

Entrepreneurial Innovation, Competitive Advantage, and Profitability of Rolling Food Cart Business in Santiago City

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Abstract This descriptive study investigates the relationship between business innovation, competitive advantage, and profitability in rolling food cart business in Santiago City. Through surveys with local entrepreneurs, the study examines the extent of innovation across three dimensions, competitive advantage across four dimensions, and business growth. The findings indicate that innovation plays a crucial role in enhancing competitive advantage, as businesses that adopt innovative practices in their operations are better positioned to adapt to market changes and customer demands. Entrepreneurs who implement new business models, technologies, and customer engagement strategies experience improved operational efficiency and market positioning. The research emphasizes that small businesses, like rolling food carts, can secure long-term profitability through continuous innovation, enabling them to stay competitive in a dynamic market. The study also underscores the importance of fostering a culture of innovation and adaptability among entrepreneurs, with implications for policymakers and business support organizations in promoting sustainable growth within the local economy. Through its descriptive approach, the study highlights the critical role of innovation and competitive advantage in driving business success, offering valuable insights for both entrepreneurs and stakeholders seeking to enhance the performance of small businesses in urban settings.

Keywords: Business Growth, Competitive Advantage, Entrepreneurial Innovation, Profitability, Rolling Food Cart

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1. Introduction

The rise of rolling food cart in Santiago City represents a growing trend in micro-entrepreneurship, driven by the need for accessible, low-cost, and mobile business models. These ventures often operate in high-traffic areas such as markets, schools, and transport hubs, providing essential goods and services to a broad range of consumers. Their visibility and flexibility have made them an appealing option for individuals seeking alternative livelihood opportunities, especially in the informal sector of the economy [1,2].

Despite their increasing presence, there remains limited documentation and analysis of how these rolling cart businesses apply entrepreneurial innovation, develop competitive advantages, and experience business growth. While anecdotal evidence suggests that many of these businesses thrive through creative strategies and customer responsiveness, a systematic description of these practices

is lacking [3]. The central problem addressed in this study is the absence of organized data and descriptive insights into the operational dynamics of rolling food cart in Santiago City.

Existing literature emphasizes the importance of innovation and competitiveness in supporting micro and small enterprises. Studies highlight innovation as a key driver of entrepreneurial success [2,4,5,6], while more recent research underscores the role of competitive strategies in sustaining small-scale enterprises [7,8,9]. However, few studies focus specifically on mobile micro-enterprises in provincial urban contexts, such as rolling cart businesses, which face unique constraints and opportunities.

This study is significant because it documents and describes the entrepreneurial practices of a growing yet understudied business sector in Santiago City. By identifying patterns in innovation, competitive positioning, and indicators of growth, the research offers foundational knowledge that may be useful to local policymakers, business development units, and aspiring entrepreneurs.

Hence, the primary objective of this study is to describe the entrepreneurial innovations, sources of competitive advantage, and perceived indicators of business growth, i.e. profitability, among rolling food cart in Santiago City.

2. Literature Review

Food cart businesses are pivotal to innovation and economic development, with entrepreneurial leadership blending opportunity recognition, risk-taking, and adaptability [10]. Despite their potential, high failure rates persist, requiring strategic tools like risk management, collaboration, and innovation to ensure sustainability [11]. Frameworks tailored for limited-resource contexts, such as reactive iteration and adaptive training, are crucial [12]. In Thailand, sustainable start-up models backed by low-interest loans demonstrate the synergy of environmental responsibility and entrepreneurship [8], with technology aiding carbon neutrality. Targeting and planning are equally vital to start-up success.

Entrepreneurial innovation thrives in diverse settings but faces policy gaps and cultural barriers [13]. Factors like self-motivation, skills, and institutional support influence entrepreneurial intention [2], while mentorship enhances funding outcomes [14]. Universities play a significant role but need to streamline bureaucracies [15]. Education boosts self-efficacy, though family influence can hinder intentions [4]. Innovation hubs support emerging economies like the cases of rolling food cart businesses [16].

Rolling food cart businesses must innovate for sustainability. Automation and technology improve efficiency, while passion, curiosity, and learning drive innovation [17]. Innovation cloning and entrepreneurial mindset foster small business success [18]. Knowledge management and intellectual capital are key innovation drivers [19], supported by personality traits like openness and creativity [20]. Corporate innovation depends on risk-taking leaders and tailored strategies [21]. Scalability remains a defining trait of high-impact start-ups.

Competitive advantage is shaped by digitalization, supply chain collaboration, and governance [7,22,23,24]. Entrepreneurial learning and external knowledge acquisition enhance adaptability. Digital strategies benefit sectors from ridesharing to automotive and AI branding. Urbanization and automation also boost retail performance, while targeted training programs improve competitiveness, especially among women entrepreneurs. Managing digital platforms and sustainability ensures long-term advantages [24].

