

ORIGINAL ARTICLES

Understanding Entrepreneurship and Media Management in Iran

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ABSTRACT

The phenomenon of entrepreneurship and media management are currently attracting increasing interest by practitioners and scholars alike. However, most of this attention is devoted to entrepreneurship within new media, while some of the traditional media industries are believed to be the living dead without much future promise. Nevertheless, sustainable entrepreneurial ventures do emerge in these traditional media industries. These ventures demonstrate that new venture creation and survival in traditional media industries is possible and that the current scholarly focus on new media entrepreneurial activities is too restrictive. This study explores and conceptualizes the phenomenon of entrepreneurship in traditional media industries. Empirically, it is based on the Iran case of the company Pars khazar, and their further (media) activities. This company has received massive media attention as well as several gifts for their innovativeness, and stirred up the emotions of many people. A number of propositions are derived from the case, which can serve as a starting point of future empirical work on media entrepreneurship and management in traditional industries. In addition, these propositions can serve as practical guiding lights for media entrepreneurs.

Key words: entrepreneurship, Media management, Media, Industry, Iran.

Introduction

Nowadays, media management has attracted increasing scholarly attention. Specialized teaching programs have been initiated at different academic institutions, often in response to the demand of established media companies to professionalize their management skills and to receive new input for rejuvenating their companies. Research activities in media management are on the rise. Yet, 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. This is somewhat surprising, as both the need for media companies to be entrepreneurial (Hang & van Weezel, 2007) and a supposedly high level of entrepreneurship among media firms have been claimed (Hoag & Seo, 2005). Much scholarly work in the area of media economics and media management has been conducted with the aim to explain media industry performance, and largely disregarded entrepreneurial behavior of individuals as well as entrepreneurial activities and processes of individual start-up companies. In the few instances where such activities, behavior, and processes have been addressed, the vantage point has almost exclusively been in the new media (Hang & Van Weezel, 2007). Entrepreneurship in the traditional media has so far mainly been addressed regarding corporate entrepreneurship activities which aim at rejuvenating existing businesses and attempting turnarounds of companies in decline. (As explained by Achtenhagen, 2008).

Problem statement of this study:

There are many reasons in this research: Firstly issues relevant to new ventures within a traditional media industry are explored based on the case of a young, entrepreneurial media company. Secondly, this is achieved by reviewing and integrating relevant literature mainly from the fields of entrepreneurship, social entrepreneurship, and media management.

Literature review:

Most of the conceptual frameworks and theories from media management research draws are based in organizational studies; the field of media management is distinctive. Media organizations produce information

products rather than tangible products, and the underlying economic characteristics of information products differ from those of other types of tangible goods in critical ways. Most important, media products have extremely high social externality value because of the central role information and media content plays in economic, political, and social processes. Media management practices have implications far beyond the purely economic concerns of corporate investors. These fundamental economic characteristics are related to crucial differences in distribution conditions, market, demand, and production, creating a very different management environment than what is found in many other industries. Media are one of the critical infrastructure industries in society. Thus, while media management research shares with organizational studies a concern with financial outcomes, the field extends its focus to include study of the effects of organizational management on media content and society. This very feature distinguishes the field of media management from the field of organizational studies. Indeed, Ferguson (1997) pointed out that until media management scholars develop distinctive theories that go beyond economics and applied management, it will be difficult to argue that media management is a domain of inquiry separate from either mass communication or organizational studies. (As demonstrated by Mierzejewska, B. 2010)

According to Küng, (2007) media management attempts to build a bridge between the specificities of the media industry and the general management theory, the field is far from being clearly defined. Additionally it is underexplored and under theorized. In another study, Mierzejewska & Hollifield, (2006) explained that the subject of media management has been approached from media-related disciplines that are not necessarily anchored in the study of organizations such as political economy, communications, journalism, and media economics. This implies that the range of theories used in media management research is equally diverse. The remaining pages of this chapter will discuss main theoretical approaches used in the media management scholarship. (Mierzejewska, B. 2010)

As explained by Hang, M. & van Weezel, A. (2007) entrepreneurship in the traditional media has so far mainly been addressed regarding corporate entrepreneurship activities which aim at rejuvenating existing businesses and attempting turnarounds of companies in decline.

Journalism, (2007) pointed out that In 2006, the Media Management and Transformation Centre at Jönköping International Business School in Sweden hosted an international research workshop on media entrepreneurship. And media entrepreneurship is not only of interest to academic scholars—the topic also is of highest relevance to practitioners. Furthermore, Interest in the phenomenon of media entrepreneurship is currently emerging in different academic institutions around the world. Some universities have initiated centers or research activities with a focus on media entrepreneurship—Arizona State University’s Walter Cronkite School of Journalism and Mass Communication have recently received a major grant to open the Knight Center for Digital Media Entrepreneurship.

As summarized by Davidsson (2003), even in the field of entrepreneurship many rivaling definitions still coexist, as is typical of rather new academic fields. Existing definitions of entrepreneurship differ along a number of dimensions, namely;

- Whether purpose, growth, risk, innovation or success are necessary qualifiers for entrepreneurship.
- Whether it belongs only in small and/or owner-managed firms or in any organizational context.
- Whether it belongs in the economic-commercial domain or can be exercised also in not-for profit contexts, and
- Whether entrepreneurship should be defined in terms of dispositions, behavior, or outcomes.

According to Picard, (2005) and Davidsson, (2003) a definition of media entrepreneurship requires incorporating other significant aspects of media products, namely literary and artistic endeavors or more missionary attempts of ‘changing the world’. These aspects as well as the possibility of different existing degrees of consciousness in entrepreneurial aspiration, the entrepreneurship process as well as the entrepreneurial individual(s) are included in a broad definition of media entrepreneurship as how new ventures aimed at bringing into existence future media goods and services are initially conceived and subsequently developed.

Based on Timmons, 1990 Entrepreneurship research has long acknowledged a connection between emerging social trends and entrepreneurial opportunities, but entrepreneurship as a process to foster social and societal progress has only recently attracted the interest of researchers (Dees & Elias, 1998; Alvord, Brown & Letts, 2004). Further, relevant for the context of media entrepreneurship is the definition of social entrepreneurship as a “process involving the innovative use and combination of resources to pursue opportunities to catalyze social change or address social needs” (Mair & Martí, 2006). For many media entrepreneurs, just as for social entrepreneurs, the mission is explicit and central in founding and running a venture. This also affects how entrepreneurs perceive and assess opportunities. Mission-related impact often becomes the central criterion, not wealth creation. Wealth might just be a means to an end for media entrepreneurs. Another feature which media entrepreneurship share with social entrepreneurship is that the value created can be difficult to capture—in more concrete terms, a media company which has achieved an impact on society might not be able to gain much economic value from this impact.

Contributions of the Study:

According to Achtenhagen, (2008) in spite of this apparent lack of scholarly attention, new ventures do emerge in traditional media industries. Based on this study, the area of media entrepreneurship is still undeveloped field, this phenomenon is poorly understood. Therefore, the purpose of this article is to contribute to reducing this gap of knowledge by conceptualizing and exploring media entrepreneurship in traditional media industries. Despite this increasing interest in media entrepreneurship, very few research articles have been published so far on this topic. Hang and van Weezel (2007) identified 78 articles referring to both media and entrepreneurship from 1971 to 2005. They conclude that many of these articles either could be placed in the field of corporate entrepreneurship or address innovation in media industries namely; the challenges encountered during this process as well as they address new venture activities initiated by established media companies. Entrepreneurial activities of new, independent startups are almost exclusively discussed for the case of the new media.

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