

**A CASE OF ENTREPRENEURIAL STRATEGY: REVIVAL OF
MYANMAR TRADITIONAL SNACK THROUGH DISRUPTIVE
INNOVATION**



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ABSTRACT

The purpose of this research paper is to observe if the choices that entrepreneurs face and consider to be crucial are similar to the ones that Entrepreneurial Strategy Compass Framework identifies as important, how the choices influence the development of the strategy of entrepreneurial business, and if the choices of entrepreneur and the choices suggested by the framework for certain strategies align with each other. A case study was used to study about the hypotheses where a face-to-face, in-depth interview was conducted with an entrepreneur and extended data collection.

KEYWORDS: Entrepreneurial Strategy Compass Framework

32 pages

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CHAPTER I

INTRODUCTION

The advancement of information technology has caused dramatic changes to the lifestyles of the majority of people all around the world and also had huge impacts on the way businesses are conducted. The newfound ease of connectivity and communication across the globe have led to the discovery of ways to overcome physical boundaries that once existed in conducting business and it enabled people to not only expand their networks but also get exposed to new ideas and visions.

Cultures and traditions of different regions and countries are exchanged and with this evolution, entrepreneurship has been on the rise in the recent eras as entrepreneur from all over the world attempt to seize the new opportunities. Radical and incremental innovations are made to create new products as well as modifying the existing ones to better suit the newfound needs and trends. However, as new innovations and products from foreign regions and cultures influence the markets, especially of the under- developed countries, the existing traditional and cultural aspects and values could also become less appreciated and eventually lose the stronghold among the new lifestyles.

Ms. C was a Myanmar woman that became an entrepreneur due to such factors. She came across an idea that jaggery, which used to be one of the most popular Myanmar traditional snack that once held unique traditional and cultural values, is gradually being forgotten by Myanmar people especially in urban regions where new lifestyles has been adapted. Therefore, she came up with the idea to revive the jaggery with the use of creativity and innovation and based on that idea, she founded a new startup, TFJ, to experiment and explore the options she could have to transform her idea into reality. Additionally, she wanted to use the opportunity to present Myanmar's precious culture and traditions to the world through the food that she could produce.

However, just as many entrepreneurs who emerge from the recognition of opportunities that needs to be fulfilled, she was not equipped with theoretical knowledge and skills of complex business analysis and planning tools nor had abundance time and

resources to invest in. However, since the opportunity windows tend to be very short, it is usually required of the entrepreneurs to take rapid action in figuring out the capabilities and resources in their possession that could be used to gain a competitive advantage as well as accessing the options they have to choose from in pursuing the entrepreneurial journey. Combination of the chosen options and how these set of choices complement each other to enhance the success rate of the entrepreneur or if they fail to interlink together in a proper way, then it would increase the risk of failure.

There are two major conceptions about making choices, especially for the entrepreneurs. The first conception is where the choices and decisions are made based on the analytical abilities to achieve optimization for the business. It involves systematic planning and development of a concrete business plan that is based on the adaptation of traditional strategic and economic methods and cost-benefit analysis.

The second conception is where the entrepreneurs rely on their intuition, personal preferences and gut-feelings to make their choices with the given circumstances and therefore, their decision-making process is usually seen as unsystematic. As entrepreneurial ideas are usually novel and unique, utilization of the analytical tools that are being used in traditional models with a lack of real experience lead to impractical assumptions with the amount of uncertainties surrounding the entrepreneurial business and the availability of alternative choices and options.

At the same time, although the essence of entrepreneurship is action, abandoning the systematical analysis and solely relying on intuition and preferences without prior similar experience make the strategy and business prone to risks of failure. Additionally, there are more than one feasible ways the entrepreneur could follow and it is usually unaffordable to experiment every contradictory action as each requires at least a certain amount of commitment, as entrepreneurs tend to have a very limited availability of time and resources to invest.

Although these two conceptions seem to be at contrast and contradicting to each other in various ways, Joshua Gans and Scott Stern (2017) claimed that these two conceptions are “inextricably linked to the development and implementation of an effective entrepreneurial strategy” and that traditional framework and tools can be reformulated to be used together in a choice-centered approach that allows analytical assessments as well as deeper consideration of the entrepreneur’s personal preferences.

Each choice could be considered in a systematic way and that every choice is interrelated with every other choices and aspects of the business that would lead to a development of the entrepreneurial strategy. Therefore, Entrepreneurial Strategy Compass Framework could be a new decision-making tool with “systematic and practical approach for developing and implementing an entrepreneurial strategy” in which the entrepreneurs could “earn the right to follow their heart”.

Compare to the isolated traditional tools that are challenging to give off precise analytical data for decision-making, if being able to utilize at all with limited information and vast uncertainty that entrepreneurs face sometimes, the entrepreneurial strategy compass framework promise to assist the entrepreneurs to efficiently tackle the major questions and choices that are critical for the survival and growth of entrepreneurial businesses.

However, the question remains whether this is as efficient and applicable as it has been claimed for the entrepreneurs and therefore, the case about Ms. C and TFJ will be used to be compared and contrasted with the suggestions made by the framework. Two major areas related to the framework will be focused on in this research paper. The first area is to explore whether the choices that the framework identifies as important are the same ones that entrepreneurs might also consider to be the crucial choices they had to made especially in the initial stages of the startup and defining the strategy of the business. The second area would be to see how the choices play the role in defining the strategy of the business and if the entrepreneur’s choices and strategy matches with the choices that the framework suggests for certain strategies.

CHAPTER II

LITERATURE REVIEW

2.1 Entrepreneurial Strategy Compass Framework

Bolton and Thompson (2000) defines an entrepreneur as “a person who habitually creates and innovates to build something of recognized value around perceived opportunities” and according to Gans and Stern (2017), entrepreneurs have to face the paradox of entrepreneurship, which is “choosing between alternative strategic commitments requires knowledge that can only be gained through experimentation and learning, yet the process of learning and experimentation inevitably results in (at least some level) of commitment that forecloses strategic option”.