3. Methodology

This study utilized a descriptive research design to explore the entrepreneurial innovations, competitive advantages, and business growth indicators of rolling food cart in Santiago City. The goal was to systematically document the practices and experiences of micro-entrepreneurs in this sector without manipulating any variables. The study focused on capturing a detailed account of how these businesses operate and grow in the

local context.

The respondents were selected using a random sampling technique, targeting owners or operators of rolling food cart businesses that have been operational for at least six months. A total of 120 participants were included to ensure a representative sample. Data was gathered through a researcher-made questionnaire, which was divided into three sections: entrepreneurial innovation, competitive advantage, and business growth.

Data analysis involved descriptive statistics (e.g., frequency, percentage, mean) to summarize the quantitative data. This methodology enabled a thorough examination of the key factors influencing the success of rolling food cart in Santiago City, providing both numerical and narrative insights into their operations and growth patterns.

4. Results and Discussion

4.1. Entrepreneurial Innovation

Table 1. Entrepreneurial Innovation of Rolling Food Cart in Santiago City

Entrepreneurial Innovation		Mean	Description
1	Core	3.37	High Extent
2	Adjacent	3.34	High Extent
3	Transformational	3.33	High Extent
Grand Mean		3.35	High Extent

The results indicate that general entrepreneurial innovation among rolling food cart in Santiago City is implemented to a high extent, with an average score of 3.35. This suggests that these businesses demonstrate a strong focus on innovation as a key component of their operations.

The core innovation component, which scored 3.37, reflects a high level of innovation applied to the fundamental aspects of the business, such as the products or services offered. This indicates that entrepreneurs are actively improving their core business offerings to better align with market demands.

The adjacent innovation component, with a score of 3.34, suggests that business owners are innovating in areas closely related to their primary business activities. This could include diversifying product offerings or refining operational processes, indicating that entrepreneurs are expanding their scope while maintaining connections to their core business functions.

The transformational innovation component, scoring 3.33, reflects innovation efforts in more disruptive or transformative areas, such as adopting new business models or entering different markets. While the score is slightly lower than the core and adjacent components, it still demonstrates that entrepreneurs are pursuing broader and more radical changes to adapt to evolving market conditions.

The findings reveal that rolling food cart in Santiago City are applying innovation across various levels. While there is a slight emphasis on core and adjacent innovations, transformational efforts also contribute to the businesses' overall growth strategy.

Furthermore, the study's finding that entrepreneurial

innovation is present to a high extent aligns with the work of Ncube [4], who emphasize the importance of innovation in improving entrepreneurial outcomes, particularly in settings like Santiago City, where entrepreneurs face unique challenges. This connection between entrepreneurial actions and broader societal impact suggests that rolling cart businesses are not only contributing to individual success but also enhancing the economic landscape through innovation. Furthermore, the study's identification of core, adjacent, and transformational innovations mirrors Taufik and Budi's [15] emphasis on the role of institutions, such as universities, in fostering innovation through research and support, suggesting that rolling cart businesses could benefit from such institutional backing. The concept of adjacent innovations, linked to strategic business model adaptations, aligns with the perspective on the need for retail businesses to continuously adapt to evolving consumer demands. Additionally, Chaniago [18] and Zou [17] highlight the importance of leadership, creativity, and curiosity in driving innovation, which is reflected in the study's finding that rolling cart entrepreneurs are highly engaged and passionate about exploring new ideas and business opportunities.

Table 2. Competitive Advantage of Rolling Food Cart in Santiago City

	Competitive Advantage	Mean	Description
1	Value	3.33	High Extent
2	Rarity	3.34	High Extent
3	Imitability	3.30	High Extent
4	Organization	3.31	High Extent
	Mean	3.32	High Extent

The general competitive advantage of rolling food cart in Santiago City is observed to a high extent, with a mean score of 3.32. This indicates that these businesses generally employ strategies that enhance their market position.

The value parameter, with a score of 3.33, shows that these businesses effectively create value for customers, either through high-quality products, competitive pricing, or superior service, contributing to their overall competitive advantage.

The rarity parameter, scoring 3.34, suggests that the businesses differentiate themselves from competitors through unique product offerings or services. This helps them attract and retain customers, enhancing their competitive positioning in the local market.

The imitability parameter, with a score of 3.30, indicates that while these businesses possess certain competitive advantages, some of their strategies or offerings may be replicable by competitors. However, the score suggests that efforts to make their advantages more difficult to imitate are present, though not fully realized.

The organization parameter, with a score of 3.32, reflects that these businesses are effectively structured and organized to capitalize on their competitive advantages. This includes well-established operational processes and business systems that support sustained performance.

