
New Venture Creation in Social Media Platform; Towards a Framework for Media Entrepreneurship

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Entrepreneurship is the main engine of economic growth and prosperity (Dutta et al. 2009), and is a complex and multifaceted phenomenon (Faltin 2001). Most of previous research has explored many different aspects of factors that make individuals more likely to be entrepreneurs and the policies that foster entrepreneurial activity. But influence of media on entrepreneurship has been widely neglected (Hang and van Weezle 2007). Media is one of the most important agency of influence on minds and is a powerful tool for (Khajeheian 2012). It also plays an important role in influencing the entrepreneurship phenomenon, by creating a discourse that transmits values and images ascribed to entrepreneurship, by providing a career promoting entrepreneurial practices, and by encouraging an entrepreneurial spirit in the society (Hang and van Weezle 2007). Dutta et al. (2009) argue that a free press might Promotes entrepreneurial Activities because it increases the flow of ideas and information, leading to both more new discoveries as well as an easier ability for entrepreneurs to market and sell new products and innovations.

Entrepreneurship is the process of exploring the opportunities in the market place and arranging resources required to exploit these opportunities for long term gain. It is the process of planning, organizing, opportunities and assuming. Thus it is a risk of business enterprise (Wikipedia n.d.; Entrepreneurship).

Shane (2003) defines entrepreneur as “one who undertakes innovations, finance and business acumen in an effort to transform innovations into economic goods”. He argues that entrepreneurship may result in new organizations or may be part of revitalizing mature organizations in response to a perceived opportunity. The most obvious form of entrepreneurship is that of starting new businesses.

The Chapter has written upon a research project on Iranian media entrepreneurs’ digital innovations commercialization. Using a mix method, both qualitative and quantitative approaches used to investigate the subject. The framework results from the study have

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operated on social media context to offer a better knowledge about the entrepreneurial activity a developing economy and its differences and contingencies.

1 Media and Entrepreneurship; A Reciprocal Impact

“As a scientific field of research, entrepreneurship has strong relevance to media. On the one hand, the entrepreneurship phenomenon heavily impact media industries as long as they, in their very nature, fall into the culture and creativity-related businesses. The essential characteristics of the entrepreneurial activities such as creation, innovation and novel ways of thinking are critical in building media business success. On the other hand, media also Plays an important role in influencing the entrepreneurship phenomenon, by creating a discourse that transmits values and images ascribed to entrepreneurship, by providing a carrier promoting entrepreneurial practices, and by encouraging an entrepreneurial spirit in the society. Through these means, media and entrepreneurship have a reciprocal impact” (Hang and van weezle 2007). On the Other Hand, The characteristics of the media products are very much aligned to the dimensions of the entrepreneurial process, i.e. autonomy, innovativeness, risk taking, proactiveness, and competitive aggressiveness. These dimensions represent the *entrepreneurial orientation* of the firm, which can be defined as the processes, practices, and decision making activities that lead firms to decide to enter a new market or launch a new product (cited by Lumpkin and Dess). Media companies are urged to be particularly risk taking and innovative. The entrepreneurial approach they have to develop is without doubt extremely important (Hang and Van Weezle 2007).

The goal of studying media entrepreneurship must be to build a bridge between the general discipline of entrepreneurship and the specificities of the media industry and media organizations (Achtenhagen 2008, p. 126).

2 Literature Review on Media Entrepreneurship

Most media management research to date focuses on larger, established firms. In comparison, very little is known about entrepreneurial activities of independent start-up companies in the different media industries (Achtenhagen 2008, p. 124). A small number corresponded to studies of the impact of media on entrepreneurship (Hang and Van Weezle 2007). Also despite this increasing interest in media entrepreneurship, very few research articles have been published so far on this topic (Achtenhagen 2008, p. 124).

Khajeheian and Arbatani (2011) investigate Media Entrepreneurship in Recession. They argue that global recession caused some serious negative effects on media industry, mostly referred to decrease in advertising income, and downturn in many media products sale. However recession, like any other Phenomenon in the world, had another face which is growth of entrepreneurial activities in media. Recession caused media entrepreneurship to raise as a suitable option for unemployed technical personnel. The interesting side of this phenomenon consists of low barriers to enter, low capital

requirements, more specialization of media production in digital sector and encourage people to enter the media entrepreneurial activities. In fact digital media entrepreneurship plays a crucial role for economics to prevent the expansion of recession in general level. This needs little resources, but offers considerable results, which in economic terms means less unemployment, more national and domestic Production, and offering more services. Media Entrepreneurship also emits some unnecessary costly processes, like prevention from many physical processes to reach a product, is a facilitator for economy to get power and ready to jump up again.

Achtenhagen (2008, pp. 138–139) articulates Media entrepreneurs role as change agents in any society, by five functions. Firstly by adopting a mission to create and sustain some kind of artistic, cultural and/or societal value (not just economic value), secondly, recognizing and relentlessly pursuing new opportunities to serve that mission, thirdly, engaging in a process of continuous innovation, adaptation, and learning, fourthly by acting boldly without being limited by resources currently in hand, and finally by exhibiting a heightened sense of accountability to the constituencies served and for the outcomes created.

