

## Presenting an Entrepreneurial Brand Building Model to Knowledge-Based Firms

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**Abstract.** According to the matter of knowledge-based businesses development in economic development and job creation of the state, it is so important to identify effective strategies and factors in developing entrepreneurship, supporting commercializing and branding of knowledge-based businesses and the environment in which these businesses fare formed. The purpose of the present research is offering an entrepreneurial branding model to knowledge-based firms. This is a qualitative research with the grounded theory approach. In this research, 20 experts of marketing, branding fields and managing directors of knowledge-based firms were studied through semi structured interviews by using purposive sampling method. Interviews were continued up to

reach theoretical saturation point and after analyzing extracted codes in triple coding stages, 165 primary conceptual propositions were identified from open coding, 5 categorical propositions from axial coding and 23 main factors from selective coding and then the final model were extracted. In paradigm model of grounded theory, the pivotal phenomenon of the research has been considered the entrepreneurial branding process in the knowledge-based firms of the state and the casual, demographic and intervening conditions of this phenomenon were identified after fulfilling research stages. It was also offered the results and consequences of branding in these types of institutes in the model.

**Keywords:** Brand; Branding; Entrepreneurial Brand Building; Knowledge-Based Firm

## 1. Introduction

One of the key tools and factors in marketing and commercializing of knowledge-based firms' products is branding. On one hand, branding plays a determinant role in enhancing institute's effectiveness and on the other hand increases business capabilities to making connections between internal and external environments. Branding is a policy which "creates and maintain a set of valuable features and properties for the product to make it integrated, proper, attractive and dominant before the customers" (Abimbola, 2001). Whereas most of SMEs has limits in terms of budget, it is necessary a proper innovation to organize marketing and communications in these institutes to make (higher) brand intelligence (Krake, 2005). According to some experts of this field, entrepreneurship process in SMEs includes innovation in design and offer products, processes and strategies which of one of methods make sustain advantage in market as well as by which it could be identified new needs and requests of the customers in best manner and made them satisfied by meeting their expectation; consequently and entrepreneur who offers a dominant innovated product or service could build a strong brand which it possible through making a brand image (Boyle, 2003).

## 2. Literature review

In this matter, several models of branding are submitted in the literary

which are shown in Table (1).

**Table 1.** A summary of carried out researches in branding models field

Researcher	Year	Subject	Findings
Caroline Castaldi et al.	2018	Branding variety & performance of professional service firms	47 managerial consulting firms were reviewed from 2000 to 2009 that showed strategies which are applied by the firms in branding variety and development along with making their products unique and competitive advantage caused their profitability and the function of firms was positive.
Yu Chang et al.	2018	Branding in B2B firms	166 Chinese firms were reviewed about effects of brand on organizational and managerial resources and how brand affects managers in B2B business' branding and also processes which are effective in branding.
Briciu et al.	2016	Branding	Brands are dynamic and have two indirect features related to information transfer to interested groups in different historical periods: Quality information and information which shows product origin (sometimes include distinct information to help marketing such as set, saving, transportation, etc.)
Renton et al.	2016	Brand management and entrepreneurial marketing development in food SMEs	A model includes components such as 1. Positioning; 2. Communication brand identity and differences; 3. Make value for customers
Anil Degerman Erenkol	2015	Entrepreneurial brand	Matter of innovation and creation in forming entrepreneurship in brand
Wongpreedee et al.	2015	An original brand making (OBM) model in jewelry industries of Thailand	The results show that they are enthusiastic and insistent to their own brand development just after their graduation. Some of features are shown such as interaction, social responsibilities, partnership behave and honesty in business.
Gundala et al.	2014	Brand management in UAE firms	This research shows that most of SMEs don't perform advertising strategies and most of respondents believe that combination of trade mark strategies is unimportant for SMEs' success.

