



**MEASUREMENT MODEL TO ASSESS
MARKET-DRIVING ABILITY IN
CORPORATE ENTREPRENEURSHIP**

by

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DECLARATION OF ORIGINAL WORK

I, Nadin Wörgötter, declare that the thesis, which I hereby submit for the degree PhD in Entrepreneurship at the University of Pretoria, is my own work, except where indicated, and has not previously been submitted by me for a degree at this or any other tertiary institution.

SIGNATURE

DATE

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SUMMARY

MEASUREMENT MODEL TO ASSESS MARKET-DRIVING ABILITY IN CORPORATE ENTREPRENEURSHIP

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Degree: PhD in Entrepreneurship

Two major objectives of organisations are to achieve firm performance and to maintain a competitive advantage; strategies to achieve these objectives differ widely. Research at the entrepreneurship and marketing interface investigates the application of both dimensions on firm activities, processes and behaviour to achieve different performance parameters. In the field of entrepreneurial marketing research two key approaches are discussed: a market-driven and a market-driving approach.

Market-driven approaches, though applied by many organisations, are less successful in allowing organisations to outperform others and create long-term competitive advantage. Market-driving, on the other hand, is considered to contribute to enduring competitive advantage. Current research indicates that the construct of market driving and the factors that influence it are not well understood.

The purpose of this study is therefore to measure market driving and determine firm-internal factors that influence an organisation's market-driving ability in the South African healthcare industry.

In this research, constructs drawn from the literature study were used to formulate the conceptual framework and statistical model. The empirical part of the study used a fully structured telephonic questionnaire and the respondents were managers in organisations in the South African healthcare industry. Data analysis employed structural equation modelling.

The results indicate that market driving can reliably be measured by three activities: market sensing; influencing customer preferences; and alliance formation. Entrepreneurial behaviour, strategic orientation and entrepreneurial capital have a more positive impact on market-driving ability than corporate entrepreneurial management. The study demonstrated that market-driving ability significantly benefits firm performance and relative competitive strength.

The study provides a solid basis for future research in the field. Moreover, the results of the study can be applied by organisations in a three-step process. First, organisations can assess their current level of market driving. Second, they can assess influencing factors, and finally identify areas for improvement. Through continuous reassessment organisations can work on their market-driving ability to achieve their organisational objectives.

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