

# THE IMPACT OF LATEST TRENDS IN MARKETING ENVIRONMENT ON MARKETING AND ENTREPRENEURSHIP

#### Magdalena Rzemieniak<sup>1</sup>, Paweł Gajewski<sup>2</sup>

<sup>1</sup>Czestochowa University of Technology, Faculty of Management <sup>2</sup>Maria Curie-Skłodowska University in Lublin, Faculty of Economics

**Abstract:** Post-truth is an outcome of technological changes in the marketing environment. The post-truth phenomenon has a huge impact on the marketing activities of enterprises and on entrepreneurial attitudes. The objective of the study is to characterise the impact of the latest trends in the marketing environment on marketing and entrepreneurship in general. The article presents the results of research on the influence of post-truth on the marketing strategies of business organisations. The study is supplemented with examples. The study also makes use of research carried out on secondary sources obtained through the desk research method as well as the authors' own participant observations.

**Keywords:** creativity, entrepreneurship, marketing, post-truth

**DOI:** 10.17512/znpcz.2018.4.28

#### Introduction

Post-truth is a trend currently observed in our surrounding reality. The term appears in the context of the increased impact of digital reality on consumer behaviour in the real world. Post-reality is when consumers buy subscriptions to have continuous access to products without having to deal with the distribution, storage or maintenance of real products, etc. Technological solutions enable the co-existence of digital and physical reality. For many users this is completely natural (for instance, numerous filters on Snapchat). The technological options of controlling acoustic reality are used in business practice to eliminate unwanted sounds (e.g. a baby's crying on an airplane). In medicine the scenarios of managing people's future by genetic control are becoming reality (*TrendBook*, p. 34).

The survey was carried out with the CAWI (Computer-Assisted Web Interview) method – responsive electronic questionnaires available through a website and email. The opinions of 1112 Internet users were collected. The survey was conducted from 3 to 9 March 2017. The structure of the sample consisting of Internet users was adjusted with an analytical weight and corresponded to the structure of Polish internauts aged 15 or more broken down by gender, age and size of their place of residence. Only complete questionnaires were used in the analysis. The survey was performed by the Mobile Institute (*TrendBook* 2017, p. 6).

## The essence of creativity in marketing

Creativity is a very crucial characteristic of human capital. It can be defined as creating useful and valuable products, services, ideas, procedures or ideas by entities collaborating with each other. Creativity may also be an important feature of all the aspects of decision-making in business. It is the phenomenon of inspiring new thoughts, reformulating existing knowledge and analysing assumptions to express new theories and paradigms or raising awareness. This is a process which involves "identifying, selecting, exchanging and linking facts, ideas and skills" (Proctor 1998, p. 34). The world-famous psychologist M. Wertheimer described creativity as "division or reorganisation of thoughts on a given subject to obtain a new, deeper insight in its nature" (Wertheimer 1959, p. 49). In turn, T. Rickards defined creativity as "an escape from stagnation in thinking" (Rickards 1998, pp. 121-123), emphasising the role of creative thinking in decision-making and problem-solving (Proctor 1998, p. 36).

There is evidence to confirm a direct link between creative thinking and the effectiveness and productivity of organisations (The European Report, 2010, p. 45). A creative approach also makes it possible to solve organisational problems, encourages employees to introduce novel solutions, motivates them and helps them develop their skills, and also enhances team work (Lach 2014, p. 23).

Creativity is also very crucial in marketing and in designing the global operating strategies of businesses (Szopiński 2015, pp. 117-129). With the constant flow of ideas about new products and services and the concept of streamlining processes in an organisation, its competitive edge increases as well (Młyńska 2015, pp. 117-129). Contemporary enterprises increasingly often focus on activities having their source in human creativity, which not only gives rise to original ideas, novel solutions and variety, but also becomes a crucial economic development factor (Kadłubek et al. 2017, p. 9). Creativity is becoming a distinguishing factor between creative business and regular companies.