3 Media Entrepreneurship Definition

As the area of media entrepreneurship is still a young and underdevelopment field, this phenomenon is poorly understood (Achtenhagen 2008, p. 124.) for better knowledge about media entrepreneurship we should have a concise definition about the concept to know what is media entrepreneurship and who is media entrepreneur. For this reason we start with few definitions that have found in literature review to reach the best definition.

Hoag and Seo (2005, p. 3), define media entrepreneurship as “the creation and ownership of a small enterprise or organization whose activity adds at least one voice or innovation to the media marketplace”. But this definition has some lacks, as Achtenhagen (2008, p. 126) critics, any person starting a blog would be covered by it, as this would be a new voice in the media marketplace, so the definition is somewhat problematic.

Achtenhagen, herself, based on Davidsson (2004) defines media entrepreneurship as “how new ventures aimed at bringing into existence future media goods and services are initially conceived of and subsequently developed, by whom, and with what consequences” (p. 126).

Khajeheian and Arbatani (2011) define the Media Entrepreneurship as “using limited available resources of small firm to pursue opportunities recognized to gaining profit from a specific niche market”.

To reach an extended and pervasive definition for Media Entrepreneurship, I used a mix method to reach the best possible one. Firstly I collected all definitions from literature review, and then asked from some academics in media management and entrepreneurship area to define it. After collecting all elements and factors which articulated in responses, an elementary Extracted to select the sample for research and conducting interviews. In next step I asked from each of them to define a media entrepreneur themselves, as Real practitioners. This considers as a test for definition. In conclusion, the Concise definition of Media Entrepreneurship offered

as following: “Individual or small firms which use their own or others’ resources to create value by extracting opportunities via offering a service or product consist of any innovation in each of *product/service characteristics, process, distribution channel or place, or different innovative usage*, to media market, or any other market which media is its main channel of interaction.”

4 Media Markets and their Requirements

There is a narrow consideration which highly effects on media entrepreneurship success in social media and digital media at all Which is type of innovation.

Ireland et al. (2003, p. 981) introduce two types on innovation in which firms can engage—disruptive and sustaining. In general, disruptive innovation produces revolutionary change in markets while sustaining innovation leads to incremental change (Tushman & O’Reilly, cited in Ireland et al. 2003). Incremental or sustaining innovation is the product of learning how to better exploit existing capabilities that contribute to competitive advantages. In contrast, radical or disruptive innovation is derived from identifying and exploiting entrepreneurial opportunities through new combinations of resources to create new capabilities that lead to competitive advantages. They believe that through effective Strategic Entrepreneurship, firms are able to engage in both disruptive and sustaining innovation. However, there is another type on innovation which should be considered precisely, especially in developing economies, referred as imitative innovations (Khajeheian 2012). He shows that Disruptive innovations mostly flourish in developed economies with media markets established, While in developing economies, Imitative innovations have a great deal of chance to yield. This type of innovation plays a major role on structure of media entrepreneurship activities in developing countries. We should notice that Hindle and Klyver (2007) literature review reveals that societies stressing different cultural values will experience different levels of innovation and entrepreneurship. Relationship between culture and entrepreneurship is not causal, but that cultural values impact entrepreneurship through the agency of economic freedom national cultures influences individuals’ capacities to interpret and respond to strategic issues. One consequence might results an impact on the levels of innovation and entrepreneurial participation displayed by a population. According to this conclusion, Imitative innovations arise from cultural values of developing countries beside the insufficient infrastructures which prevent for disruptive innovations or make it inappropriate.

Another influencing factor on media entrepreneurship activity, which is deeply incorporates with degree of economic development, is Media Market Efficiency (Capitalized E). Media Market structure plays a crucial role in flourishing media entrepreneurs. Some Media markets provide the opportunities to commercialization of innovations while incomplete ones, will prevent from its flourishing. An efficient media market should provide diversity of options for media entrepreneurs to market their innovations. Any media market, regardless of its development and efficiency, consists following Actors: Large media companies, which joys from resource and operational competitive advantage; Small and Entrepreneur media companies, which their innovation

