

The Importance of Marketing Research in Small Business and Entrepreneurship

Eshanova Guzal Baratovna

Khurramov Ortikjon Kayumovich
Scientific Supervisor



Abstract

The article examines the importance of marketing research in small business and entrepreneurship in terms of marketing innovations. As well as key and fundamental issues related to innovations and their classifications, the role and place of marketing innovations, various classifications of marketing innovations are studied and a new approach based on the stages of the marketing management process is substantiated, the role of marketing innovations in small business and entrepreneurship is assessed.

Keywords: Small business, entrepreneurship, marketing innovation, marketing research, competitiveness.

Introduction

In the context of constantly changing customer demands, technologies and competitive environment, the survival of a company directly depends on how successfully it develops and introduces new products, new methods of service, new forms of communication with consumers, i.e. innovations, to the market. Given the growing role of small businesses and entrepreneurship in the formation of the market infrastructure, its ability to quickly and flexibly fill niches in the emerging market space, the issue of effective implementation and management of marketing innovations in this particular sector of the economy is of particular importance. Innovative activities of an organization are the basis of its competitiveness. The need for innovations is due to those changes in the market that contribute to the emergence of new needs or new opportunities to meet existing needs. Despite the fact that the term "marketing innovations" has become quite widespread in scientific literature, many authors and sources interpret this concept ambiguously. This implies the versatility of this concept. In its original meaning, innovation (from English - innovation) is the creation of something new. This term comes from the Latin "novatio", which means "update" (or "change"), and the prefix "in", which is translated from Latin as "in the direction". Literally translated, "Innovatio" means "in the direction of change". The concept of "innovation" first appeared in scientific research in the 19th century.

Based on an integrated approach to the innovation process, the development of marketing research in small business and entrepreneurship. O.M. Kholmuradova [7] proposes a definition of innovation as purposeful changes in all areas of a company's economic activity to adapt to the external environment in order to achieve long-term efficiency in small business. "In a broad

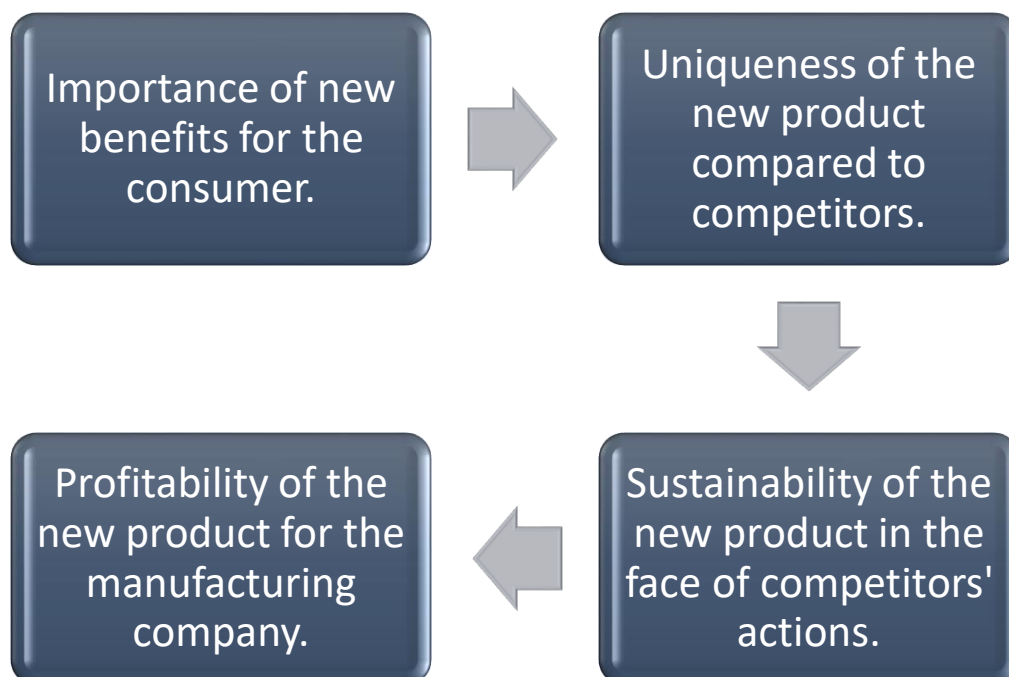
interpretation, innovation is scientific and technological progress within industries, countries and regions, and in a narrow sense, innovation should be understood as specific innovations in small business and entrepreneurship," the author notes.