#### The contemporary image of entrepreneurship

The notion of entrepreneurship has been the subject of numerous disputes among researchers and society. It has been broadly discussed in the literature on the subject, where its meaning and essence has been considered. In the contemporary perspective, entrepreneurship can be defined as a combination of a number of characteristics and skills such as the ability to take up risks, innovative thinking, recognising needs and opportunities, creativity in action, flexibility and dynamism in decision-making, as a result of which business entities come into being and are able to develop. Entrepreneurship was first described by the French economist R. Cantillon, who defined it as hunting for opportunities everywhere there is a market imbalance which may bring extraordinary profit (Łochnicka 2016, p. 12). He also claimed that entrepreneurship is the ability to project into the future and to take risks (Łuczak 2003, p. 11). J.B. Saya wrote about concentrating on emphasising the significance of work capital and entrepreneurial activity factors in "combining means of production" (Piecuch 2013, p. 162). A. Smith and D. Ricardo

attached lesser significance to entrepreneurship, claiming that entrepreneurs do not have an impact on the economy, which is governed by "the invisible hand of the market", at the same time associating business people with greedy capitalists. According to J. Schumpeter, entrepreneurship and entrepreneurs are innovations that upset the market balance and enable it to reach a higher level of development (Skowron-Grabowska, Mesjasz-Lech 2016, p. 25). Through combining means of production, entrepreneurs create new products and technologies which they introduce in the economy regardless of their capital (Schumpeter 1983, p. 66). Contrary to the above theory, I. Kitzner claimed that entrepreneurs use the arbitration function on the market to adjust prices, thanks to which they contribute to market balance. They respond to the arising opportunities instead of creating them (Kirzner 1973, p. 73). A bridging theory between the two was presented by F. Knight, who considered the compensation for uncertainty and risk as the source of profit. Currently, a number of descriptions refer to the definition presented by P. Drucker (a follower of Schumpeter's line of thought), who presented entrepreneurship as purposeful and systematic work based on innovativeness, preceded by seeking change, responding to it by treating it as opportunities, and in consequence, all these activities should be reflected in a new economic activity. Innovation is regarded as an instrument which provides resources with a new ability to create wealth, new products and processes, the result of which a new market is created, generating demand and acquiring new customers (Drucker 2007, pp. 25-29). J. Siekierski supported these views, presenting entrepreneurship as the ability to get involved in a given process individually or as a team. In his opinion, the inseparable elements of entrepreneurship are innovativeness and creating new business endeavours, which require new creative approaches (Siekierski 2003, pp. 150-151). Furthermore, J. Timmons emphasised that money and access to resources are not a guarantee of success, and many undertakings do not require considerable outlays. Entrepreneurship is a creative act of the entrepreneur, who devotes his time and energy to create a company or organisation, not being limited to observing, describing and analysing it (Timmons 1990, p. 5). The interpretation of this definition may cause some controversies because it downplays the significance of resources which entrepreneurs may obtain thanks to their knowledge, skills and connections, i.e. intangible resources (Kwiatkowski 2000, pp. 87-89). The European Commission defined entrepreneurship as "[...] an individual's ability to turn ideas into action. The notion encompasses creativity, innovativeness and risk-taking, as well as the ability to plan and manage projects in order to meet objectives" (Kurczewska 2013, p. 32).

Currently start-ups are the most recognisable form of entrepreneurship, often associated with garage entrepreneurship. Garage entrepreneurship is the essence of entrepreneurial activities, with the innovative ideas, passion and dedication of business people, thanks to whom new business undertakings launched in garages develop dynamically and reach impressive sizes (Glinka, Gudkova 2011, p. 20). The characteristics of start-ups include innovativeness, creativity, high risk, originality, focus on the future, flexibility, dedication, resilience and resistance to failure. Examples of successful start-ups which have turned into real businesses are