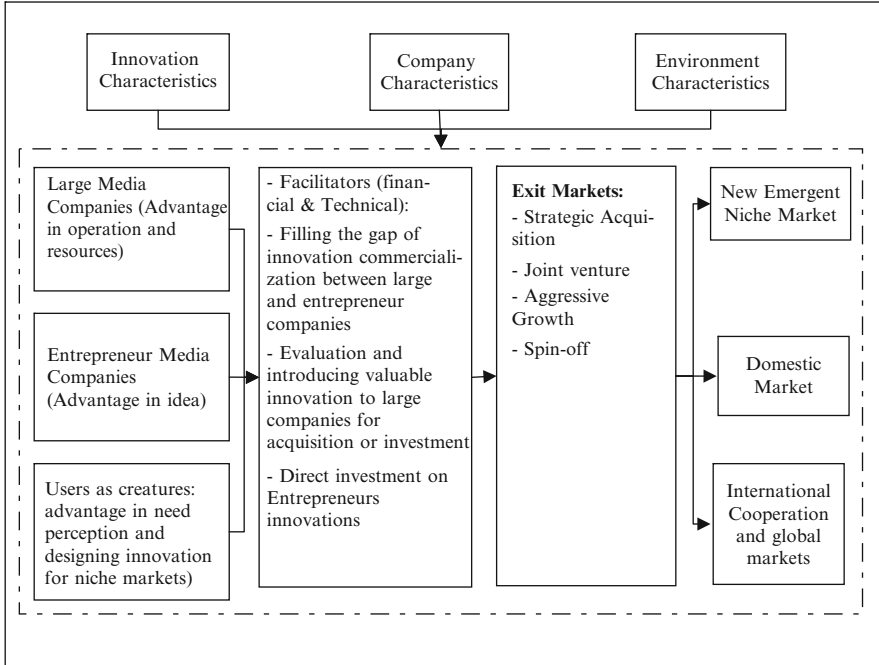


Fig. 1 Structure and elements of an efficient Media Market

and new ideas are their strength; and media users, which help the media to cover more extensive area than its natural power of coverage, by their feedbacks—whether technical or practical—and content generation. Strength of Media Entrepreneurs is exactly in the weak point of media (uncapitalized m) large companies. Media entrepreneurs generally rely on their innovative and risky ideas, which commonly not covered by large ones. Generally large media companies concentrate on idea which is applicable in huge markets and critical mass. This can cover the costs and cause deeper penetration. Media entrepreneurs rely on small pieces of resources.

Beside these three sections which shape major players of any media market, there are some financial and technical facilitators, which their performance is one of the most important determiners of the media markets efficiency. Financials consist of venture capitals and institutions which invest or lend for commercialization of new innovations, and technical are generally small and large non-media companies which offer third party services in commercialization. These facilitators evaluate and filter best innovations offered by media entrepreneurs, and introduce them to larger media companies to buy innovations, or acquisition of small firm, or other options like joint ventures. Efficient market provides an exit market for media entrepreneurs to select their strategy: sell innovation and start new other one, sell the company and work as part of larger company, or aggressively continue to act as an independent firm which aims to grow. Especially in this later strategy venture capital will play a crucial role by financing the project. In such conclusion, Eliasson

and Eliasson (2005) stress on the role of venture capitals in fill the gap between operational competitive advantage and innovation advantage. Figure 1 illustrates an efficient media market to promote entrepreneurship:

Quantitative phase of project reveals that Iranian media market suffers from some inefficiency. This lacks major elements such as large private media companies and Venture capitals and many intermediary elements, like third parties and marginal markets facilitators, especially financial institutions interested on investment on media enterprises. Lack of exit markets, technical third parties, and venture capitals force media entrepreneurs to carry the process of commercialization of an innovation from A to Z, which practically is impossible and inefficient and results heavy pressure. The insufficiency in Iranian media market caused the unpleasant results. Despite huge opportunities and interesting niche markets, there is little success stories, and there is not even a famous brand belongs to any media entrepreneur.

5 Social Media and Change in Value Chain

Blackshaw (cited in Xiang and Gretzel 2010) defines Social Media as Internet-based applications that carry consumer-generated content which encompasses “media impressions created by consumers, typically informed by relevant experience, and archived or shared online for easy access by other impressionable consumers”. Social media tools cultivate the internal discussions that improve quality, lower costs, and enable the creation of customer and partner communities that offer new opportunities for coordination, marketing, advertising, and customer support. These networks contain information that has significant business value by exposing participants in the business network who play critical and unique roles (Hansen et al. 2011, p. 4). In contrast, to content provided by marketers and suppliers, social media are produced by consumers to be shared among themselves (Xiang and Gretzel 2010). Social media exist in a variety of forms and serve numerous purposes. Consumer-generated content supported through social media is a mixture of fact and opinion, impression and sentiment, founded and unfounded tidbits, experiences, and even rumor (Blackshaw and Nazzaro 2006, p. 4).

In recent years and after emergence of Web2.0, Social Media becomes more popular and now it is the dominant form of internet usage. The growth in Social Media use is not limited to teenagers, either; members of Generation X, now 35–44 years old, increasingly populate the ranks of joiners, spectators, and critics. It is therefore reasonable to say that Social Media represent a revolutionary new trend that should be of interest to companies operating in online space, or any space, for that matter (Kaplan and Haenlein 2010).

According to what Aris and Bughin (2005) suggested, there are four core processes in media industry which shape Value chain: Content Generation, Content Delivery, Advertising sales, and End-customer interaction. They describe the content generation process as heart of media business and argue that the most important step in this process is the generation of rights. In second step this determines that how the value is divided between the creatives and media companies, when the rights are bought and sold. Packaging the individual pieces of content into an integrated offering and be core

competence of most media companies, and Pricing the products for end consumers is another part of this process.

They describe Content delivery as the process of turning a right into product and ensuring the product's distribution. They argue that this process usually looked upon as a cost, not as a value-creating activity. The focus is very much on optimizing efficiency and effectiveness, while remaining within the quality boundaries set by the content departments.