Permichev N.F. and Paleeva O.A. [6] consider innovation as a purposeful search for systemic changes that can be used by an entrepreneur. Strategic opportunities for companies that adhere to innovative technologies and are market-oriented are associated with the creation of new and expansion of existing markets, penetration into new regional and transnational markets, small businesses. It is for these purposes that new ideas, innovations, and innovations are required.

It is important to correctly assess various innovations and the risks associated with them. According to J.-J. Lambin [5], three components of an innovation can be distinguished:

- a need to be satisfied, that is, a function or set of functions that need to be performed;
- a concept of an object or a set of objects that can satisfy a need, that is, a new idea;
- components representing a set of available knowledge, materials, and available technologies that allow the concept to be brought to a working state.

Consequently, the level of risk associated with an innovation will depend on the degree of originality and complexity of the concept, which determines market receptivity and transition costs for the user (market risk); on the level of technological innovation required to implement the concept, that is, the technical feasibility of the innovation (technological risk). To these ever-existing risks there is also added a strategic risk, depending on the degree of novelty for the development of small business and entrepreneurship. Marketing innovations, being both a type of innovation and a direction of innovative development, are interpreted by researchers ambiguously. Most scientists consider marketing innovations through the prism of creating new goods or. In particular, F. Kotler and F. Trias de Bez [4] identify six main approaches to creating a new product - based on modulations, on changing the size, on packaging, on design, on creating additions, on reducing efforts in the meaning of marketing research in small business and entrepreneurship. A new product, according to P. Doyle, must meet four criteria [3]:



Joseph A. also notes that marketing innovations are an idea or product that is subjectively perceived by the consumer as new, different from existing ones, recently released to the market, providing new ways to meet needs in the meaning of marketing research in small business and entrepreneurship [1].

In our opinion, the concept of "marketing innovations" should be viewed through the prism of the marketing management process, namely as possible modifications in the field of strategic and operational marketing that contribute to the creation of new consumer value and strengthening the competitive position of the company, including both modifications of the marketing mix and new innovative approaches to organizing and conducting marketing research, market segmentation, positioning, developing a competitive strategy, managing consumer loyalty in the aspect of marketing research in small business and entrepreneurship

An approach to the classification of marketing innovations is offered by T. Robertson [2] in the meaning of marketing research in small business and entrepreneurship and considering them in terms of the degree of novelty for the company and highlighting six categories of such innovations:



As can be seen, these approaches consider only changes in the sphere of product policy as possible marketing innovations and do not touch upon other aspects of marketing activity in small business and entrepreneurship. Most new products are continuous in nature, they do not require significant efforts for promotion, it is much easier for consumers to perceive such an innovation. Other researchers choose "benefits" as classification criteria that consumers will receive as a result of using innovations, and others - criteria that can reflect only the technical novelty of the product, without touching upon such a component as commercial feasibility and the ability of the product to satisfy the growing needs of buyers. A group of consumers' psychology researchers raise the issue of the need to distinguish between the concepts of "innovation in marketing" and "marketing research", which are closely related. This group offers its approach to the criteria for classifying

the meaning of marketing research in small business and entrepreneurship. Based on this thesis, they distinguish four types of innovation:

1. The first type of innovation is the repositioning of mature products that are old or simply familiar to both the seller and the buyer: offering the consumer new value and changing the promotion strategy.
2. The second type of innovation is established brands and products that the consumer market considers new, original or unfamiliar. But from the point of view of the organization investing in the innovation, this product is not new, it is simply offered by the organization to a new target market or segment.
3. The third type of innovation is products that are old for the consumer, but new for the organization. Such a difference in perception can be one of the reasons for failures in the market. Many products are unsuccessful in the market, since they are only analogues and do not offer the consumer any important advantages.
4. The fourth type of innovation is "genuine innovation" both from the point of view of the organization, being its technological achievement, and from the point of view of consumers. The position of consumers, who may resist radical innovation, plays a decisive role in the success of a new product. Despite the diversity of classifications of marketing innovations presented in scientific literature, they are all focused on studying the product as the main object of the firm's innovative activity in the field of marketing. As noted earlier, an approach to marketing innovations based on the stages of the marketing management process will significantly expand the understanding of marketing innovations, including their classification.

Strategic marketing as an analytical activity carried out over a long period of time and aimed at finding new market segments and creating competitive products with high value for consumers includes the following sequential actions in the meaning of marketing research in small business and entrepreneurship:

1. Analysis of needs and definition of the base market.
2. Market segmentation, including macro- and microsegmentation.
3. Analysis of market attractiveness.
4. Analysis of product competitiveness.
5. Selection of the target market segment.
6. Development of marketing and competitive strategy.
7. Development of positioning strategy.

In turn, operational marketing as specific actions carried out in the short term and aimed at winning and maintaining competitive positions in target market segments in small business and entrepreneurship involves the following activities:



Speaking about the role of innovations in small business and entrepreneurship, we note that in the context of progressive economic development, the importance of marketing in the field of small business is steadily increasing. The complex of planning and management decisions on marketing is aimed at the effectiveness of market participation of any small business company. The concept of market management permeates all stages of the reproduction process: from innovation, creation of an idea for a new product, its production, distribution to final implementation taking into account consumption. Thus, the importance of marketing research in small business and entrepreneurship in terms of marketing innovations play an important role in the formation of an enterprise, keeping it afloat, as well as in the conduct of competition. The need for flexibility and speed of change, reaction to changes in the external environment and market conditions is a survival factor. Small businesses and entrepreneurships, due to their mobility, react faster to all kinds of changes in the market, which gives them some advantages over large businesses. Small businesses and entrepreneurships adapt faster, restructure, having the ability to change management methods and interaction faster than in large corporations. This is due to the size: it is easier to rework the structure of an enterprise with a workforce of thirty people than with thirty thousand. In small businesses and entrepreneurship, it is possible to quickly change the structure of production, quickly create and promptly apply new technologies and scientific developments. Marketing innovations in the meaning of marketing research in small business and entrepreneurship most often come down to a unique idea of a product or service, or to improving existing products, using them in completely new areas, or diversification. It should also be noted that in the modern world, innovations are often new types of services that previously did not exist in small business and entrepreneurship. Their importance cannot be underestimated, since marketing innovations allow small businesses and entrepreneurship not only to survive in the continuous competitive race, but also to make a profit. And the dependence of income on uniqueness, in our opinion, is directly proportional.

References

1. Joseph A. Schumpeter. The Process of Creative Destruction. - Unwin. 2022.
2. Robertson T. The process of innovation and the diffusion of innovation II Journal of Marketing. - 2023. - Vol. 3. - P. 114-119.
3. Doyle P. Management: strategy, tactics. - SPb.: Piter, 2022. -P. 262-263.
4. V. Kotler F., Trias de Bez F. New marketing technologies: methods for creating brilliant ideas. - SPb.: Publishing house "Neva", 2024. - P. 151.
5. Lambin J.J. Strategic Marketing. European Perspective I Translated from French. - SPb.: Science, 2023.
6. Permichev N.F., Paleeva O.A. Marketing of innovations: a textbook. - N. Novgorod: LUCH, 2021. – P. 119.
7. O.M. Kholmuradova Innovative management: a textbook. - 2nd ed. - SPb.: ZAO Publishing house "Piter", 2022. – P. 87.