Google, Amazon, PayPal, Facebook, Airbnb, and the relatively new Uber. They are enterprises which decided to create unique services. Before Google, the online advertising market was practically non-existent; the same applies to online sales (Amazon), online payments (Paypal), social media (Facebook), hospitality services (Airbnb) and Uber, which is a real competition for taxis. Steve Blank created the most recognisable definition of a start-up. According to him a start-up is an organisation which seeks a profitable, scalable and repeatable business model (Blank, Dorf 2012). Eric Ries describes start-ups as organisations which create products and services under conditions of extreme uncertainty (Ries 2012). Currently start-ups are associated with innovation, which is the main driver of the economy. This is evidenced in the presence of numerous national and local government institutions supporting innovativeness and the processes of creating and developing new enterprises (Daroń 2017, p. 98). An enterprise which has survived the difficult transformation period, after reaching the profitability threshold strives to enter the market (Nowakowska-Grunt, Chłąd, Sośniak 2017, p. 80). However, contemporary organisations are constantly competing. Extremely strong competition, excessive supply, the quick ageing of products and the necessity to immediately satisfy customer expectations are just a few reasons why traditional, established organisations are becoming a relic of the past (Maige, Muller 1995). In the ever-changing, dynamic surroundings with growing complexity and intensive competition, relying on proven solutions leads to the premature ageing of organisations (Probst, Raisch 2005, pp. 90-105). Therefore, in order to stay on the market, entrepreneurs must make use of marketing as a management tool. An effective market presence requires enterprises to become involved in marketing activities and to adjust to the needs, possibilities and requirements of their industry (Targalski, Francik 2009, p. 162). Marketing orientation necessitates the individual selection of organisational entities and creating a system of internal and external links (Sławińska, Urbanowska-Sojkin 1995, p. 99). Changes in the business environment indicate that marketing is becoming increasingly important for enterprises in the process of achieving their goals, which is why marketing should become the key factor in determining the strategic direction for enterprise development (Postuła, Glinka 2014, p. 14). The crucial role of marketing in creating the value of businesses is reflected in the new definition of marketing adopted by the American Marketing Association in 2013. Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.

#### Research results

The phenomenon of sharing objectively false information online (post-truth) takes several forms, such as *clickbait*, *phishing* and *website spoofing*; however, in recent years *fake news* has become the most powerful carrier of post-truth.

Fake news blossomed during the US presidential campaign in 2016. False articles were produced on a mass scale, attracting significantly more readers than

information published by renowned media. Apart from that, today traditional media do not offer a guarantee of truthfulness. Early 2017 brought a new kind of fake news – *alternative facts*. Alternative facts are a linguistic construct coined by Kellyanne Conway, Counsellor to the US President, to explain the vast differences between measurable data and information released by the White House.

The phenomenon of post-truth is mostly connected with the media market. However, it has been observed that trust towards public institutions, NGOs, companies and brands is decreasing – the level of trust in each of these categories has never been so low (Edelman 2016, p. 68). Therefore, it is possible to state that the phenomenon of post-truth is a prelude to a major global crisis of trust.

One of the basic mechanisms determining the escalation of the post-truth phenomenon is social media (in particular Facebook and Twitter). The ease of sharing information, articles, films and animations leads to fake news appearing side by side with real information. Their verification is currently very difficult and often impossible.

However, political propaganda is not the only justification for such an abrupt development of the trend. Most clickbait articles (which attract readers with a misleading title and a miniature photo) are motivated by the profit generated by each display of AdSense ads on the website after opening it. Here the truth often loses with the number of clicks. Profit is the most frequent motivation for spammers, scammers and fake news creators. The owner and editor of one of the most influential websites disseminating fake news, Ovidiu Drobota, runs a portal on American politics named EndingTheFed because in America it is possible to earn more for clicks than in Eastern Europe. Post-truth also develops because of human tendencies to reaffirm their views, to be malicious and envious. The impact of fake news is amplified by its enormous reach and the possibility of spreading information via social media, following and blocking specific sources and the progressing automatic personalisation of content, search results, etc. The effect is referred to as the *social echo chamber*.

Despite the fact that the presence of post-truth, fake news and alternative facts is the strongest in the media and politics, their impact is visible in a number of sectors. The yearly Edelman Trust Barometer report, carried out regularly since 2001, points to a global crisis of trust concerning not only governments and politicians but also institutions, private companies, NGOs, the media, and even friends and acquaintances.

The conclusions drawn from the report point to the required changes and the necessity to adapt the marketing strategies used by enterprises. In the congestion of false and manipulated information, people have lost their faith in authority – out of the 28 surveyed countries CEOs are perceived as unreliable (they are trusted by on average 37% of respondents). The most trustworthy spokespeople of enterprises are ordinary employees, whose reliability is assessed up to five times higher than that of the actual press spokespersons. Information published through official channels is also approached with reserve – those surveyed declared that their trust towards uncontrolled information leaks was almost twice as high. Interestingly, a

similar proportion was recorded for trust towards adverts (38%) in comparison to the reliability of announcements published in social media (62%).