Thus, the rolling food cart in Santiago City demonstrate a high extent of competitive advantage across key parameters, with strength in creating value, rarity, and

organizational alignment. However, there may be opportunities to further strengthen the sustainability of these advantages, particularly by enhancing their resistance to imitation.

Furthermore, these findings align with several studies highlighting the role of technological innovation and adaptive strategies in maintaining a competitive edge. Sreenivasan and Suresh [7] emphasize the importance of digital technologies, such as the Internet of Things and augmented reality, for startups to succeed in competitive markets, reflecting the study's results where rolling cart businesses leverage such innovations. Liu, Lin, Cheng, Chen, and Ren [22], highlight the value of collaboration and unique strengths in driving competitive advantages, which parallels the study's findings on the unique value propositions of these businesses. Furthermore, Xiong [25] discusses the role of entrepreneurial learning and improvisation in gaining a competitive advantage, which corresponds to the high engagement and innovation levels found in the rolling cart businesses. The research by Tan and Taeihagh [23] on adaptive strategies and Pussinen [24] on digital platform ecosystems further supports the notion that flexibility, strategic experimentation, and digital tools enhance competitiveness, suggesting that rolling food cart in Santiago City are effectively adopting such strategies to secure their market position.

Table 3. Business Growth of Rolling Food Cart in Santiago City

Status of Business Growth	Mean	Description
Profitability	3.32	Highly profitable

The status of the rolling food cart in Santiago City is characterized as highly profitable, with a mean score of 3.31. This indicates that these businesses are generating a significant level of profit, suggesting a strong financial performance relative to their size and investment.

The score reflects that, despite their small scale and initial capital requirements, the rolling cart businesses are able to sustain profitable operations. This profitability can be attributed to factors such as strategic pricing, efficient use of resources, and the ability to attract a steady flow of customers. The result underscores the viability of mobile business models in the local economy, particularly in high-traffic areas where these businesses are located.

Thus, the findings suggest that rolling food cart in Santiago City are operating with a high degree of profitability, demonstrating the success of their business models in providing valuable goods and services to the local market. Furthermore, the findings presented in Table 3 align with existing literature on business model innovation (BMI) and entrepreneurship, particularly in the context of rolling cart businesses in Santiago City. Karani and Mshenga [11] emphasizes that economic complexity in knowledge-intensive sectors fosters entrepreneurship by enhancing access to resources and facilitating innovation, a factor observable in Santiago City's urban setting, where entrepreneurs benefit from the city's diverse economic landscape. Guo [26] identifies the critical components of BMI—value proposition, value creation, and value capture—as central to the success of digital start-ups, mirroring the study's findings that rolling cart businesses innovate their service models to enhance performance and competitiveness. Furthermore, Corvello [27] and Kim,

Bae, and Lee [28], stress the importance of strategic management and continuous innovation for startups, highlighting the role of organizational learning and adaptation, which are evident in the practices of rolling cart entrepreneurs who employ flexible and evolving strategies. Reference [29] corroborates the findings by discussing the crucial role of mobile food vendors in underserved communities, aligning with the study's identification of rolling cart vendors as crucial in providing food access. Additionally, it is emphasized the integration of environmental and social considerations into business models, reflecting the study's recognition of the social and economic contributions of rolling cart vendors in the local context [30,31]. Collectively, these studies reinforce the notion that strategic innovation, adaptability, and consideration of both socio-economic and environmental factors are essential for the sustainability and success of entrepreneurial ventures, particularly in the rolling cart sector.

5. Conclusion

The findings of this study indicate that the rolling food cart in Santiago City are effectively employing innovative strategies, which contribute significantly to their operations. The emphasis on entrepreneurial innovation across core, adjacent, and transformational areas suggests that these businesses are not only refining their current offerings but also expanding their scope and exploring new business models. This focus on innovation highlights the entrepreneurs' adaptability and forward-thinking approach to maintaining relevance in a competitive market.

The competitive advantage of these businesses is also noteworthy. The ability to create unique value, differentiate from competitors, and maintain effective organizational structures positions these businesses for long-term success. However, the results also suggest that while the businesses are currently successful, there is room to further solidify their competitive edge by reducing the risk of imitation from competitors. Strengthening these areas could help ensure sustainability in the face of growing market competition.

In addition, the high profitability of the rolling cart businesses underscores the financial viability of this business model. Their ability to generate consistent profits, despite operating on a smaller scale, illustrates the effectiveness of their strategies, including pricing, location, and customer engagement. These findings imply that the rolling food cart model is a viable and profitable entrepreneurial option, and with continued innovation and refinement of competitive strategies, these businesses are poised for sustained growth.

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