



BOOK REVIEW:

**V. RATTEN (EDITED BY), COVID-19 AND ENTREPRENEURSHIP,
CHALLENGES AND OPPORTUNITIES FOR SMALL BUSINESS,
ROUTLEDGE, 2021**

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Article info

Date of receipt: 27/07/2023
Acceptance date: 31/07/2023

Keywords: *Small business;
Entrepreneurship; Covid-19 crisis*

doi: 10.14596/pisb.3982

Abstract

The book is one of the first attempts to examine the links between the Covid-19 pandemic and entrepreneurship by focusing on small businesses. Taking a holistic approach, the authors suggest different strategies that firms might adopt to meet the challenges and seize the opportunities presented by the crisis. Another issue that the authors tackle is how institutional structures and policies can either promote or impede growth. It is a timely multidisciplinary analysis which offers entrepreneurs, practitioners, and policy makers considerable food for thought as to what 'doing business' means in an uncertain environment.

Review

First of all, the authors highlight the crucial role played by small businesses in promoting the sustainable development of society and the economy. The environmental context changed radically in the course of the Covid-19 crisis and this led inevitably to the development of a Covid entrepreneurship quite different from general entrepreneurship: in this new context the innovation is an imperative which no entrepreneur can sidestep. Social distancing, quarantine, smart working are some of the preventive measures adopted by governments to mitigate the spread of the virus. Their effect has been to bring about a change in the lives of all of us, including entrepreneurs. New ways of working, new requirements, new behavior patterns have defined the preconditions – along with digital transformation – for a new model for doing business, for being an entrepreneur.

Bearing in mind the specifics of small businesses, the authors examine the challenges which they face in this complex, uncertain environment. Financial constraints, lack of knowledge, inadequate skills, limited structures, etc. make it extremely difficult for these businesses to react promptly to sudden market changes. However, characteristics such as flexibility, independent nature, specialization in niche markets, closer connections to communities can nonetheless help these businesses to seize the new opportunities which have emerged from the crisis. From an entrepreneurial viewpoint, the authors offer an interesting examination of the real need to be aware of the difficulties and dilemmas faced by small businesses in ensuring continuity and future growth.

The following chapter focuses on the need to adopt an open innovation approach to knowledge sharing, with the aim of responding to emerging needs and encouraging entrepreneurship. Open innovation means that the flow of knowledge is not limited to a single organization but is wide-ranging, selecting and combining ideas from different organizations. With this in mind, the authors stress the importance of social innovation – intended as a fresh response to social issues and one which creates social value for the community. It fosters relationships between different categories of economic actors, such as consumers, entrepreneurs, suppliers etc., enabling them both to collaborate and to compete. It is, indeed, through this process of co-competition that organizations are able to access innovation and thus bring about change more quickly and easily. In the Covid-19 context, which saw such sudden and drastic changes, the authors insist on the relevance of co-competition since it creates the conditions for an ecosystem which stimulates knowledge sharing and new entrepreneurship.

The third chapter explores the most significant aspects of the Covid-19 crisis for small businesses. The authors highlight the inequalities between small and large businesses – i.e. financial constraints and informal struc-

ture – in order to explain the greater vulnerability of the former. The implications of the crisis for businesses of this kind are examined from different viewpoints: entrepreneurship, entrepreneurial opportunities, workplace changes, social policies, and risk management. Moreover, the authors turn a critical eye on the action taken by governments. Policy makers, they argue, should be able to manage the economic and health emergencies in terms of mitigation, preparation, response, and recovery. In doing so, governments should adopt an approach based on collaborative interaction with various components of society: this would result in a more closely targeted response and more effective policies.

