

What do we know about Marketing Innovation and its Relationship with Technological and Management Innovations? Empirical Evidence for France and Spain

Fabrice GALIA^a, Jose-Luis HERVAS-OLIVER^{a,b} and Francisca SEMPERE-RIPOLL^c

^aBurgundy School of Business – Dijon Paris, fabrice.galia@escdijon.eu, ^bFlorida State University, FL, USA, jose.hervas@omp.upv.es, ^cUniversidad Politecnica de Valencia, Spain, fsempere@omp.upv.es

Abstract

In this paper the specific impacts that technological product and process innovations and also management innovations have on marketing innovation performance are disentangled. Using CIS data for capturing non-technological innovation is recommended in the literature (e.g. Damanpour, 2014). Analysis of CIS data for 1,275 French and 3,028 Spanish firms undertaking marketing innovation in manufacturing industries unveils novel insights about drivers and innovation patterns from marketing innovators, their inducements and innovative performance effects

Keywords: *Marketing Innovation, Product Innovation, Process Innovation, Management Innovation, Organizational Innovation, Drivers, Relationship, CIS, France, Spain*

Extended Abstract

Innovation has been primarily conceptualized as a technology-based phenomenon. However, despite the persistent interest in the well-studied topic of technological innovation, scholars are in recent times shifting focus and paying more attention to innovation as a phenomenon that is not entirely based on technology but also on the introduction of new management practices (e.g. Damanpour, 2014; Hervás-Oliver & Peris-Ortiz, 2014; Foss, Pedersen, Pyndt & Schultz, 2012; Volberda, Van Den Bosch, Frans AJ, & Heij, 2013). This refocusing in fact resumes an interest of the past (e.g. Damanpour & Evan, 1984; Evan, 1966).

The new conversation is currently conceptualized as management innovation (Birkinshaw, Hamel, & Mol, 2008), albeit it was named organizational or administrative innovation in the earlier foundational works (e.g. Evan, 1966). Although the literature has established that management innovation is indeed important for developing competitive advantage and improving performance, relatively little attention has been paid to the understanding of the antecedents of its adoption and its relationship with technological innovation (e.g. Ballot et al. 2015; Damanpour, 2014).

In this chain of thought, despite the efforts to categorize and quantify non-technological innovations, versus the well-researched technological (product and process) ones, literature is mainly focused just on understanding organizational innovation almost neglecting the understanding of marketing innovations. As long as marketing innovation is an individual innovation mode explicitly recognized in the Oslo Manual, relatively little attention has been to the understanding of marketing innovations, marketing innovators and their relationship with the rest of non-technological and technological innovations. Marketing innovation and its innovative performance effects, together with the influence on them of technological innovations, have been under-researched. In this paper the specific impacts that technological product and process innovations and also management innovations have on marketing innovation performance are disentangled. Using CIS data for capturing non-technological innovation is recommended in the literature (e.g. Damanpour, 2014). Analysis of CIS data for 1,275 French and 3,028 Spanish firms undertaking

marketing innovation in manufacturing industries unveils novel insights about drivers and innovation patterns from marketing innovators, their inducements and innovative performance effects.

After conducting a fine-grained analysis on the relationship between technological, management and marketing innovations, our empirical evidence shows how technological and management innovation influences the introduction of marketing innovation. Technological and management innovations, however, does not exert a one-size-fits-all effect on marketing innovation.

Regarding innovative performance effects from the introduction of marketing innovation, results show how technological product innovations and management innovations strengthen the importance of the marketing innovation effects, whereas the introduction of technological process innovations does not impact them. Investment in marketing efforts also reinforces the importance of the marketing innovation effects. Further differences are also identified in the country comparison.

This article's results complement extant literature on marketing innovation (Lhuillery, 2014). Specifically, and to the best of our knowledge, our work is the first article using not only marketing innovation and innovators but the importance of the marketing innovation effects, a key performance variable well under-researched. Our article contributes to the ongoing debate on non-technological innovation (e.g. Damanpour, 2014) and advances knowledge on the topic by providing empirical evidence upon two European countries. Besides, our article also contributes with relevant insights on the interplay between technological and non-technological innovation.

Keywords: Marketing Innovation, Product Innovation, Process Innovation, Management Innovation, Organizational Innovation, Drivers, Relationship, CIS, France, Spain

JEL codes: C12, D24, L25, O31

References

- Ballot, G., Fakhfakh, F., Galia, F. & Salter, A. (2015). The Fateful Triangle: Complementarities in Performance between Product, Process and Organizational Innovation in France and the UK. *Research Policy*, 44(1): 217-232.
- Birkinshaw, J., Hamel, G. & Mol, M. (2008). Management Innovation. *Academy of Management Review*, 33(4): 825-845.
- Damanpour, F. (2014). Footnotes to Research on Management Innovation. *Organization Studies*, 35(9): 1265-1285.
- Damanpour, F., & Evan, W. M. (1984). Organizational Innovation and Performance: The Problem of "Organizational Lag." *Administrative Science Quarterly*, 29: 392-409.
- Evan, W. M. (1966). The Organization Set: Toward a Theory of Interorganizational Relations. In J. D. Thompson (Ed.), *Approaches to Organizational Design*. Pittsburgh: University of Pittsburgh press.
- Foss, N.J., Pedersen, T. P., Pyndt, J. & Schultz, M. (2012). *Innovating Organization and Management: New Sources of Competitive Advantage*. Cambridge: Cambridge University Press.
- Hervás-Oliver, J.-L. & Peris-Ortiz, M. (2014). Management Innovation: Antecedents, Complementarities and Performance Consequences. Springer Proceedings in *Business and Economics*, Springer.
- Lhuillery, S. (2014). Marketing and Persistent Innovation Success. *Economics of Innovation and New Technology*. 23(5/6): 517-543.
- Volberda, H. W., Van Den Bosch, F. A. J., & Heij, C. V. (2013). Management Innovation: Management as Fertile Ground for Innovation. *European Management Review*, 10: 1-15.