180.

- Kind, S. and zu Knyphausen-Aufseß, D. (2007), What is "business development" – The case of biotechnology, *Schmalenbach Business Review*, 59(2): 176-199.
- Kotler, P. (2011), Reinventing marketing to manage the environmental imperative, *Journal of Marketing*, 75(4): 132-135.
- Kuratko, D. F., Covin, J. G. and Garrett, R. P. (2009), Corporate venturing: Insights from actual performance, *Business Horizons*, 52(5): 459-467.
- Kuratko, D. F., Montagno, R. V. and Hornsby, J. S. (1991), Developing an intrapreneurial assessment instrument for an effective corporate entrepreneurial environment, *Strategic Management Journal*, 11(Summer): 49-58.
- Littler, D. A. and Sweeting, R. C. (1987), Innovative business development: Selection and management issues, *Futures*, 19(2): 155-167.
- Narayanan, V. K., Yang, Y. and Zahra, S. A. (2009), Corporate venturing and value creation: a review and proposed framework, *Research Policy*, 38(1): 58-76.
- Penzkofer, H. (2004), Innovationstätigkeit in der Industrie 2003: Rückgang gestoppt, aber keine Entwarnung, *ifo Schnelldienst*, 57(6): 46-52.
- Porter, M. E. (1980), *Competitive Strategy*, New York: Free Press.
- Porter, M. E. (1985), *Competitive Advantage*, New York: Free Press.
- Porter, M. E. (1996), What is strategy?, *Harvard Business Review*, 74(6): 61-78.
- Rochina-Barrachina, M. E., Mané, J. A. and Sanchis-Llopis, J. A. (2010), Process innovations and firm productivity growth, *Small Business Economics*, 34(2): 147-166.
- Schumpeter, J. A. (1934), *The theory of economic development: An inquiry into profits, capital, credit, interest and the business cycle*, Cambridge, MA.
- Schumpeter, J. A. (1939), *Business cycles: A theoretical, historical, and statistical analysis of the capitalist process*, New York, McGraw-Hill Book Company Inc.
- Schumpeter, J. A. [1942] (1976), *Capitalism, socialism and democracy*, London, George Allen & Unwin.
- Sharma, P. and Chrisman, S. J.J. (1999), Toward a reconciliation of the definitional issues in the field of corporate entrepreneurship, *Entrepreneurship Theory and Practice*, 23(3): 11-27.
- Shelton, R. (2009), Integrating product and service innovation, *Research Technology Management*, 52(3): 38-44.
- Sorensen, H. E. (2012), *Business Development: a market-oriented perspective*, John Wiley Sons Ltd.
- Tsai, K-H., Huang, C-T. and Tsai, M-L. (2013), Reviews of market drivers of new product performance. Effects and relationships, *International Journal of Market Research*, 55(5): 719-738.
- Varadarajan, R. (2010), Strategic marketing and marketing strategy: domain, definition, fundamental issues and foundational premises, *Journal of the Academy of Marketing Science*, 38(2): 119-140.
- Webster, J. L., Reif, W. E. and Bracker, J. S. (1989), The manager's guide to strategic planning tools and techniques, *Strategy & Leadership*, 17(6): 4-48.
- West, D. C., Ford, J. B. and Ibrahim, E. (2006), *Strategic marketing: creating competitive advantage*, Oxford: Oxford University Press.
- Wheelen, T. L. and Hunger, J. D. (2011), *Concepts in strategic management and business policy*, Pearson Education India.
- Zahra, S., Hayton, J., Marcel, J., and O'Neill, H. (2001), Fostering entrepreneurship during international expansion: Managing Key Challenges, *European Management Journal*, 19(4): 359-369.

## Authors description

Anne Theresa Eidhoff is a research associate at the Department of Marketing I of the University of Hohenheim and conducts research in the area of business development. She has been invited to the 43rd European Marketing Academy Conference (EMAC 2014) in Valencia to make a scientific contribution. [eidhoff@uni-hohenheim.de](mailto:eidhoff@uni-hohenheim.de); [www.marketing1.uni-hohenheim.de](http://www.marketing1.uni-hohenheim.de)

Jana Poelzl is a research associate at the Department of Marketing I of the University of Hohenheim and conducts research in the area of business development and sharing economy. She has been invited to the 43rd European Marketing Academy Conference (EMAC 2014) in Valencia to make a scientific contribution. [poelzl@uni-hohenheim.de](mailto:poelzl@uni-hohenheim.de); [www.marketing1.uni-hohenheim.de](http://www.marketing1.uni-hohenheim.de)