Media advertising sales forces are managed like traditional B2B sales forces and they often organized by customer size and region. The regional aspect is driven by the desire to better interact with the media agencies, which play an important middleman role in all media sectors. The sales approach is mostly push, i.e. the sales force tries to sell the available inventory as effectively as possible, with little room left for the advertiser to shape the inventory.

Efficiently acquiring, developing and retaining end consumers is a core activity for subscriptions-based businesses (p. 18).

The abovementioned value chain in mass media has a clear border, but in Social media the borders fades and are ambiguous: "Web 2.0 applications such as blogs and social networking allow the audience to more fully interact with the original content provider, share comments of content with friends, provide updates, and even vote on the popularity of a piece of content. Therefore, content created by the production team does not end the moment it is published by a media firm. Audience members take the topic and continue the production process through interacting with others ranging from the original creator to other individuals interested in the topic. Comments or notes that audience members post on anchors' Facebook, MySpace or Twitter accounts can end up being aired in the actual programs" (Pitts and Zeng 2010). Media entrepreneurship is an emerging-fast growing trend which thanks to advances in communication technologies has disseminate around the world. Many small firms or even individuals in many different fields are managing media enterprises, which offer very diverse services. Dramatic reduction in media production and distribution in digital platform made it possible to enter the media industry by very lower investment than before.

6 Social Media and Media Entrepreneurship

New Emergent Niche Markets are the winning card for media entrepreneurs in their competition to get market share via Social media. Before the technological advances, media companies ignore small market segments, because many of them were too small to be profitable for media companies. Maybe this is one of the main reasons that mass media directed to folks, and not pleased elites and thinkers of society. Mass audiences consist of folks, who they are profitable for mass, while many niche markets are too small to be profitable, and should ignored (Khajeheian and Arbatani, 2011). Social Media platform has changed the circumstance. Thanks to digital technologies, production cost has reduced and by this low cost of media activity, many of those niche markets become profitable. Now media entrepreneurs, who according to their nature use resources efficiently and have not major sunk costs, are able to cover niche markets, even as dominant player, not a

rival, because in many of them there is no competition at all. This is a trend which can reshape media markets fundamentally different from what we experienced before. Coverage of an event can be very different, according to needs and perspective of target market media concentrate to.

As Khajeheian and Arbatani (2011) Argues, this trend plays even more important role in recession period. In recession some market segments will potent for more profitability. In fact recession is an opportunity to re-navigation of society and recount markets. While some profitable segments fall into recession, we face with especial segments, for example retired elders, which based on their characteristics and lifestyle and needs, provide a profitable niche market. In recent recession we mention many efforts to get some share from this special market, for example by designing more convenient and bigger and simpler mobile phones, for this segment.

Social Media Platform investigated with such characteristics: very low barriers for entry ($M = 1.40$, $SD = 0.5$). This confirms that Social Media offer a suitable context for entrepreneurial activities. The barriers recognized very low, because of costs, the regulations, and market opportunities. This seems the same in different economies, because of intrinsic characteristics of digital and social media. In reverse, Exit Markets are deeply depends on national media markets and economics. Exit markets, becomes a market for strategic acquisitions, offering a supply of radically new innovations embodied in “small new firms”, the innovations having been moved beyond the entrepreneurial stage by venture capitalists, who now supply the exit market with strategic investment opportunities (Eliasson and Eliasson 2005, p. 102). Khajeheian (2012) suggests exit market is a necessary element for an efficient media market. The entrepreneurs recognize exit markets as a major drawback in developing economy ($M = 1.89$, $SD = 0.7$). Another characteristic measured for the study were level of competition and profitability. Competition perceived in medium level, ($M = 3.47$) compare to very competitive markets in global arena, shows the potential of the domestic market for more entrepreneurial activities. The disappointing result reached in profitability. Despite the profitability of media industry, especially in digital sector, media entrepreneurs express low to medium profitability rate ($M = 2.80$). The results show that media entrepreneurship in Iranian market in a very potential market.

7 Framework for Media Entrepreneurship in Social Media Context

Developing Countries have their own opportunities and challenges, and certainly media entrepreneurship in these economies influence on these situations. According to these contextual situations this seems reasonable to consider every country as a unique case and investigate the subject exclusively. As media entrepreneurship studies are fewer than enough to borrow any research framework from them, So I had to design a research from scratch to get a big picture about media entrepreneurship in a developing country and compare it with what literature review offered, which completely operated in developed economies.

Basically, this should be considered that the research not aims to design a model, but tries to offer a framework. The fact is that models offers for commercialization of high tech products and development of technological ventures have been criticized. Moreau (2006) has articulated the disadvantages of these models. He argues these models as: “they are not representative; they are inadequate and imprecise; they either wrongly define or argue a stochastic-non sequential-development. Other models have been criticized as impractical because of the diversity of definitions used and their difficulty. These models have also been criticized for being under conceptualized due to a lack of underlying theoretical analysis” (Moreau 2006, p. 144). A deep study of models shows this is reasonable to ignore designing a model, as the process is, in addition to all above mentioned disadvantages, in its nature contingency and context based. So this seems better to focus on offer the framework instead of a universal model for Media Entrepreneurship. This framework just offer the necessary elements should be mention in Media Entrepreneurship and development of digital media product by these ventures, and ignore about the relationships among them and how they should implement by media entrepreneurs. This framework may provide cornerstone for future researches in development of media entrepreneurship in social media and digital media sphere.