Additionally, they have argued that neither of the two major debatable conceptions would solely be sufficient to lead the entrepreneur in development of the strategy for the business and making the critical choices effectively and that the two conceptions should be combined in a way that it would allow the entrepreneur to explore and experiment to evaluate different options without committing to a path to the point of no return and make decisions accordingly to the findings. Therefore, they have developed the entrepreneurial strategy compass framework which is a new decision-making tool that would address the needs in making entrepreneurial choices.

2.2 Four Main Choices That Matters

Gans and Stern (2017) stated that “entrepreneurial choice is at the core of the process of entrepreneurship, and is the central concern of entrepreneurial strategy” and therefore, the entrepreneurial strategy compass framework is based on the four vital choices that entrepreneurs have to face while starting a new business to turn their ideas into reality. As entrepreneurial strategy consists a set of choices and the sequencing of choices, these four choices play a critical role in the development and planning of the entrepreneurial strategy as well as for the survival and growth of the business. The four

critical steps that entrepreneurs have to go through while conceptualizing the business at the start-up phase are: Choosing the Customer, Choosing the Technology, Choosing the Identity, and Choosing the Competition.

2.2.1 Choosing the Customer

The first choice that entrepreneurs need to consider and make is the segment of customers they would be targeting at. The challenge in choosing the customer group lies in having various group of potential customers that cannot be targeted together at the same time. Therefore, the entrepreneur will have to figure out not only which group of customer would benefit from and be willing to pay for the idea the most but also be aware of the fact that the initial choice of a customer group could determine how the start-up is going to evolve in terms of strategy and value creation.

Another important factor to consider is the sequencing of the choices as wrong sequencing, even with the right selection of the segments, could create barriers in switching and expanding to the subsequent customer group. Therefore, choosing the customer is considered as the core element of the strategy and entrepreneurs have to be mindful about these factors while choosing the customer.

2.2.2 Choosing the Technology

In terms of choosing the technology, entrepreneurs have to examine the technologies available to assist in conceptualizing the idea to and evaluate the cost and benefits of utilizing one technology over another. Additionally, observations and forecasts should be made on how the chosen technology could evolve over time and how it could affect the innovation and value creation of the start-up. Choosing the cutting- edge technology could provide the start-up with new opportunities that haven't been exploited by other businesses, yet the risk lies within the potential for the technology to be accepted by the majority while using the established technology could provide easier integration with potential business partners and customers, yet could lower the innovative opportunities and extinction of the technology could also occur sooner.

Therefore, it is important for the entrepreneur to be aware of the S-curve of the technology and also the S-curve of market while choosing to implement and adopt the technology for the start-up.

2.2.3 Choosing the Identity

After the choices of customer and identity has been made, the next step is choosing the identity of the start-up and according to Gans and Stern (2017), “choosing your identity is about selecting the DNA of the organization the founders wish to build” and the identity defines the vision of the start-up and serve as a way to communicate the core values, capabilities, purpose and positioning of the business as well as association of the start-up with other businesses or an ecosystem. It allows the business to communicate internally about the objectives and values of the start-up as well as act as a guide on the commitments and capabilities that the business would prioritize on. At the same time, the identity of the business reveals the positioning of the start-up and the market segment that the business is competing in to the stakeholders.

2.2.4 Choosing the Competition

Once the customer, technology and identity of the start-up have been defined, entrepreneurs have to determine what kind of approach would be taken to introduce the created value to the market and who the start-up would be competing against. There are two main options for consideration as the entrepreneur could decide whether they would like to cooperate and commercialize the idea through the established businesses, or to build a complete value chain and compete against the players in the existing market. There are obvious consequences and trade-offs with each option as the choice would determine the way the start-up would create and capture the value as well as the investment and focus in development of capabilities. While competition always exist for entrepreneurs and the businesses, actively and carefully choosing the competitors would give the entrepreneur a clear orientation and direction on the investment and capabilities that the start-up to needs to focus on for growth and evolution.

2.3 Formulation Of Entrepreneurial Strategy

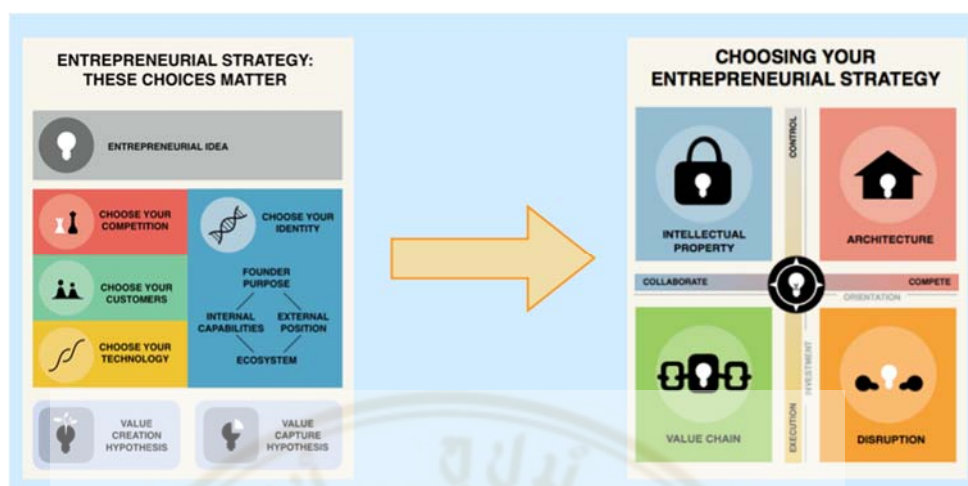


Figure 2.1 Anchoring on the choice of competition and interlinking all major choices and the value creation and capture hypotheses lead to the choice of strategy

The choice of competition can be further broken into two different aspects: investment (how to compete, Execution vs. Control) and orientation (who to compete, Collaborate vs. Compete), and these two aspects become fundamental axes of the Entrepreneurial Strategy Compass Framework. The choice of competition in each aspect combined with the unique set of the major choices lead to the emergent of four different entrepreneurial strategies: the Intellectual Property strategy, the Value Chain strategy, the Disruption strategy and the Architecture strategy. Each strategy is distinctively unique with different strategical components and switching strategy after making a commitment is almost impossible without a certain time and cost.