Researcher	Year	Subject	Findings
Fillis	2014	Entrepreneurial marketing	It helps better understanding of entrepreneurial marketing through studying biography of 5 entrepreneur marketers. Their biography clearly shows the relationship between their life story and how a business is implanted by entrepreneurial marketing approach. Capabilities of entrepreneurial marketing core help competitive advantage, their effective behave, making market and growth activities.
Hailin et al.	2011	Importance of targeted trademark in university and industry, a research with the aim of developing and testing a theoretical model of targeted trademark which integrates contents of trademark and put it on an image.	It is foreseen that general targeted image (i.e. brand image) is a media between firms' trademarks (means cognitional, emotional and unique elements of image) and further behave of tourists (means review intention and recommendation). The results show that general image affects by three types of brand communities and it is an important media between brand communities and further behave of tourists. Furthermore, unique image had the second effect on general image to train and then assess the brand.
Bresciani et al.	2010	Importance of trademark for newborn firms in Switzerland	This article summarizes current and logical methods of choosing business activities and talks about trademark of newborn institutes and their unfavorable issues. It shows young firms should not be forced to compare their advertising strategies with multinational firms and recommends key frameworks and instructions for trademark of newborn firms.
Juntunen	2010	Building brand in different stage of a SME growth	This conceptual theory is taken from two firms and shows before company's establishment, its brand is existing. This framework submits a directing principle for managers to plan, assess, change and improve branding process.
Merrilees and Miller	2008	Brand rebuilding model of the	A model with following stages: 1. Need to reconsideration about brand based on a

Researcher	Year	Subject	Findings
		company	multilateral understanding of consumer
Ghodeswar	2008	Branding model in India	A model with the components of 1. Positioning, 2. Brand message transfer 3. Brand function transfer 4. Leverage use of brand equity
Wheeler	2006	Full instruction of making, building and maintaining strong brands	A model with components of 1. Research 2. Strategy clarifying 3. Identity design 4. Making contact points 5. Assets management
Gabrielsson	2005	Reviewing Born Globals Co.'s challenges against branding strategies	These challenges include: 1. Marketing strategies 2. Branding strategies 3. Marketing standard making degree strategies 4. Number of brands
Urde	2003	Branding model based on identity of a brand	Presenting a model with the components of 1. Mission 2. Brand sight 3. Organizational value 4. Core values 5. Brand structure 6. Product features 7. Brand personality 8. Positioning 9. Communication strategy 10. Brand internal identity
Dechernati	2003	A model to maintain and build brands	Identifying 8 stages 1. Brand sight 2. Enterprise's culture 3. Brand purposes 4. Considering brand area 5. Brand nature 6. Internal implementation 7. Brand resources 8. Brand assessment
Aaker and Joachimsthaler	2000	Branding model	Presenting a model with components of 1. Make sight 2. Making strong imagination to distinct brand 3. Developing deep relationship with customers
Aaker	2000	Brand identity planning model	Presenting a model with components of 1-brand strategic analysis 2. Brand identity system 3. Brand identity execution system

By reviewing research literary we can see the studies have been considered branding in a part of SMEs' businesses in different industries of different countries. Actually their specificity approach and lack of branding models in active business in knowledge-based field in Iran made researchers believe that presenting an applied model based on business space, effective environmental factors on knowledge based enterprises and internal structure of these firms could be so effective in growth, and

development of this part.

### 3. Method

This research is an applied one in terms of purpose sight and has a qualitative approach. Its population consists of two supplementary parts. First part is library resources, written resources and the literary related to brand concept in knowledge based firms. Second part consists of 20 experts in the fields of marketing and brand and entrepreneurs who had experiments in establishing knowledge based firms and also are managing those firms. Sampling approach is purposive in first and second parts. This non-probability approach in research is effective if it is needed to study certain cultural field by informed people in that part (Dasig Jr., 2014). Interviews are done by a combined method (directed and open). Extracted codes were reached saturation point at 18<sup>th</sup> interviews and more interviews will not make new codes (Briks, Ysnn, champan & FACMHN, 2014). This number of samples is enough for interview part. According to lack of theory presentation (Sexton, 2012), two coding steps (open and axial coding) were done to analysis. Open coding is the process of data segment, test, compare, conceptualize and categorize (Corbin & Strauss, 2008). Axial coding is a process of connecting categories to subcategories. In this study, Atlas ti. V7 is used to coding. Face validity and content validity of data gathering tools were confirmed by 20 academic experts and reliability coefficient was 72% according to agreement between two coders.

