

# Literature Review and comment on entrepreneurial behavior

Wang Xingang<sup>1</sup>

1. Economics and Management School of Wuhan  
University, Wuhan University,  
Wuhan, China

Tong Zelin<sup>1</sup>

1. Economics and Management School of Wuhan  
University, Wuhan University,  
Wuhan, China

**Abstract**—In the survival and development process of enterprises, entrepreneurial behavior plays an important role. In view of this, according to the idea which is from inside to outside, the research reviews the literatures of entrepreneurial behaviors, and points out limitations of the previous researches. In the end, we figure out the future research directions.

**Key words**—entrepreneurs behavior; internal brand building; entrepreneur social capital; celebrity endorsements

## I . INTRODUCTION

For the company survivability and development, the behaviors of entrepreneurs play an important role. From internal the company point of view, the entrepreneurs' language, behaviors and values are made of entrepreneurial spirit, which have an important influence on company culture and brand personality. In additionally, because of the position of power, entrepreneurs also have an important influence on employees' working attitude and organization trust. From outside the company point of view, entrepreneurs are considered as the chief spokesman for the company, and cultivating the personality of company. So entrepreneurs play an important role to consumers, the investors and company reputation. Based on the above, the article will review the literatures of entrepreneur from internal to external, and then we will specify future research of entrepreneurial behavior.

## II .THE PERSPECTIVE OF INTERNAL MANAGEMENT

It is a popular idea that the behaviors of entrepreneurs have an important impact on the business performance. And many researchers point out that attitude of employees may be one of the key mediators between the behaviors of entrepreneurs and business performance. Firstly, a lot of researches of organizations are proved that the behaviors of leaders are positive correlation with employee satisfaction. Because the behaviors of leaders are the determinants of employee satisfaction, organizational commitment, trust and citizenship behavior. In additionally, there are a large number of studies have shown that employee attitude is

positive to business performance, but negative to employee turnover. Therefore, it is generally agreed that the more of employee satisfaction, the business performance is better. On this basis, some scholars have constructed a model of entrepreneurial behaviors role on business performance. Through the method of key events, Chinese entrepreneurs' behavior can be classified task-oriented and relationship-oriented. The content of task-oriented is including setting the vision, encouraging innovation, monitoring operations. The relationship-oriented is related to coordination and communication, care subordinates, show authority. The scholars also develop the CEO leadership scale, which is proved validity by the exploratory and confirmatory factor analysis. The results showed that task-oriented CEO behavior is directly to business performance, and the relationship-oriented CEO behavior is related to attitude of employees, which has an important impact on business performance indirectly.

## III.THE PERSPECTIVE OF INTERNAL MARKETING

Based social cognitive theory, Wieseke and Ahearne et al proposed the theory and framework of internal marketing research. They proved that internal marketing was a process, during which charismatic leadership should be imbued as the ideas of organizational identification to the staff. In the working relationship between the leaders and followers, leaders are specifically, and the individual forms are equal as business representatives. So their thought and behavior intention deeply influence the followers. Organizational identification has three dimensions, which is based on the theory of social identity, emotional infection, and the consistency-driven. Specifically, the behavior, emotion and cognitive of business leaders will deeply impact on the emotional and cognitive of the staff about company. The entrepreneurs who have a strong identity sense for company often take an effort to enhance the organization's status and achieve organizational goals. The group-oriented behavior of the entrepreneur is usually taken as the organization's values by the followers, which is useful to further improve the identity sense of their organization. Emotional transmission is a process of social comparison. During this process, the followers are often compared and adjust their emotional lined with the emotions of their leaders, the entrepreneurs who have strong organization identification

often have positive mood on their organization. At the cognitive level, people often absorb the attitude evaluation on the targets from others within the group, and this way is regarded as the results of persuading and the consistency needs. Therefore, this drive is existed between followers and leaders.

#### IV. THE PERSPECTIVE OF INTERNAL BRAND BUILDING PERSPECTIVE

Further studies showed that different styles of entrepreneurs will have different impacts, which have an influence on the identity and behavior of the brand from the staff. Transactional leadership is more inclined to take an obey way, and transformational leadership tend to take an internalize way. Only after the staff absorbed the brand's core values into their own values, they will have strong brand citizenship behavior to fulfill the foreign promise of brand. Brand citizenship behavior can be divided into the inside duties and the outside duties on the brand building behavior. The inside duties of brand building behavior mean that the employees are as the brand representatives, and their behavior are conformed to the rules from company's requirement. The outside duties of brand building behavior mean that the employee's behavior beyond to the rules from company's requirement. The employees influenced by transactional leadership styles focus on the inside duties according to the rules of fair trade. And the employees influenced by transformational leadership styles not only accomplish the inside duties of job, but also inclined to complete the outside duties on the brand building.