The results point to the need for cooperation between brands and influencers – people who are closer to the customers, perceived as honest, spontaneous and uncorrupted. Unfortunately, the past months have brought a number of examples of influencers using methods typical for post-truth in their activities.

The media market requires particularly firm action — even esteemed media companies with a strong position recorded a 5% decrease in trust in 2017, reaching an unprecedentedly low global result of 43%. The average is lowered by, among others the US, where only 32% of the respondents trust the media, and the percentage is continuously dropping. The results of research carried out among Polish Internet users for TrendBook indicate a similar level of trust. Among traditional channels, television is considered the most reliable (22% of the respondents), while radio is trustworthy for 10% of those surveyed. Online news is trusted by 21% of the respondents, and social media content — by 17% (Hatalska 2017, pp. 76-79).

#### **Conclusions**

Special attention should be drawn to educating children and adolescents in the critical analysis of information and its sources. The problem of differentiating between verifiable truth and manipulation is becoming increasingly difficult. It seems essential to develop data search skills to be able to support the information presented by the media.

One of the most effective weapons against fake news and declining trust seems to be transparency presented by enterprises and institutions, i.e. publishing real news about their operations. During a global crisis of trust and disillusionment with the current system, the younger generations expect brands to be transparent. This refers to the production process, to applying responsible environmental strategies, to employee attitudes and to the remuneration system, etc. Paradoxically, the remedy to the post-truth issue is very simple – it is the fairness and transparency of enterprises, organisations, brands and individuals.

### References

- 1. American Marketing Association (2013), www.ama.org (accessed: 18.02.2018).
- Blank S., Dorf B. (2012), Podręcznik startupu. Budowa wielkiej firmy krok po kroku, Helion, Gliwice.
- Daroń M. (2017), A Verification of Advantages and Disadvantages in Partnership Relations, "Zeszyty Naukowe Politechniki Częstochowskiej. Zarządzanie", nr 27, t. 1. DOI: 10.17512/znpcz.2017.3.1.08.
- 4. Drucker P.F. (2007), *Innowacja i przedsiębiorczość*, Elsevier, Oxford.
- Edelman R. (2016), Trust Barometer, Global Report, Edelman, https://www.slideshare.net/ EdelmanInsights/2016-edelman-trust-barometer-global-results (accessed: 11.02.2018).
- FRSE (2010), Rok Kreatywności i Innowacji 2009 w Polsce. Raport, Fundacja Rozwoju Systemu Edukacji, Warszawa.
- 7. Glinka B., Gudkova S. (2011), *Przedsiębiorczość*, Wolters Kluwer, Warszawa.