This framework, may reach by a deliberated blend of qualitative and quantitative methods. Researcher designed a qualitative–quantitative and then again qualitative approach to develop the intended framework for media entrepreneurship in developing countries, focused on case of Iranian media market. In first Qualitative phase, observation of environment and screening the media market structure and behavior offers a perception from media entrepreneurship in country. In the next step using internet search engines and online articles, a list of successful global media entrepreneurs provided, according to different criteria of success, like income, market share, growth rate or rank in Google page ranking and Alexa. Their story of success has been studied to know the effective factors for their success.

Concluding the findings, the elementary qualitative phase accomplished and quantitative phase began. A questionnaire has been designed; consist of various scales, from likret to multi choices and short answer. This questionnaire conducted as a mean to perceive the characteristics of Iranian media markets in features like barriers to entry, profitability, etc. the results describe nature and unique characteristics of Iranian digital media market.

The main phase of study, built on the base of descriptive findings. A sample of 15 Media Entrepreneurs has been selected, to study the development of digital media product by entrepreneurial ventures. The criteria to mention as media entrepreneur based on definition Khajeheian (2012) provides, and their activities ranged from internet retailers, to online games; and interactive advertisers to android market developers. Deep interviews conducted and asked them to narrate the way they paved from made idea to product and the problems and challenges they faced with. After conducting any interview, the researcher analyzed the content by theoretical coding, and then interpreted them to make theory. Findings of any interview, developed the theory, and the process continues until the theoretical saturation has been reached. The resulted framework then offered to panel of experts; consist of academics

in related fields and practitioners. By their modifications, the final framework resulted and confirmed.

The framework consists five categories which should be mention by media entrepreneur to a successful Commercialization of its innovations to Social Media context. The Categorizes include Resource-Related Factors, Product-Related Factors, Strategy-Related Factors, Enterprise-Related Factors and Finally Infrastructure-Related Factors. Each of them articulated as following:

8 Resource-Related Factors

Resource Related Factors include three major classifications. Most important of them is Competitive advantage, accompanied with Internal Organizational Resources and External Resources. Competitive Advantage as cornerstone of success has mentioned by many of entrepreneurs. However, competitive advantage in social media is very temporary and should be maintained carefully and reinforce during the time. The fast changing nature of digital technology, made competitive advantage unstable in time and any successful enterprise should mention the rivals to know how its advantages are under attack and may destroyed. The interviews analysis reveals that there is two dimensions in competitive advantage, intense and duration. Sometimes advantage is so intensive which rivals cannot threat the enterprise, as this needs high level of knowledge, specific resources, severe support, or any other hard gained resources. Enterprises which offer any kind of radical innovation, joy from intensive competitive advantage, which are usually durable too. Entrepreneurs who offer incremental innovations, or the needs to approach them is easy to gain for rivals, are mostly faced with severe competition and possibility to lose the advantage. However, regardless to the type and context-competitive advantage has mentioned as critical success factor for media entrepreneurs in digital and social media, but they should care about this by different approaches, some using timing to offer innovations and some suggest different protective methods. But most of them imply on Team and Social Capital as the most important tools to exploit competitive advantage. Team, especially technical staff explored as major concern for almost all interviewers. Scarcity of professional technician made it even as competitive advantage for some enterprises. One of the entrepreneurs differs from professional and educated technicians. He implies that educated ones, need to gain experience and learn how to behave professionally, while professional ones are trustable in actions, and they can be progressive factor for enterprise. A lot of educated programmers and IT managers and practitioners are graduated from institutes and universities, but they need to learn and experience in market, which made them rare.

Outsourcing is another skill needed for media entrepreneurs. As described in media market, technical third parties are one of necessary actors of media market. Media enterprises by their nature are limited in staff and resources to operate every activity inside, so outsourcing is a major routine in media enterprise. however this process is not as simple as it seems, especially in inefficient markets. almost half of media entrepreneurs explained their failures on selection of third parties. Part of the problem was lack of skills and other part was about how to arrange the contract.

As one of entrepreneurs argues, there are not enough professional human resources. We have educated, but not professional. Contracting is also another problem. Of course the factors seems obvious, but considering the fact that many media entrepreneurs are youth with academic educations and few market experience, we will see that factors are not so simple as seems in the first look.

9 Product-Related Factors

In proposed framework, three factors consisting Product-related category. The first is Product Idea. This not surprising that opportunity recognition is basis for a good idea. Business idea should be concentrated on a market need, regardless of the size, but attending to profitability. Idea should be fit to competitive advantage of enterprise too, or media entrepreneur should try to build and gain the advantage needed to exploit the opportunity via business idea.