2.3.1 Intellectual Property Strategy

When the entrepreneur chooses to invest in controlling the idea and at the same time, to collaborate with the incumbents, Intellectual Property strategy (IP Strategy) has been chosen. The start-up pursuing the IP strategy would be serving the end-users of the established business and therefore, the choice of technology has to be compatible and can be integrated for the potential partnering businesses. The identity of the start-up would be an idea factory that focuses on inventions and innovations and developing capabilities for innovation and facilitate technology transfer. At the same

time, firms pursuing IP strategy must invest in formal methods of protecting their intellectual property assets, such as patents or trade secrets, and also in building a strong bargaining power and reputation for enforcement. Value creation of IP strategy is based on the start-up's ability to create value for the customers of existing firms through innovation and the value is captured by maintaining strong control over the assets and bargaining power with downstream players.

2.3.2 Value Chain Strategy

If the entrepreneur chooses to collaborate with the incumbents, yet invest in execution of the idea rather than control, they would be pursuing the value chain strategy. Similar to IP strategy, entrepreneurs that pursue Value Chain strategy collaborate with the incumbents and create values for customers of the established firms. However, the strategies distinctly differ in a way that in value chain strategy, bargaining power is established not by controlling over the idea, but by executing and investing on the development of the unique capabilities and resources. Additionally, value capture for this strategy relies on building an efficient and irreplaceable entrepreneurial team where bargaining power is established through cohesion and interdependence of the team.

2.3.3 Disruptive Strategy

The domain of disruptive strategy is about investing on the execution of the entrepreneur's idea and competing with existing businesses in the market. Start-up has to locate the customer group that is currently underserved by the existing businesses and could be served better by the innovation of the start-up. Entrepreneurs pursuing the disruptive strategy tend to utilize nascent technology is yet to be fully exploited by the incumbents and could also focus on doing the opposite of the characteristics that are believed to be important by the industry, if the situation allows.

The identity of a disruptive start-up firm would be "creative destruction" where new things are created while destroying the old value chains. Time is of the essence and therefore, "lean start-up movement" is also one of the major traits of a disruptive entrepreneurial start-up, as the business has to avoid direct competition and stay hidden before establishing a firm position and customer base in the market. Iterative

and continuous experimentation with Minimum Viable Product (MVP) and close interaction and feedback with the customers are essential for a successful adaptation of the strategy. Value is captured by executing with high momentum while evading the attention of existing firms and usage of judo movements and market and organizational inertia against the incumbents.

2.3.4 Architectural Strategy

The last strategy of the entrepreneurial strategy compass framework is the Architectural Strategy where the start-up invests in control aspect of the choosing the orientation to be competition. In this strategy, traditional and entrepreneurial strategies overlap as the firm is competing against the incumbents by offering differentiated value while retaining control over the value of the idea. Entrepreneurs choosing the architectural strategy have to choose the most desirable and influential customer group and utilize a new technology S-curve that can be controlled as the start-up grows. The main idea of this strategy is building what Gans and Stern (2017) refer to as the “Economic Moat” and the identity of the business is the combination of a clear vision with strong beliefs to boldly differentiate the firm from others by introducing concepts strange and new to people.

2.4 Conclusion

In summary, entrepreneurial strategy compass framework is a new decision-making tool that is based to the choices and hypotheses surrounding the start-up that allows entrepreneurs to explore the possibilities in the development and planning of the strategy.

CHAPTER III

MATERIALS AND METHODS

In order to explore and observe if the entrepreneurial strategy compass framework is applicable for the practical business environment and the choices that entrepreneurs have to make for their businesses, and qualitative research methods will be used to acquire necessary information for this research paper.

Qualitative research methods are used to get deep and insightful information of a specific organization or area unlike the quantitative methods that provides a surface sample of a bigger population. The less-structured nature with the ability to ask open-ended questions provides the chance to explore the business settings and perceive the big picture of the story. At the same time, the flexibility of the qualitative method presents the opportunity for the research to expand, as well as to zoom in and focus on particular things, as more information is gathered and the story develops. The narrative data allows the exploration of the circumstance from the very beginning to the time when the research is conducted and the occurrences and influencing factors.

From the various methods of qualitative research, interview has been chosen as an appropriate method to explore and acquire information for this paper. An entrepreneur with a new start-up business has been selected as a candidate for the interview and a set of interview questions has been developed to explore in-depth information about the organization and the entrepreneur as well as the hypothesis and choices made for the business according to the business environment and situations. Findings acquired from the observation would provide deep knowledge about the business and its strategy and to see if they are similar to what is described and recommended in the entrepreneurial strategy compass framework.

In order to examine if the framework is effectively applicable in real business scenario, observations need be made on how entrepreneurs with new start-up businesses assess their choices and make their decisions to come up with a strategy for their business. Due to the limited time and size of this research paper, it has been decided that focusing solely on one business would provide a chance to achieve deeper

understanding of the organization and the journey of entrepreneurship and strategy development of the entrepreneur. Therefore, an entrepreneur from Myanmar with a start-up company that is producing traditional food products and recently gaining momentum for growth and success has been chosen to be observed and interviewed.

3.1 Background Information

In order to achieve better understand about the case, necessary background information about the entrepreneur and her business as well as the related information about jaggery was researched and collected through news and journals as well as from the face-to-face interview with the entrepreneur herself. The essence of the acquired information is presented below.