#### V. THE PERSPECTIVE OF ENTREPRENEUR SOCIAL CAPITAL

Since the concept of social capital and social network introduced in academic research, the relationship between corporate social capital and business performance is attracted considerable interests to economics, management and marketing scholars. In the case of Haier, Procter & Gamble, New Hope, We analyzed their websites respectively, and collected three news reports about their business executives, the behaviors of executives are included both market behavior (strategic activities and tactical activities) and non-market behavior (welfare, public relations, visits, participation in sexual activity). By a descriptive comparative analysis we suggested that it is the general practice to accumulate social capital for executives involving in non-market activities frequently, especially in the process of building a social network, and the private enterprises dependent more on individual entrepreneurs, and foreign enterprises dependent on entrepreneurs, personal, functional departments, employees of the enterprise platform, the State-owned enterprises are in between.

#### VI. THE PERSPECTIVE OF CELEBRITY ENDORSEMENT

On the celebrity endorsement, some scholars have done related research. Rubin and Marger et al test the effect of advertising of a chain corporation of furniture, which used CEO or the unknown as a spokesperson respectively. The results indicated that the advertising used CEO obtains the higher trust scores than used the unknown. Klebba and Unger studied the positive and negative information affecting the credibility differently for the different types of spokespersons. The results show that the impact of negative information on the credibility and popularity dimensions of trust much more than the cognition dimensions of trust. Another discovery is that the emotional dimension of credibility (reliability, credibility, popularity, trust, honesty) has a positive correlation with the product quality and safety. As the authors noted in the study, it is very important to an influential spokesman that entrepreneurs are perceived as popular. Reidenbach and Pitts take 11 CEO as the study objects and test their credibility and persuasive as a spokesperson for the brand image. When the 11 CEO as a spokesperson in the company advertising, they also exam the consumers' attitude toward advertises, products or services and brands. The research shows that CEO, as a spokesperson, is available to appear in advertising only when the CEO is considered to be credible. If you do not take this into account, advertising costs should be used as improve consumers' attention to the product or brand, not the CEO. Under certain conditions, the appearance of CEO in advertising may be scattered overall goals.

#### VII. CONCLUSIONS

Based on the literature review, it is not difficult to find the common characteristics of entrepreneurial behavior as follows. First, the entrepreneurs' behaviors affect the company's brand image directly or indirectly. Second, from the internal perspective of company, entrepreneurs mostly have a important pact on employees (especially front-line employees), which thereby affects the behaviors of constructing company brand and company image. Third, from the external perspective of company, the company brand and image evaluation from the stakeholders (especially consumers) are also affected by entrepreneurial behaviors.

However, there are some limitations of previous studies on entrepreneurs, which are as follows. First, previous scholars consider entrepreneurs as leaders, managers and operators, and mainly talk about the related behaviors. However, they ignore social impact of entrepreneur. Therefore, the future research could focus on the entrepreneur as the identity of the social impact.

Second, previous studies of entrepreneurs are mainly used by static approach, which are focused on leadership style and charm. But the researches ignore the dynamic nature of entrepreneurial behavior and authenticity. Therefore, the future research could focus on the dynamic nature and the authenticity of entrepreneurial behaviors.

Third, previous studies about entrepreneurs are mainly from the internal perspective. Although some studies about entrepreneurs behaviors are talked about from the external perspective, these studies are limited to the endorser of advertisement and ignored the words and actions of entrepreneurs that affecting company brand and image. So, the future research could focus on the impact of entrepreneurial behaviors on company brand and image.

Fourth, previous research is mainly focused on the impact of entrepreneurs on the employees, however, ignored the impact on the consumers. As consumers, it is almost impossible to know the internal behaviors and leadership of entrepreneurs. But they can feel the social impact of

entrepreneurs. Because entrepreneurs, as the social impact identities, are often reported by the press. The social impact

of entrepreneurs has been amplified by the power of web search. Therefore, the future studies could focus on the consumers' perception of entrepreneurial behavior.

## REFERENCES

- [1] Wieseke, J., M. Ahearne, et al. The Role of Leaders in Internal Marketing. *Journal of Marketing*, 2009, 73,123-145
- [2] Klebba, J.M. and L.S. Unger. The Impact of Negative and Positive Information on Source Credibility in a Field Setting. *Advances in Consumer Research*,1983,10,11-16
- [3] Reidenbach, R. E. and R. E. Pitts. not all ceoS are created equal as advertising spokespersons: evaluating the effective ceo spokesperson . *Journal of Advertising*,1986,15,30-46.
- [4] Rubin, V., C. Marger and H.H. Friedman.. Company President Versus Spokesperson in Television Commercials.*Journal of Advertising Research*, 1982, 22,31-33
- [5] Morhart, F. M., W. Herzog, et al. Brand-Specific Leadership: Turning Employees into Brand Champions. *Journal of Marketing*,2009,73, 122-142