New Product Development mentioned as core competency of a entrepreneur, and of course a major determiner of media product quality. Mostly this part operated by technical departments in companies, but in media entrepreneurs, rarely this department exists. Mostly media entrepreneur rely on his/her technical abilities, or using others ability tries to do some modifications on product design and develop it according to market needs. As explained before, Media Entrepreneurs in developing countries mostly pursue imitative innovations, which not required to research and development activities and mostly use an original innovative product in host context. So new product development activities summarized in minor changes through given product to adapt it with host market needs and preferences.

Timing plays a more important role in entrepreneur success. Some media entrepreneurs believe that innovation should reveal once, to shock market and show enterprise as an innovative entity. Some others believe that innovation should be timely offered. This allowed enterprise to offers a new product in market often. Also this prevents rivals to copy the competencies, as this is prepared for next phase of offering via new product. However this is not our concern. This is critical for media entrepreneur to know timing importance in their plan to market innovations.

10 Strategy-Related Factors

Strategy-related factors imply on the Business managing skills any entrepreneur expect to meet, for successful leading of enterprise. Most of technological entrepreneurs in the study lack the abilities expected in this category, as they mention as total business management skills. This category consists of four factors include: Market and customer needs, Competitive Strategy, Outlook, and Revenue Model.

Competitive Strategy imply on different strategies types, but in study we focused on three Porter Strategy; Cost leadership, Differentiation and Focus (Market segmentation). Most of the entrepreneurs explained focus strategy as most suitable one to reach the capacity of niche market. Basically media entrepreneurs access to limited resources and

their size not allow them to cover a great range of costumers and markets. Thus focus on a market segment, allow them to extract maximum potential of the segment, and more productive use of the resources. In our sample six entrepreneurs explain that focus on a market segment let them to better perception of the customers' needs and response them more effectively. Geographical segmentation mostly chased by retailers on social media, to better coverage of the area for delivery and interaction. Also geographical segmentation usually covers people in a specific cultural and income group, and makes it easier to know your costumers. Online Game Entrepreneurs focus on different kind of segmentation; age or income. However we are not in the place to prescribe a specific strategy, but to imply the important role of competitive strategy, in media strategy making. Competitive strategy in social media is under influence of severe competition, because media entrepreneur have to compete not only with domestic rivals, but with global competitors, as the costumers have access to any other enterprises which offer the product in global arena, and if innovations be imitative, the original innovator has a major preference. This is the point that strategy is determiner of success, because focus on some specific local characteristics can lead the enterprise against the rivals. Revenue model is associated with competitive strategy.

11 Enterprise-Related Factors

This category consists of two classifications: Entrepreneurial behaviors and Business knowledge. In literature review Entrepreneurial Behaviors cover a range of characteristics and actions to face with challenges ahead of business. Among very different behaviors, the entrepreneurs imply on agility and organizational learning as two major and influencing factors in success of enterprise. Agility allow the enterprise to quickly reaction to fast changing environment, such as instability of regulations, changes in preferences, emergence of new technologies, etc. agility is not only in size, but in properties. Media entrepreneurs imply on importance of "resource control" instead of "resource ownership". Control means the ability to exploit the resources under ownership of others, by different means, like partnership, rent, lease, etc. agility allows enterprise to quickly change the process, product, distribution channel and any other needed actions to respond the market changes. So enterprise should be so agile in size, personnel, processes, properties which able it to use any recognized opportunity fast, and react to any challenge face with.

Entrepreneurship style is also one of the other influencing factors in design and managing the enterprise. Serial Entrepreneurs aim to establish a chain of firms, while opportunistic entrepreneur focus on an opportunity to gain profit, maybe sustainable or not. Social Entrepreneurs attend to value for society, while Technical entrepreneurs mostly focus on product functions. The criterion for success of enterprise is how the media entrepreneur reach to his/her goal. The style also determines the strategy of enterprise. Growth, acquisition, joint venture, sale of enterprise and etc. are the possible strategies media entrepreneur may select for their enterprise. Business Knowledge and SME management is the main skill media entrepreneurs require to manage enterprise towards the success. Many of entrepreneurs involved in research, explain the lack of

business knowledge as their main shortcoming in success, in first phases of their venture creation. Most of them were technical peoples who estimated they will succeed as media entrepreneurs just because of their technical skills, but when they enter to business, mentioned the necessity of strategic management, marketing knowledge, and communication and planning skills to success in market. Some of them even had to change the business model and structure of the enterprise to adapt it to what market required them.

12 Infrastructure-Related Factors

So far explained factors were under control of Entrepreneur, Thus the art and Skill of him/her to mention and arrange them, shape the business. But like any other social phenomenon, nothing is in vacuum. Media enterprise acts with environment, thus should mention all environmental issues to reach its goals. The important and distinguishable characteristic of these factors is that they are uncontrollable by entrepreneur, so he/she have to accept them, as is and try to interact with them, so that leverage the enterprise. Media Entrepreneurs name these environmental issues mostly as infrastructural issues, so we name them so. In our analysis these infrastructure divided to five specific parts: Internet/Network infrastructure, E-Banking/E-Payment Infrastructure, Market Information Infrastructure, Regulations and Distribution System Infrastructure. These five highly depend on host country enterprise operate in. Media Entrepreneurs, Especially in Social Media context should mention this category very precisely to prevent from any unpredicted event which may cause failure.

