

## Book Review

# Media Corporate Entrepreneurship: Theories and Cases

Reviewed by Weijia Li, Tsinghua University, Beijing, China

*Media Corporate Entrepreneurship: Theories and Case*

Min Hang

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With the changes in the media industry, new business opportunities emerge increasingly. In the field of strategic management, issues associated with business creation are usually discussed in the context of corporate entrepreneurship. Through theoretical analysis and empirical study, Hang's book, *Media Corporate Entrepreneurship: Theories and Cases*, provides a timely research on corporate entrepreneurship in the media industries and offers insights into the study of media management and economics, as a compelling read for practitioners, academicians and wider audiences.

In a dynamic environment characterized by constant technological advancement, new business opportunities appear in a variety of forms in the media industries. Adaptation to the changing environment and proactive transformation are crucial to media business success. Media firms need to develop strategic tools that enable new business creation and facilitate capturing opportunities arising from the emerging fields. These new business creation activities are different from the incremental business developments that are usually conducted inside the existing product-market frameworks; they are radical changes gearing towards developing new product-market frameworks. The overall activities of building new business in an established organization are usually called as *corporate entrepreneurship*.

Though corporate entrepreneurship has received increasing attention in recent years, much less attention has been paid to the media practices. Nevertheless, in the media industries, while venturing for the emerging opportunities, many firms are confronted with organizational challenges such as: should the new media business be integrated into firm's existing operation or should it be independently operated, standing on its own legs, in order to become a viable business?

In seeking answers for such questions, both economics theories, for example, the industry organizational theories (IO) and more recent management theories, for instance, the Resource Based View (RBV) can provide tools for analysis. However, in some circumstance, explanations derived from these two sets of theories may conflict with each other rather than complementing. How to understand the relationship between the IO and RBV and what direction media managers should

follow are challenges confronted with us. Moreover, the field of media economics and management is interdisciplinary and multi-dimension, how to apply different theories to create an integrated framework for media study is also a challenging issue.

In view of the above, Hang's book made a great contribution to address these issues. Through applying the IO and RBV, the book analyzed the choice of organizational mode and the relationship between economics and management theories in the specific context of media corporate entrepreneurship.

The study is explanatory in nature. Through conducting multiple case analysis, Hang examined and explained why and how certain organizational mode is selected, hence provided managerial implications for media firms' corporate entrepreneurial practices.

The book focuses on the choice of organizational mode for venturing. To seek answers of *why* and *how* media companies organize their entrepreneurial activities with certain organizational options, a case study strategy was applied. Findings from the empirical study indicate that the choices of organizational mode for media venturing are influenced by the 'economics and resource conditions', and venture incentives are contingent factor to consider when the predictions given by the two sets of theories diverge.

The contingency approach to management assumes that the best way to organize depends on the nature of the environment to which the organization relates; thus, the right thing to do depends on critical environmental and internal contingencies, and the choice of organizational forms was seen as being dependent upon the specific circumstances the organization faces. Applying a contingent logic, Hang suggested reconciliation between the IO and RBV in addition to the integration for the choice of organizational design.

The book has provided several important theoretical implications: Firstly, in the domain of entrepreneurship research, to some extent, research on new business startups has ignored the structural and organizational issues; especially, such issues have been neglected largely in a corporate entrepreneurship context. Among existing studies, there are obvious gaps of knowledge, either because the theoretical framework is difficult to operationalize, or the studies are over-normative, lacking of rich theoretical bases. Therefore, the book has provided new knowledge to fill in the gap.

In addition, the nature of the relationship between traditional economics theories and more current resource theories is a long debating issue. Though a new trend attempting to integrate the economics and resource perspectives emerged recently, there is still no sufficient research, either incorporate robust empirical data with integrated theoretical framework, or explicitly explain how firms should resolve conflicts different sets of theories cause. For which, Hang's book constructed a model to integrate and reconcile different theoretical perspectives, by proposing incentives as a contingent factor to consider. Through so doing, the book proposed a constructive approach to reconcile different theories.

Moreover, changes in the media environment, shifting demands of the media market and dynamics in the media organizations have made innovation and new business creation a vital strategy to sustain media companies' competitiveness and success. However, among existing studies, how to organize new media creation is still an insufficiently addressed issue. Therefore, this book also contributes managerial insights addressing these issues.

The book reconciled the resource-based theories and economics theories for the new media business studies. Though reconciliation is not often seen, the integrations of theories are more common. To develop a theoretical framework for strategic media management, scholars have contributed analytical tools incorporating different theoretical concepts. Historically, there has been an over-reliance on industrial organization studies in media economics, examination of the exogenous factors that influence firm conduct have been the primary focus of many media industry studies. The RBV approach has become more popular among strategic management scholars since the 1990s after the

initial dominance of the IO approach. With regard to the study of media firms, the RBV approach provides more insight into explaining the different performance between individual media firms or various clusters of media firms. And there seems to be an interesting parallel in such a progression between the general studies of strategic management and strategy studies in the context of media economics. Therefore, this book also provides endeavor towards this progression.

Building an integrated theoretical framework for the media management study is nevertheless a vital move; whilst more attention needs to be paid to examine how to reconcile these different theoretical perspectives when explanations are conflict, rather than complementing. Therefore, one major media-specific theoretical implication of the book is to take a new step to building theoretical framework, not only integrate, but also reconcile different theories for media studies.

A multiplicity of theories is needed for media management and economics research, because of the multidimensional nature of this discipline. The integration and reconciliation of two theories—one more traditional economics-based and another more current resource and capability-focused—will provide tools and implications for both practitioners and academicians to examine management and economic decisions of media firms.

Research on media economics has been developing fast in the past decades. However, whereas media economics as a field of study has flourished, a relatively limited amount of research has focused on the aspect of media firms. To complement that, strategic media management offers additional insights into firm specific issues.

The media industries provide a context for new knowledge creation. As media deregulation and consolidation undergoes, there has been increasing demand for a better understanding of media management, economics, products and media companies. In addition, with the changes of new technologies, regulations, and market conditions, the industry itself has also been seeking insights into effective management practices. Such a context gives researchers enormous opportunities to conduct research and to strive for new understandings and new knowledge. While reviewing studies in the field of media management and economics, significant achievements have been made by scholars in the field, dedicating to numerous topics, spanning from industry level policy to firm level management.

As a field of research, media management has well passed its introduction and development stages. The field is mature for developing new theoretical frameworks, exploring new ways to incorporate different theories for media studies, and expanding new knowledge to integrate and reconcile different research approaches. Hang's book has made a marvelous effort to construct an integrated and reconciled framework for the study of new media corporate entrepreneurship in the new media era. And this is definitely a remarkable start point for the future exploration of theories reconciliation and more media corporate entrepreneurship practices observation.