3.1.1 The Entrepreneur and the startup

Ms. C is a 26-years-old young woman entrepreneur from Myanmar who has graduated from University of Medicine, Yangon, Myanmar and became a doctor merely to satisfy the wish of her parents but she was never truly interested in the profession. She had a passion for arts and innovation since she was a child and wanted to make a living by running her own business. Therefore, she began looking for business opportunities as soon as she has graduated from the medical school.

Her first attempt was trying to become a manufacture and wholesaler of clothes by making use of her sister's ability to make clothes. However, the business did not take off and they ended up running a tailor shop instead and she realized that this is not her passion and therefore, she continued looking for other opportunities while running the shop with her sister. During that time, she also learnt about the art of painting and design and fall in love with art and creativity.

In 2014, she went out to dine at a restaurant for dinner and after her meal, she was offered a piece of jaggery as a dessert. Jaggery used to be one of the most common traditional snack that almost every Myanmar household would have usually as a snack to treat to guests and also offered as complementary snack after meal by most restaurant. Moreover, it was eaten regularly after meals by older Myanmar generations as jaggery is believed to enhance the digestion system in addition to many

other health benefits that jaggery has to offer. However, with widespread emergence of supermarkets and domination of modern and imported products in the markets, jaggery has gradually vanish from most shops in urban areas and modern settings. It has become an unfamiliar food item for younger generations and forgotten by the older ones.

She noticed that the pieces are way too big for a single person to consume at a time and wondered why these are not made into bite-sized pieces for convenience. That incident piqued her curiosity enough to set her on her way to the nearest toddy palm tree owner that produce jaggery, seeking for the answer. The owner told her that the art of making jaggery is complicated so it would be difficult to produce small pieces.

However, unsatisfied with what she has discovered, Ms. C returned home and later, purchase some raw materials from the toddy palm tree owners and tried to make her own bite-sized jaggery pieces in her own kitchen. During her experiments, she realized that making food is actually a form of art where different ingredients and techniques are used to create a product desirable to the senses. She had to preserver through many failed attempts until she finally found a way to produce bite-sized jaggery that is durable enough to be packed and kept in ideal condition. In 2015, after iterative experimentations to create unique, desirable jaggery products, the company TFJ was founded to sell the jaggery under her own brand.

3.1.2 Jaggery: The forgotten gem of Myanmar tradition

Jaggery is mainly produced from the sap of toddy palm trees in Myanmar. Jaggery producers are usually the small families from the villages in rural areas and small towns that own toddy palm trees and jaggery is still made by hands in traditional ways. Most of the families consists of three to six family members and each member has to take up duties of climbing the trees to collect the toddy palm juice and sap, making jaggery or toddy palm juice. Fresh toddy palm sap is required for the making of jaggery but as it tend to get fermented easily, the climbers usually have to gather the pots on the trees that are collecting the sap twice a day.



Figure 3.1 Jaggery maker collecting pots with fresh toddy palm sap from the tree

Shortly after the collection, the toddy palm sap are poured into a pot on the stove in batches to bring to boil. Each stove tend to have three to eight pots, depending on the amount of toddy palm sap usually collected by that particular producer. Occasional stirring is required and in about every thirty minutes to an hour, the boiling sap has to be transferred to the next pot in line and more sap is put into the first pot. The process continues until the toddy palm sap reach to the last pot and gets thickened enough to be shaped into jaggery.



Figure 3.2 A line of jaggery making pots on the stoves with toddy palm sap

The jaggery maker then has to roll the warm jaggery liquid into small balls with wet hands to bear the heat. The jaggery has to be shaped before it gets cold and additionally, more of the mixture from the next pot will be ready to be shaped in about

thirty minutes later and therefore, the shaping process has to be fast and efficient. None of the steps through the process could be slowed down either as without the right temperature and duration, the sap tends to get fermented, resulting in bad quality jaggery. Especially with the limited human resources, jaggery producers claim it to be impossible to produce small bite-sized pieces. Additionally, smaller jaggery pieces tend to get crumbled very easily, are very sensitive to moisture and tend to melt very quickly.



Figure 3.3 A Myanmar woman stirring the hot jaggery syrup before shaping

However, according to a video report by RFA Burmese (2016), as the consumption of jaggery as well as other products of toddy palm trees have dramatically declined, the number of toddy palm tree climbers and businesses has also decreased even in the central Myanmar region which once was famous for toddy palm farms and products, and therefore, the tradition and future of the industry is being threatened.

3.1.3 Reinvention and revival of jaggery through TFJ

As for Ms. C, as she was experimenting to produce smaller jaggery pieces, she got the idea that jaggery could resemble chocolate in many ways as a food product. However, jaggery is usually sold as a pack of large, brown pieces in markets or packed in plain plastic bags, unlike the chocolate which usually have attractive and modern packaging designs, and that the product itself had not gone through any distinct changes for almost a century. Moreover, most of the products are sold within small local markets,

does not focus on branding nor ensure to keep up with the standardizations of Food and Drug Administration or aimed to meet the international standards to export the products, mostly due to lack of exposure, knowledge and technologies.



Figure 3.4 Jaggery being sold traditionally in the local markets and shops

Therefore, she decided it was the time to reinvent jaggery by creating new flavors with natural ingredients and cutting into bite-sized pieces. In order to ensure the quality of TFJ products, she chose a number of toddy palm tree owners as her main suppliers and educate them on hygiene and food safety issues that would be necessary to provide her with organic, top quality raw materials. Instead of traditional jaggery flavor, TFJ offer jaggery with four different flavors, that are ginger, lemon, yogurt and plum masala. Ms. C also applied her artistic abilities to create a contemporary packaging design. Additionally, she registered the products through MFDA and made sure the products and packaging comply with international rules and standards.