Internet/Network access is the main determiner. Of course the foundation of social media is on network access, and without it, the Social media will not exist. The factor is important in media entrepreneurs which operate in developing country by unstable internet access. This is interesting that some of entrepreneurs express tricks to solve the problem of sudden interruption in network. One of them which engage on retail sale in social media was named his business and website upon the business phone number, so even in lack on network access, every customer know that may contact 2938 by phone to take order. Entrepreneur expresses this as a solution for unstable internet infrastructure. One other declared that the enterprise is in regular contact with its customers by various tools like Mobile Text Messages, Phone Contacts, postal catalogues, and even phone services, which let him to not miss its customers. The solutions they describe show that media entrepreneurs always face with uncertainty, so they are ready to find some way to do their job and reach the goal.

Entrepreneurship activities in social media severely depend on E-Payment, but in many developing countries E-Banking and E-payment infrastructures are not established and pervasive enough to count on. Distribution System, like Postal services is another important factor which in relation with payment shapes the infrastructure for an e-commerce, especially when a physical commodity is the subject of trade. Media Entrepreneurs explain some solutions again, some innovative ways consist of running a virtual account to save a certain amount of money by customers, running a specific private credit account until a certain amount according to credibility estimate of customers, using some assets as guaranties of credit, and etc. some have established

a transportation system to deliver orders and take money. However the media entrepreneurs try to find a way to fit the gaps in infrastructures.

Regulations issue is great challenge against media entrepreneurs, maybe in many places of the world. Nature of media entrepreneurship ties with flexibility, agility, fast changing, changes in staff and personnel, and in almost many entrepreneurial activities. Regulations, in contrast, are slow-changing and worn out, so often not suitable for business needs in social media platform. this is not controllable by media entrepreneurs, just they should mention it and be aware about it.

Market Information system can be mention as a distinguish factor of developed and developing economy and efficient media market. Most of entrepreneurs explain lack of market information as one of their serious problems in strategy making and selection of target markets. So they have to prepare an information system for themselves, which is more expensive and incomplete.

13 Big Picture: Metaphor of Wheel on the Road

The framework extracted from research may exemplify to a wheel on a road, while wheel consist of four controllable categories by entrepreneur, and road consists from uncontrollable, infrastructural factors. Let's take a look on Fig. 1 which illustrates the metaphor.

As we see in Fig. 2, successful commercialization of media entrepreneurs innovations consist of deliberately consideration of four categories in business planning. Media entrepreneur enter to the market by an innovation, but to market it as a product, should notice to many different factors. Firstly He/She should collect the resources required for extract the idea. This is based on his/her Competitive advantage, which could risen from idea, entrepreneur, opportunity, geographical location, restrictions, or any other source of competitive advantage.

What makes this framework different from many other models for commercialization is a balanced perspective towards all factor influence on success of innovation commercialization. Although the framework ignores to explains the relationship between factors and success—and no framework aims it naturally—but this provides media entrepreneurs a concise roadmap to pave in the way to success. It seems that any kind of entrepreneurship in social media context will follow the elements which investigate in the framework. Indeed they will play different roles in different enterprise, for different products and in different economies, but any of them is necessary element should be mention by media entrepreneur.

The study conducted in a developing economy, with inefficient, but very potential media market. The special situation of this market, rise a lot of entrepreneurial opportunities, which many entrepreneurs extract them successfully, but lack of business knowledge, prevent from more progress.

