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Research on the Influence Mechanism of Entrepreneurship on Corporate Brand Values

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ABSTRACT

Entrepreneurs have been playing an increasingly important role in the development of society and economy since the first industrial revolution. “Creative destruction” by entrepreneurs acted as a catalyst for the advent and spread of the technological, industrial and financial revolution. It is precisely because of the importance of the entrepreneur class that their entrepreneurship, as an important and special intangible production factor, has received long-term attention from the academic and business communities. However, research is still in its infancy in China currently, on how entrepreneurship affects business growth, and how it serves the transformation of the Chinese economic system as well as Chinese modernization.

It is documented that there is a correlation between entrepreneurship as a virtue capital and corporate brand value. The personal image of entrepreneurs such as Dong Mingzhu, Ren Zhengfei, and Lei Jun frequently conjures up in the public’s mind the specific corporate brands related to them, suggesting the relevance of entrepreneurship as a virtue capital to corporate brand value. Nevertheless, relevant research remains at the phase of describing phenomena. There is a lack of discussion on the underlying mechanisms and basic logic, as well as empirical support.

In view of these, relevant theories are discussed in detail in Chapter II (mainly including entrepreneurship capital theory, corporate brand value theory, dynamic capability theory, etc.). The connotation of entrepreneurship is clarified to include three dimensions: the spirit of innovation, the risk-taking propensity, and the spirit of contract, among which the spirit of innovation serves as the most critical part. In addition, combined with brand theory, this dissertation explores profoundly into the three groups of relations: between entrepreneurship and corporate brand value, between entrepreneur’s personal brand and corporate brand, and between entrepreneur’s personal brand and entrepreneurship.

Building on a solid foundation of existing literature, this dissertation introduces dynamic capabilities as a mediator in Chapters III and IV, proposing a theoretical hypothesis that

entrepreneurship influences corporate brand value. From the perspectives of the factors affecting the development of corporate brands and the mechanism of corporate brand innovation, taking both dynamic influencing factors of contemporary entrepreneurs and the significant role of technical executives within enterprises into consideration, a model of entrepreneurship and enterprise growth performance is constructed with a focus on manufacturing industries (such as automobile manufacturing, pharmaceutical manufacturing, petrochemicals), computer services and software industries. Furthermore, the existing scales for measuring corporate brand value and entrepreneurship are revised. By designing, collecting, and distributing questionnaires, data from more than 400 Chinese enterprises is obtained and empirical tests are conducted using the linear regression model and other empirical models to verify the above theory. Specifically, the results of the empirical research show that: first, there is a positive correlation between entrepreneurship and corporate brand value; second, the percentage of technical executives is positively correlated with corporate brand value in various types of enterprises; third, entrepreneurship is positively correlated with dynamic enterprise capability; fourth, dynamic capabilities and corporate brand value are positively correlated.

Chapter 5 demonstrates possible ways and actual effects of the entrepreneurship influence on corporate brand value through case studies—Dong Mingzhu and Gree Electric, as well as Lei Jun and Xiaomi. This current dissertation first presents an analysis of and comparison between the characteristics of Dong Mingzhu and Lei Jun, from the spirit of innovation, risk-taking propensity, and spirit of contract. This dissertation further analyzes and compares how these two's entrepreneurship boosted, through dynamic capabilities, the corporate brand value, resource integration, and social satisfaction of Gree and Xiaomi.

There are three main points of innovation in this dissertation:

First, the measurement scales for entrepreneurship and corporate brand value, commonly used in Chinese academia, have been improved and refined. The solution of measuring entrepreneurship on the one hand enhanced the effectiveness of questionnaires, and on the other hand, laid a solid foundation for subsequent empirical analyses.

Second, this dissertation introduces dynamic capabilities as the mediating variable and the percentage of technically specialized executives as the moderating variable. This represents the major theoretical innovation and core mechanism of this dissertation.

Third, a considerable amount of primary information has been gathered, which authentically represents the entrepreneurship and characteristics of the most active group of manufacturing entrepreneurs in China. This approach ensures the authenticity and timeliness of the research while laying a foundation for future investigations.

Based on the theoretical and empirical research results presented above, this article proposes three main policy recommendations:

First, in terms of brand building, companies should establish a professional and pragmatic entrepreneur brand, a staff brand that balances overall and individual aspects, a distinctive consumer brand, and a rich and superb business brand. All four are essential.

Second, as for corporate brand positioning, companies should objectively evaluate industry and operational environments, deeply analyze market demand characteristics, and grasp market rules, and provide appropriate brand benefits to respond to brand competition.

Third, in terms of corporate brand communications, companies should deeply explore and refine corporate brand communication content, construct a multi-level corporate brand communication platform, actively explore and innovate brand communication models, and focus on interactive communication, demonstrating its role.

Key Words: Entrepreneurs, Entrepreneurship, Corporate Brand Value, Dynamic Capabilities

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