Figure 3.5 Sample jaggery product of TFJ with reinvented design and packaging

At this time of the research, TFJ still does not have a physical retail store but TFJ products are distributed through online channels as well as the supermarkets,

shops and restaurants in Myanmar. TFJ's product line has also been expanded as they continue to experiment with other Myanmar traditional foods and gained popularity among tourists and younger generations.

3.2 Interview Questions

In order to acquire deeper information about the business to examine the necessary focusing topics for the research paper, interview questions are developed according to the Entrepreneurial Strategy Compass Framework (Gans and Stern, 2017). Every question is designed to discover the information required to understand specific topics of the framework, while at the same time being sufficiently open-ended to allow the entrepreneur to share their opinions and experiences which could provide better understanding of the case and boost the quality of the research paper.

Ms. C was contacted through email to be notified about the research and to arrange the meetings. Two meeting sessions with Ms. C were arranged, scheduled to last around one hour for both sessions. Both meetings were held during Ms. C trip to Bangkok in the last week of February 2018, the first session took place in a small bakery in Pratunam area and the second session was held five days later after the first meeting, before her departure from Bangkok, in a restaurant over dinner. Messages were exchanged through an online messenger for additionally required information, and also for the clarification and confirmation of collected information.

Questions are divided into three main categories: first one that would probe into the choices and decisions that Ms. C has to make in hypothesizing the feasibility of the idea as well as actualizing the idea to a working business model. The second part lead to answers that provide better understanding about the main choices the entrepreneur made, and the latter to understand the strategy that the entrepreneur has chosen, based on the investment and orientation aspects of the business.

The interview questions are presented in Appendix A.

CHAPTER IV

RESEARCH FINDING

Valuable and interesting information necessary to examine and understand the journey of the entrepreneur as well as the choices that she had to make to determine the business strategy of TFJ were acquired after two interview sessions with Ms. C. The full analysis of the findings are revealed and discussed below.

4.1 Four Main Choices That Matters

As the interview questions were focused on exploring the strategy of the business and designed according to the entrepreneurial strategy compass framework, the first thing that followed general introductory questions were about the choices that Ms. C had to make at the planning and founding phases of TFJ. Since the framework suggests there are four main choices that entrepreneurs have to make to develop the strategy of the startup, it was researched whether the choices identified by the framework also matches with the ones Ms. C had to make in the initial stages of TFJ.

According to Ms. C, it all began with the conceptualization of the idea to reinvent jaggery to make it more suitable for modern preferences of customers. Therefore, as she experimented and brainstormed about potential ways to improve the product, she believed she can enhance the value of the product by making it more convenient for consumers to eat by creating bite-sized pieces while preserving the traditional values of the product. With the value creation hypothesis in mind, she identified the travelers and tourists as potential customers since they are currently underserved by the existing jaggery producers and that their willingness to pay for a high-quality, Myanmar traditional snack would be higher than the people in the rural areas that are currently targeted as main customers by conventional jaggery sellers.

Therefore, she used her passion for creativity and food as well as her desire to revive the cultural and traditional aspects that are associated with the consumption of

jaggery in the Myanmar households. She wanted the product to convey the traditional cultures and values of Myanmar and present it to foreigners as well as people who are away from their home country at the moment. Moreover, she wanted to reintroduce these to younger generations and to the urban lifestyles as well, reminding them the forgotten values of Myanmar traditional snack that also offers various health benefits. This became the identity of TFJ and therefore, she positioned her product against imported and modern food products and into the souvenir market.

In order to reach out effectively to her target market, she believe utilizing the technologies available for online business models, as well as modern distribution channels, such as the malls and supermarkets rather than local markets, would be her the best choice and she believe the idea could be tangible and she could capture the value as her product idea was unique to the existing markets and also without strong, direct competitions against the traditional jaggery producers since the target market is different. Therefore, she founded TFJ to turn the idea into reality and operate according to the choices and hypotheses she had in mind.

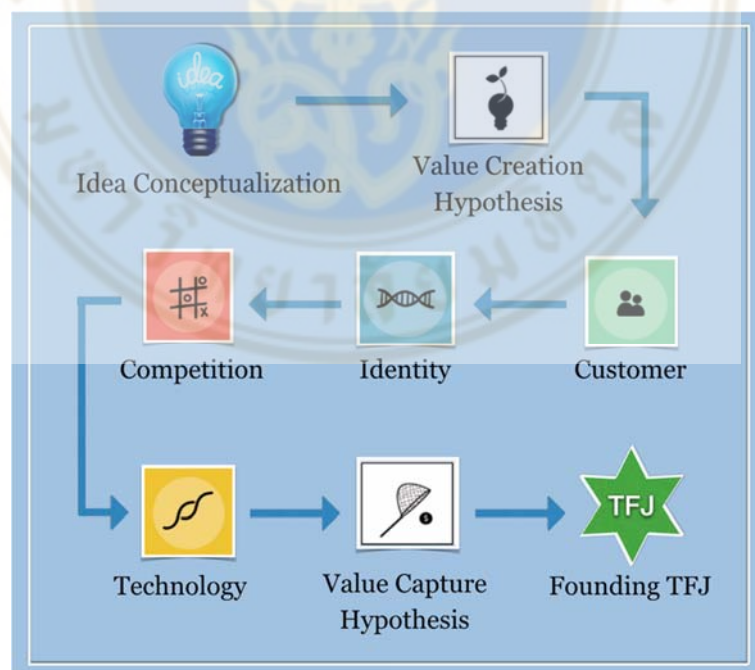


Figure 4.1 Infographics depicting initialization and development stages of TFJ

From the analysis, it was observed that the critical choices that Ms. C had to make for the new startup matches with the choices the framework has identified as the crucial choices that entrepreneurs have to make for their startups' strategies.

