

Investigating the Role of Internal Market Orientation on the Development of Entrepreneurial Orientation in Sports Business Owners (Case Study: Sports Clubs in Ilam Province)

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ABSTRACT / EXECUTIVE SUMMARY

The purpose of this study was the role of domestic market orientation on the development of entrepreneurial orientation in sports business owners. The present study was a descriptive-correlational study in terms of purpose, applied research and prospective time. The statistical population of this study was 210 managers of all private sport clubs in Ilam province. Statistical sample was selected against population. Kolmogorov-Smirnov test was used to evaluate the distribution of data. In data analysis, Pearson correlation coefficient was used to determine simple two-way relationships between variables and structural equation modeling was used to determine multiple relationships. The results showed that the indices obtained from the model fit. Also, to investigate the research hypotheses and the impact of internal marketing on entrepreneurial orientation and its dimensions by structural equation modeling, the final research model was tested in two standardized coefficients of the paths related to the research hypotheses and significance coefficients. The coefficient of significance between the two variables of internal market orientation and entrepreneurial orientation was greater than 1.96 and equal to 14.17, which indicates that internal market orientation has a positive and significant effect on entrepreneurial orientation. It is suggested that sports business owners, in order to improve the status of their business, in the first stage try to have a complete and clear understanding of the wants and needs of their employees and in the next stages to think about attracting more customers.

Keywords: Internal Market, Entrepreneurship, Entrepreneurial Orientation

1. INTRODUCTION

Nowadays, all scholars are aware of the importance and role of human resources as a development factor in any country. Therefore, attention to human resources and their alignment with the nature of work is an important and debatable issue. Employee satisfaction, generally described as the contentment or well-being derived by employees from their work, plays a significant role. Employees may be satisfied or dissatisfied with their work, and it has psychological or physical effects on them (Hernández et al, 2017). Internal market orientation is one of the philosophies and approaches that, by improving motivation, satisfaction,

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commitment, and retention of employees, somewhat changes their behavior (Naghi & Para, 2014). The concept of internal market orientation suggests that the internal market (employees) of an organization can be more effective in customer awareness, market orientation, and sales thinking and can be motivated (Gonaris et al., 2020).

Entrepreneurial orientation is a set of distinct but related behaviors that include aspects of innovation, proactivity, aggressive competition, risk-taking, and independence (Shahbazi et al., 2019). Entrepreneurial orientation is conceptually multidimensional and indicates the organization's interest in maintaining and sustaining its competitive advantage in the market. It is applicable to any organization regardless of size and type (Boukis et al., 2017). Clubs participate as significant entities in leagues and sports competitions, contributing to their regulation and development. This participation helps strengthen the competitive level of sports and attract the attention of fans in the sports industry (Shahbazi et al., 2018). The sports industry in Ilam province is considered a favorable income-generating opportunity, drawing special attention from medium and small business investors. Given the competitive environment present in all dimensions of the sports industry, having an entrepreneurial and innovative attitude can significantly contribute to the productivity and sustainability of a sports business. Sports businesses are also in a competitive environment and must pay special attention to issues such as entrepreneurship and innovation for their continued existence and performance. Therefore, based on the presented content, this research aims to explore the role of internal market orientation in the entrepreneurial orientation development of sports business owners in Ilam province.

2. ANALYSIS

The present study was a descriptive-correlational study in terms of purpose, applied research and prospective time. The statistical population of this study was 210 managers of all private sport clubs in Ilam province. Statistical sample was selected against population. Kolmogorov-Smirnov test was used to evaluate the distribution of data. In data analysis, Pearson correlation coefficient was used to determine simple two-way relationships between variables and structural equation modeling was used to determine multiple relationships.

3. ALTERNATIVES, RECOMMENDATION AND DISCUSSION

The research results indicate that the obtained indices from model fitting are appropriate. To investigate the research hypotheses and the impact of internal marketing on entrepreneurial orientation and its dimensions using structural equation modeling, the final model of the research should be tested in two conditions: standardized coefficients of paths related to research hypotheses and the significant t-values of these coefficients. The t-value of significance between the two variables of internal market orientation and entrepreneurial orientation is greater than 1.96 and equal to 14.17. This figure indicates that internal market orientation has a positive and significant effect on entrepreneurial orientation. The t-value of significance between the variable of internal market orientation and each of the dimensions of entrepreneurial orientation is greater than 1.96. Therefore, it can be concluded that internal market orientation has a positive and significant effect on innovation, risk-taking, proactivity, aggressive competition, and independence. In summary, the research findings support the hypotheses, indicating a significant and positive impact of internal market orientation on entrepreneurial orientation and its dimensions, as evidenced by the standardized coefficients and significant t-values in the structural equation model.

4. CONCLUSION

To advance the existing knowledge in the field of strategic orientations and their impacts on the performance of sports businesses, future research can examine the structural relationships between entrepreneurial orientation, internal marketing, and the performance of sports clubs using more performance-related indicators such as return on investment, customer satisfaction, etc. Investigating the role of service quality in the relationship between entrepreneurial orientation, internal marketing, and the performance of sports clubs can also be valuable. Additionally, the role of club characteristics such as age, size, etc., in the relationship between entrepreneurial orientation, internal marketing, and the performance of sports clubs will be crucial for achieving a higher level of understanding of performance and profitability. In general, based on the results of the current research and the evidence reported in the research literature, it can be concluded that entrepreneurial orientation, especially with an emphasis on innovation and proactivity, along with a market-oriented strategy, particularly emphasizing customer-centricity and human resources, can enhance the success and performance of private sports clubs. Ultimately, it is recommended that, considering the research findings, owners of sports businesses, including sports clubs in Ilam province, adopt a fresh perspective on internal marketing. By designing a cohesive internal marketing system alongside a market-oriented system, they can benefit from the fruitful and practical results of such an approach.

5. REFERENCES

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