The fourth chapter provides an interesting account of the effects of the pandemic and the action taken by the government to counter it in one of the world's largest emerging economies: India. Covid-19 exposed the weaknesses of Indian entrepreneurship: scant innovation, minimal bargaining power by comparison with the big players, low productivity, limited access to loans, and so on. In an attempt to help firms during the pandemic, policy makers resorted to numerous measures, such as opening emergency credit lines, implementing e-marketplace programs, restricting global tenders to local businesses; but despite these efforts, the authors argue that substantial doubts remain as to the firmness and adequacy of the Indian government's commitment to ensuring, not just the survival of these firms, but their medium and long-term growth.

The next chapter treads a path through the intricacies of digital transformation during the Covid crisis. For small businesses to cope effectively with the radical, unforeseen changes occasioned by the pandemic, and to seize the opportunities arising from it, they need to rethink their value propositions based on emerging market needs. Digital transformation plays a key role in helping firms to achieve this, so there is simply no alternative to developing digital capabilities. From a business perspective, the authors argue that Covid-19 entrepreneurship is significantly different from general entrepreneurship because the new context impacts the dynamics and logic of new business creation and entrepreneurship: Covid-19 has reshaped the entrepreneurial activities of small businesses. The authors cite sports digital marketing as an example of the use of digital technologies to create immersive experiences for local and global audiences, away from the playing fields.

The sixth chapter looks at the social implications of Covid-19 from a psychological viewpoint. The focus is on well-being, not just in the individual sphere, but considered as a state which is liable to be influenced by the context surrounding the individual. Affects points to the affective dimension of the concept of subjective well-being; it refers to emotions such as fun, satisfaction, anger, worry, depression, etc. In the experience process, emotions and feelings surface, and this interferes with how the individual feels, thinks and behaves. The authors examine the impact of lived experi-

ences on affects during the Covid-19 pandemic by conducting an empirical analysis in Portugal. Findings confirm that the disruptive experiences lived through during quarantine had an influence on affects. This study has both practical and theoretical implications and points the way towards ambitious future research areas.

The topic of the following chapter is how small businesses can build and maintain customer relationships through digital marketing during the Covid-19 pandemic. The crisis proved to be a trigger factor in accelerating the use of new digital technologies for customers. A great opportunity, but also a challenge. Following an agile approach, in order to continue to attract and maintain their customers, businesses need to reshape their marketing strategies by including new technologies. Digital strategy proved to be a winner during Covid-19, showing that a firm's adaptability is crucial. It means exploring new web and social media channels in order to keep up relations with customers.

The final chapter offers a critical analysis of the links between the Covid-19 emergency, entrepreneurship and small businesses. The authors examine possible ideas for future research as well as more specific research openings tailored to particular areas of entrepreneurship. They argue that there is an urgent need for an in-depth understanding of the role of entrepreneurship during the pandemic. Covid-19 entrepreneurship is distinguished from general entrepreneurship in terms of origins, features, outcomes, and also as regards social and financial goals. The authors maintain that it offers real opportunities for further study and new research directions. There is a strong case for experimenting with new methodologies and theories in order to gain a better understanding of the evolution of Covid-19 entrepreneurship from a number of points of view. The authors also discuss the implications of Covid-19 entrepreneurship from a societal, managerial and policy angle.

This is one of the first books to explore the relation between small businesses, the Covid-19 crisis and entrepreneurship. And the key players are seen to be the small businesses thanks to their economic clout and social role. The Covid-19 crisis is about the challenges and opportunities which small businesses in particular face from changed environmental conditions: the pandemic transformed individual needs, behaviors, and habits. It shaped a radical, new Covid-19 entrepreneurship, different from what had gone before. Success for small businesses means rethinking their business models, methods of production and distribution, and the way firms compete. Each chapter of this book examines different aspects of these topics, offering useful empirical and theoretical contributions to future research on Covid-19 entrepreneurship. In addition, policy-makers are furnished with a number of suggestions as to what promotes or impedes the growth of small businesses. It is an engaging, stimulating book which can be warmly recommended to scholars, practitioners and entrepreneurs alike.