4.2 Formulation Of Entrepreneurial Strategy

Entrepreneurial strategy compass framework claims that it could be of higher importance to understand the interdependencies and complementarities among the different choices than the individual choices made perfectly. Additionally, it is stated that enhancing complementarities among the choices and actions is particularly important. The value is usually enhanced by the startup's ability to assemble a unique set of choices that cohere with each other so that the main capabilities, values and policies of the startup could work well together to reinforce the value created. Therefore, Ms. C's choices were researched and analytically reasoned to see if it enforces the claim of the framework.

4.2.1 Choosing the Customers

Ms. C's choice of customers were tourists and travelers who would want to have unique and high quality traditional products of Myanmar to bring overseas as gifts and souvenirs, as well as Myanmar people living abroad that would be missing a traditional taste from back home. Moreover, she also aimed at people from Myanmar's main urban city, Yangon, which is also where she based and operate TFJ in, as people from middle to high income groups in Yangon tend to keep up with international trends.

Although the targeted customer groups seem to be somewhat diverse at the first glance, they all seem to share the same needs for unique and high-quality Myanmar traditional products with attractive and presentable, yet functional packaging designs. With that in mind, she created every piece of jaggery with her own hands, using only the organic materials to enhance the value and appeal.

As for the sequencing of choosing customer groups, Ms. C revealed that her next targeted customers would be a certain age segment, particularly the youth and early adult groups of customers. When asked about her thoughts on the effects that her initial

target customers could have on the subsequent groups, she believes it has made the expansion easier as it has attracted peoples' attention as a traditional product with a contemporary twist and it was something significant especially at this time as Myanmar has just opened up to the world recently and traditional products that could represent the country in the global arena are still limited. She has also gained some media coverage for that reason which helps in promoting her business and improving her reputations. She also claims that if she were to be targeting at the conventional jaggery market first, the development and creation of the product would have been different and it could have been tougher to expand her business towards the souvenir market.

According to the answers, making the choice of customer was the very first and crucial step in the founding of TFJ. Ms. C's choice of customer was the niche groups that were underserved by the existing jaggery producers and the way that the product was developed and evolved appear to support the claims of entrepreneurial strategy compass framework on how the initial choice of customer could affect the development of the product as well as the evolution and expansion of the start-up. Additionally, the importance and consequences that sequencing of customer selection can have on the start-up's ability to expand to other customer groups was also observed.

4.2.2 Choosing the Technology

For the choices of technology, Ms. C explained that she did not employ any latest technologies in the making of the jaggery as she wanted to preserve the traditional values of the product. However, sales are heavily relied on the online retail business model. According to Ms. C, the reason of relying on e-Commerce model was due to lower investment than a physical retail store and the advantages of the internet, such as the accessibility beyond physical boundaries. Additionally, she also believes this provides her the ability to reach to Myanmar people living abroad as well as to have a presence for tourists who might have discovered her product during their visit to Myanmar or online and wants to purchase from outside the country.

Analyzing this part of the interview was particularly challenging due the fact that in the beginning, it was perceived that Ms. C has not chosen any new technology for the innovation of TFJ. However, on closer inspection and analysis, it was interesting to discover that her choice of retail business model could be linked to the Market S curve

and innovation diffusion topics discussed by Gans and Stern (2017). Although e-Commerce business model have been utilized by a huge number of businesses all around the world, it could still be considered as an emerging new technology S-curve in Myanmar which is still under-exploited especially by the majority of traditional businesses, especially the jaggery producers from villages and rural areas, and therefore, by deploying this technology, Ms. C has been able to establish a competitive advantage over the competitors with the choice of technology. Moreover, she could utilize her chosen technology efficiently as she could grow and expand TFJ much further as the internet and online technologies would become widely adapted by Myanmar businesses and people in the future.

4.2.3 Choosing the Identity

For Ms. C, food is a very artistic product that contains colors, creations and taste and food is an identity of every country which tells stories about the country's culture, experience, climate and history. She wants TFJ products to connect the Myanmar people living abroad back to their own country as well as spread Myanmar's culture and identity by promoting traditional food products. Additionally, one of her goals is to revive the tradition of serving jaggery to the guests and consumption of jaggery in Myanmar households in urban areas and among the younger generations as she believed people are forgetting about old, traditional things that actually holds unique values.

Therefore, she focuses on experimenting and innovating continuously to transform the old products into something contemporary while preserving the traditional and cultural aspects of Myanmar, as well as integrating and improving what the customers seem to value, such as the products being presentable, preservation of Myanmar culture and tradition, hand-made, environmentally friendly and recyclable. TFJ has also earned partnerships with of "Pride of Myanmar" and "Made in Myanmar" program and web portal established to showcase and promote the products solely made in Myanmar.

It can be observed that the values and objectives of Ms. C has been deeply integrated in the identity of TFJ and played a critical role in determining the commitments and directions of the startup. According to Gans and Stern (2017), being

able to associate oneself with a trait or value is one of the most powerful tools that entrepreneurial founder could have. Having a clear vision and purpose allows Ms. C to determine what capabilities would be critical for the survival and growth of TFJ and have a clear focus on the direction that TFJ would pursue in the future. Additionally, the clear definition of TFJ's identity also enables external stakeholders to understand what TFJ is all about and allows TFJ to be associated with others in the same eco-system.

4.2.4 Choosing the Competition

In order to understand the choice of competition for TFJ, questions related to investment and orientation has been asked and combination of all these choices lead to the revelation and analysis of TFJ's strategy.

4.2.4.1 Orientation: Whom to Compete Against

When Ms. C presented her initial idea to an existing jaggery producer and asked to create bite-sized jaggery pieces for her, they responded that the idea would not be practical and viable as jaggery pieces are usually made into large pieces to prevent them from melting and crumbling easily. The conventional jaggery producers tend to stick to traditional ways of doing things and are not interested in modernization of production processes or developing capacity for innovation. Therefore, she decided to conduct experiments in her own kitchen, eventually turning the idea into reality and carried on producing her own products.