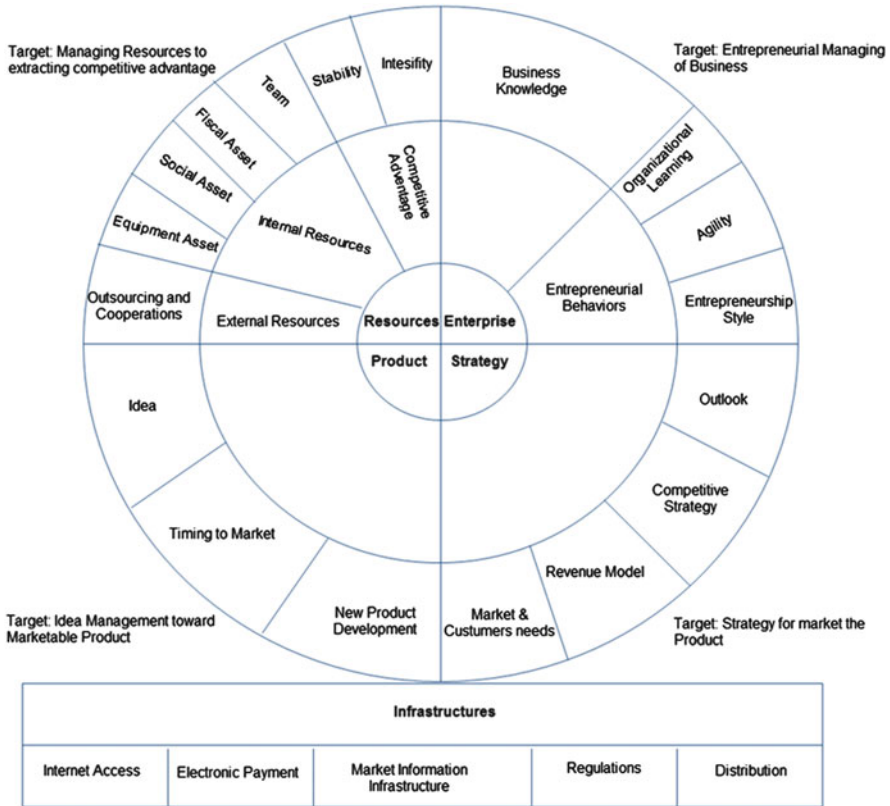


Fig. 2 Framework for Commercialization of Innovations in Digital Media

14 A Formula for Developing Digital Media Entrepreneurship

As framework proposed, the next step may be exploring the relationship among the consisting elements, which should be done by future researchers aim to develop a model. However, I tried to go ahead and open a window to start developing model, by suggestion of a preliminary formula for new venture creation by media entrepreneurs. In this formula I concerned severely to contingency nature of such formula, and avoid from any universal and pervasive approach. The only purpose for this formula is to approach future developments of the framework by weighting the elements according to their importance to developing digital media products.

Panel of experts, consist of media entrepreneurs participated in interviews, asked to rank importance of any element in proposed framework. I ignore about the details of the process, but focus on the results. The final formula proposed as the following:

$$\text{Success} = \text{IS} * (3[5\text{CA} ((\text{Fe}+\text{Pe}+\text{Se}) +\text{OR})] *5\text{TM}) *3(\text{ES}+\text{SME})$$

$$* [2 [3 \sqrt{(2 * \text{Idea})} * \text{PD} * \text{MS}] + \text{Market}]$$

Where $\text{SME} = 5\text{T} * 2\text{OL} * 3\text{ER} * 5\text{BK}$

And $\text{MS} = 4\text{CS} * 2\text{RM}$

And $\text{IS} = \text{IA} * (3\text{PE} + \text{D} + 3\text{R})$

Where: $1 < \text{IA}, \text{CA}, \text{Fe}, \text{Pe}, \text{Se}, \text{OR} < 5$

For: $0 < \text{IA} < 5$

$0 < \text{PE} < 5$

If all variables equal or greater than zero¹

Each of the elements mentioned in the context of domestic digital media market and located in formula according to the importance and determinant role of them in developing media entrepreneurship. As the formula explains, internet access (communication infrastructure) not available, social media not existed at all, so the formula results to zero. This is obvious, as the access to network is most critical element in social media and no social participation and interaction will occur without access to network. We imply on internet access, because the media entrepreneurs involved in the sample all operate in Internet and none operate in mobile networks, so this is better to just refer to internet, instead of network as a more pervasive term. We see also that Business Knowledge, Team and Competitive Advantage are the most important elements in media entrepreneurship in social media context.

Development of the formula, and going ahead towards the contingency models for media entrepreneurship in social media and digital sphere may approached in future studies. What explained here was just an opening to the media entrepreneurship to be developed as field of interest. Both framework and formula are potent for more development and expansion, in different contexts. The study conducted in a developing economy which introduces digital technology as a platform for entrepreneurial activities within its young and educated population. However, the country is paving its first steps in media entrepreneurship and needs more studies and experiences to flourish its digital potential. This seems that story is same for many other developing countries. Media entrepreneurship will open a new window for youth living in developing economies to exploit the media markets opportunities, using the least of resources, and just rely on knowledge.

15 Conclusion

As investigated in the paper, Media Markets face with some evolutionary changes. Emergence of Media entrepreneurs is the major trend of new media markets, because they offer micro-innovations, which maybe in its own term not significant, but in aggregation shape a very niche-conscious media products, and more important, is that they shape a platform for detailed innovations for future. Media entrepreneurship, also has mentioned as a pathway to face with economics crisis, like unemployment and recession.

Developing Countries may use social media as an opportunity for economic growth and employment, but firstly they need to foster media entrepreneurship as attitude and

believe, and secondly they should treat it a learnable practice. Doing entrepreneurial actions in new Media Markets and Social Media platforms requires preparing potential entrepreneurs for successful commercialization of their innovations. Lack of business management knowledge perceived as one of the most mentioned difficulties in some developing countries, which have risen from the gap between academics and practitioners, and sometimes underestimating need to managerial issue, against technological issues. The Framework proposed in the article implies on a balance needed to successful managing of innovation. This suggested for media entrepreneurs to mention about necessary factors, and at the same time, considering the specific contingencies of idea. Almost for any kind of media products, the four category of Resource, Product, Strategy and Enterprise, should be managed carefully.

This research can be viewed as cornerstone for development of theories in media entrepreneurship and a base for conducting some experimental researches to measure the phenomena of media entrepreneurship and models to successful commercialization of innovations to exploit opportunities in developing countries.

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