- 8. Hatalska N. (2017), TrendBook, http://hatalska.com/trendbook2017/ (accessed: 18.01.2018).
- 9. Kadłubek M., Krzywda D., Krzywda J., Chłąd M. (2017), Student Perspective of Practical Training and Work Experience in the Logistics Profession, "Zeszyty Naukowe Politechniki Częstochowskiej. Zarządzanie", nr 27, t. 2. DOI: 10.17512/znpcz.2017.3.2.01.
- 10. Kirzner I. (1973), Competition and Entrepreneuship, The University of Chicago, Chicago.
- 11. Kurczewska A. (2013), Przedsiębiorczość, PWE, Warszawa.
- 12. Kwiatkowski S. (2000), *Przedsiębiorczość intelektualna*, Wydawnictwo Naukowe PWN, Warszawa.
- Lach M. (2014), Przemysły kreatywne w Polsce. Analiza liczebności, Ekonomiawkulturze.pl, Warszawa.
- 14. Łochnicka D. (2016), *Przedsiębiorczość pracownicza i jej wpływ na efektywność organizacji*, Wydawnictwo Uniwersytetu Łódzkiego, Łódź.
- Łuczak M. (2003), Przedsiębiorczość w zarządzaniu firmą, Wydawnictwo Wyższej Szkoły Ekonomicznej w Warszawie, Warszawa.
- Maige Ch., Muller J.L. (1995), Walka z czasem. Atut strategiczny przedsiębiorstwa, Poltext, Warszawa.
- 17. Młyńska P. (2015), *Determinanty efektywności alokacji zasobów przez przedsiębiorstwa kreatywne*, "Studia i Prace Wydziału Nauk Ekonomicznych i Zarządzania Uniwersytetu Szczecińskiego", t. 39, nr 3.
- 18. Nowakowska-Grunt J., Chłąd M., Sośniak S. (2017), Logistics in the City Management System, "Zeszyty Naukowe Politechniki Częstochowskiej. Zarządzanie", nr 27, t. 2. DOI: 10.17512/znpcz.2017.3.2.08.
- 19. Piecuch T. (2013), Przedsiębiorczość. Podstawy teoretyczne, C.H. Beck, Warszawa.
- Postuła A., Glinka B. (2014), Oblicza przedsiębiorczości, Wydawnictwo Naukowe Wydziału Zarządzania Uniwersytetu Warszawskiego, Warszawa. DOI: 10.7172/2014.wwz.7.
- 21. Probst G., Raisch S. (2005), *Organizational Crisis: The Logic of Failure*, "Academy of Management Executive", Vol. 19(1). DOI: 10.5465/AME.2005.15841958.
- 22. Proctor T. (1998), Zarządzanie twórcze, Gebethner & Ska, Warszawa.
- Rickards T. (1998), Creativity and Innovation: A Transatlantic Perspective. Creativity and Innovation Yearbook, Vol. 1, Manchester Business School, Manchester. DOI: 10.1080/15332276.2010.11673558.
- 24. Ries E. (2012), The Lean Startup, Helion, Gliwice.
- Schumpeter J.A. (1983), The Theory of Economic Development, NewBrunswick, New Jersey.
- 26. Siekierski J. (2003), Behawioralne aspekty zachowań aktywizujących w gospodarce rynkowej, [in:] Pałasz L. (red.), Uwarunkowania organizacyjne i ekonomiczne w aktywizacji społeczno-gospodarczej. Wpływ integracji europejskiej na przemiany strukturalne obszarów o wysokim bezrobociu, Wydawnictwo Akademii Rolniczej w Szczecinie, Szczecin.
- 27. Skowron-Grabowska B., Mesjasz-Lech A. (2016), Konkurencyjne uwarunkowania zarządzania zasobami kadrowymi w przedsiębiorstwach w kontekście dostępu do rynku pracy, "Przegląd Organizacji", nr 10.
- Sławińska M., Urbanowska-Sojkin E. (1995), Marketing w zarządzaniu firmą handlową, PWE, Warszawa.
- Szopiński T. (2015), Kreatywność i jej znaczenie w biznesie, [in:] Kosieradzka A. (red.), Metody i techniki pobudzania kreatywności w organizacji i zarządzaniu, edu-Libri, Kraków-Warszawa.
- 30. Targalski J., Francik A. (2009), *Przedsiębiorczość i zarządzanie firmą. Teoria i praktyka*, C.H. Beck, Warszawa.
- 31. Timmons J. (1990), New Venture Creation, Irvin, Boston.
- 32. Wertheimer M. (1959), *Productive Thinking*, Harper & Row, New York.

# POSTPRAWDA – KREATYWNOŚĆ W MARKETINGU CZY NOWE OBLICZE PRZEDSIĘBIORCZOŚCI?

**Streszczenie:** Postprawda jest efektem zmian technologicznych w otoczeniu marketingowym. Zjawisko postprawdy ma bardzo duży wpływ na działania marketingowe przedsiębiorstw oraz postawy przedsiębiorcze. Celem materiału jest charakterystyka wpływu najnowszych trendów w otoczeniu marketingowym na szeroko rozumiany marketing oraz przedsiębiorczość. W artkule przedstawiono wyniki badań wpływu postprawdy na strategie marketingowe przedsiębiorczych organizacji. Materiał zilustrowano przykładami. W opracowaniu wykorzystano także badania przeprowadzone na źródłach wtórnych uzyskanych metodą *desk research* oraz własne obserwacje uczestniczące.

Slowa kluczowe: kreatywność, marketing, postprawda, przedsiębiorczość