4.2.4.2 Investment: How to Compete

According to Ms. C, after she has come back from the meeting with jaggery producer to consult her idea, she focused on iterative experimentations to first create bite-sized jaggery pieces, then to add flavors to the jaggery while testing the created flavors by asking her friends and family to try and give feedbacks on. After trying various kinds of flavors for jaggery, four main flavors (ginger, plum masala, yogurt and lemon) were chosen. Afterwards, she looked for small toddy palm tree owners that could provide her with raw materials and started producing the jaggery in her own kitchen while at the same time, exploring her options for packaging while creating her own drawings for the logo and design for the packages. She revealed that her resources were very limited and therefore, she allocated almost everything she could use on continuous experimentations and execution of the business.

4.3 Analysis Of The Strategy Of TFJ

The interview reveals that Ms. C chose to compete with existing jaggery makers while investing on execution of the idea and the business and therefore, it is analyzed that strategy of TFJ matches with Disruption strategy from the framework.

As Ms. C's choice of customer was the souvenir market which was a niche market and the specific needs of these customers were not addressed by the existing jaggery producers, it matches with the customer type recommended for the Disruption strategy. The choice of technology recommended for disruption strategy was the emerging new technology s-curve that hasn't been exploited by the existing incumbents and therefore, TFJ's e-commerce model and utilization of social media goes accordingly to the framework. Additionally, the investment made to experiment and develop new ways of creating the jaggery (bite-sized, handmade jaggery with unique flavors) would be costly and difficult for incumbents to copy and adopt as well.

While the incumbents are targeting at the locals and businesses in rural areas, TFJ focused on the travelers and locals from the urban areas as well as people who are willing to purchase through the online channels. That allows TFJ to avoid direct competition with the incumbents as the existing jaggery producers are embedded in their traditional ways of production and conducting business.

As for the identity of the business, the entrepreneurial strategy compass framework suggests the adoption of "lean, start-up movement" and continuous experimentation and learning while "incessantly destroying the old [and] creating [the] new" as noted by Schumpeter (1942). According to the findings from the interview, Ms. C and TFJ operated in almost the exact same way.

For value creation and value capture, Ms. C believed that she could produce enhanced products on herself and therefore, value creation of TFJ was based on the developing novel value chain to experiment and produce the product that could fulfill the specific needs of underserved customers in the market. And the created value was captured by rapid execution while evading the incumbents' reaction and therefore matches the framework.

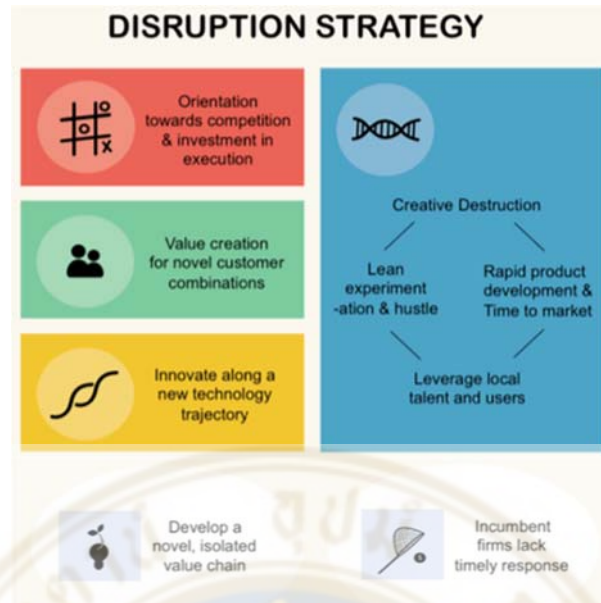


Figure 4.2 Choices for Disruption Strategy according to the Framework

CHAPTER V

CONCLUSION

The Entrepreneurial Strategy Compass Framework is a choice-oriented decision-making tool that differentiates itself from traditional frameworks and analysis tools by allowing the entrepreneur to explore and examine the alternative paths they could pursue without making irreversible commitments and investments. While the traditional analysis tools can be difficult to deploy and lose accuracy in the scenarios where uncertainty looms around the options, this framework is aimed to navigate the entrepreneur through the uncertainty and assist the entrepreneurs in making efficient decisions through experimentations and hypotheses.

Thorough analysis and reasoning of the acquired data of the case reveals that the choices that the entrepreneurial strategy compass framework identified as the four main choices, that are customer, technology, identity and competition, match the choices that Ms. C had to make as an entrepreneur who wanted to start a new business with her own unique idea and strategy. The importance of each individual choice and how these choices could make crucial impacts on the direction and growth of the startup has also been observed. Moreover, the value creation and capture hypotheses could become the underlying foundations of the choices. These defined choices are not only critical in choosing the direction for the start-up but also the fact that they are indeed interrelated to each other and how these sets of choices fit and complement each other in the development of strategy could impose major influences in the chance of success or failure of the start-up.

Additionally, it was apparent from the research findings that although the individual choices are important for the business, the coherence of the chosen set of choices actually strengthens the strategy and provides the startup with strong competitive advantage as well as stronger focus and reduced costs since most of the major activities of the company would be heading towards the same direction. Therefore, capabilities

can be developed and utilized for several major functions and it would provide better momentum and growth for the business as a whole.

5.1 Limitations of the Research

This research paper was focused mainly on observing if the choices suggested by the entrepreneurial strategy compass framework matches with the choices that entrepreneurs actually have to make in the real business situation as well as how the choices combines and work together to form a unique strategy of the business.

However, due to the limitations of capabilities and time, the research was based only on a single case study, which is TFJ, and data collection was through researching of data about Ms. C and TFJ available on published materials, such as journals, articles and videos, as well as TFJ's website and social media profile with the addition of two face-to-face interview sessions with Ms. C. Lastly, the scope of the research was based on the framework and many other factors related to the business environment and external factors could be explored in-depth for better understanding. Therefore, these factors should be considered if there would be additional research in the future.

5.2 Recommendations

In order to assist in achieving further growth and success for TFJ, a number of recommendations will be made based on the findings of the research. First recommendation would be for TFJ to continue pursuing the “lean, start-up movement”, which is also suggested by the framework for startups with disruption strategy. Lean start-up movement involves rapid experimentation and production of minimal viable product (MVP) to be tested by the customers and innovators. The product will then go through refinements and modifications based on continuous experimentations and feedbacks from the users and an improved version of the product will be introduced again. Therefore, TFJ should develop higher capacities to experiment with the product while acquiring feedbacks to come up with better ideas for the product as well as new

extensions of flavors, type of products or packaging designs while at the same time focusing on taking rapid actions.

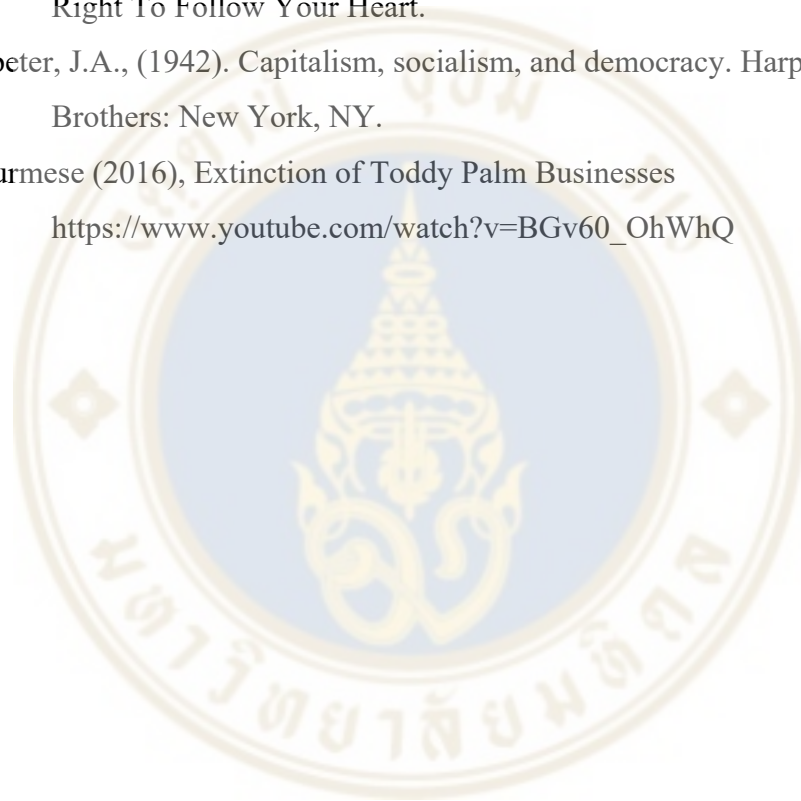
Secondly, as for the further expansion of target customers, TFJ should focus on identifying more under-exploited, niche markets with underserved customers rather than targeting at the majority and the existing customers of conventional jaggery producers. It will allow TFJ to use the capabilities to experiment according to the specific needs of the customer groups while also reducing the risk of getting into a direct competition with current jaggery producers.

Additionally, after the first interview session has ended, the conversation carries on to more general topic exchanges and Ms. C revealed that it was challenging for her to transform her idea into a profitable business model due to the lack of business knowledge and analytical tools and therefore, she was merely following her intuition and desire. Ms. C considered herself lucky that all her choices led her to where she wanted to be and TFJ to be stable enough that she could explore the options about expansion and growth of the business. She also added that she might not have been able to seize the opportunity had the market been more mature and actively aggressive.

Therefore, the final recommendation would be for Ms. C to explore and develop better understanding of the Entrepreneurial Strategy Compass Framework and consider using it as one of the tools to help with strategy formulation and decision making. As the framework is rather simple yet effective and can be studied without advanced knowledge about analytical and strategic business tools, Ms. C will be able to expand her capacity for strategic knowledge that can assist in making effective decisions for TFJ. Additionally, the framework offers an efficient testing tool, referred to as “Test two - choose one” approach for evaluating different options and making decisions more efficiently without too much investment which would be valuable for making important strategic decisions for the future of TFJ.

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Appendix A: Interview Questions

Focus Topic		Main Interview Questions
Entrepreneurial Choices and Hypotheses		What were some toughest choices and decisions you had to make, especially in the initial stage of TFJ?
		How did you arrive to the conclusion that this idea could indeed be feasible to start a business?
		Do you think there is a specific reason for other businesses to not have tried to do this before?
C H O I C E S	Customer	Did you create your product with a potential customer group in mind?
		How did you identify and choose your first customers?
		Who were the first people to buy your product?
		Which customer groups will you be targeting next?
		Do you think your initial choice of customers have had on expansion to other customer groups? If so, please explain.
	Technology	Did you use any new technology for your products and/or the business?
		Why did you rely on e-commerce business model?
	Identity	What is your philosophy about food?
		Is there any particular reason for your choice of product? (Does jaggery or Myanmar traditional food hold any additional meaning to you?)
		What are the core values and purpose of TFJ?
		What are the future ambitions and commitments of TFJ?
		How do you imagine and define the ultimate goal or success of your products and TFJ?
	Competition	<i>Lead to Investment and Orientation Questions</i>

S T R A T E G Y	Collaborate	Did you consider collaborating with existing jaggery makers to produce the products? (Why/why not?)
	Vs.	Are there any significant factors that helped you decide
	Compete	between producing the product yourself and collaborating with the existing jaggery producers?
		How did you turn your idea into a real product and a business? (The initial journey of founding TFJ)
	Control	Did you consider selling your idea to other businesses instead of producing the product on your own?
	Vs.	Did you worry about other jaggery makers copying your idea and producing similar products?
	Execute	Did you take any steps to protect your idea from others?
		What did you think prevents other jaggery makers from copying your idea?