### 4. Findings

Some samples of open codes together with related verbal propositions are shown in Table (2).

**Table 2.** Open code samples together with their relevant verbal propositions

NO	Open code	Sample of verbal proposition	No. of interview
1	Relationship between brand and organizational identity	Brand is a part of the whole organization's identity.	7

NO	Open code	Sample of verbal proposition	No. of interview
2	Using consultants' services	- Sometimes they use consultants' services but because they are afraid, their sight is so shallow. - Brand building path shall be facilitated by brand building experts' help.	1 & 13
3	Customer's confidence	- The name of service and goods which are leaders and they trust and know them. - By introduction and recognition, they will be ensured that they correctly pay costs.	12 & 15
4	Inducing guarantee feeling	Brand building is an activity which guarantees a continuous experiment of good's advantages for customers and fulfills its guarantee every day.	17
5	Possibility of copying in fairs	In my opinion, fairs are the best place to copy those businesses' ideas and startups.	1

The results of this stage are presented in Table (3).

**Table 3.** Selective coding – Categories' refining

No	Axial code	Selective code	Open code
1	Requires and prerequisites of entrepreneurial brand building	Strategic management profile	Having strategic though
2			Having systematic though
3			Having brand building protocol
4			Brand building opportunity window
5			Making decisions about activation scope (global/regional)
6			Strategically brand building
7			Entrepreneurial leadership
8			Entrepreneurial capabilities of the manager
9			Long-term missions and strategies of the company
10			Customer-orientation
11			Organizational identity
12		Technical-executive prerequisites	Having brand building skills
13			Updating technical and specialized information
14			Dynamic internal environment of business
15			Favor combination of entrepreneurial team
16			Relying on professional knowledge
17			Capabilities and innovation of forces

No	Axial code	Selective code	Open code		
18	Entrepreneurial brand		Knowledge matter degree		
19			Marketing mix		
20			Financial limitations		
21			Human resources		
22		Entrepreneurial prerequisites of the organization		Being entrepreneurial of enterprise's activity	
23				Financing	
24				Commercializing results of academic research	
25				Organizational culture	
26				Entrepreneurial business	
27				Pivotal growth of the enterprise	
28				Beneficiaries' prerequisites	
29		Customer's knowledge about brand			
30		Quality of audiences' expectation responding			
31		Purchasers' intention to the brand			
32		Beneficiaries' sight			
33		Need to be agreed by the members			
34		Entrepreneurial brand	Brand value content	Acquired value	
35				Induced value	
36				Humanism	
37				Compliance with community's need	
38			Brand induces		Inducing guarantee feeling
39					Inducing quality feeling
40					Making sense of belonging to a group
41					Reminding a pleasant experiment by brand
42					Brand as the company's image
43					Brand mental associations
44					Reminding organization's history and background
45					Pleasant name
46					Emotional relationship between brand and customer
47					Expected advantages from product
48			Technical aspects of brand		Choosing a proper name
49					Foreign brand
50					Local brand
51	Time consuming of brand building				
52	Brand expansion				
53	Several names under a brand title				
54	Expensive brand building				
55			Legal support		
56			Brand as an intangible asset		



No	Axial code	Selective code	Open code	
57	Entrepreneurial brand building strategies in knowledge based businesses	Brand partnership	Brand as an integrated factor in business	
58			Brand capacity	
59			Distinguishing	
60			Making identity through brand	
61		Mental nature of brand	Mental nature of brand	Brand as the result of beneficiaries' understanding
62				Visualizing
63				Dynamic brand identity
64				Brand distinction
65				Innovative brand
66				Brand mental understanding
67				Color and design
68				Easy to remind
69				Brand identity
70				Slogan
71				Logo design
72				Visual elements of brand
73				Favor of transferred message through media
74				Unique brand name
75				Innovative brand
76				Brand management
77		Brand evolution over the time		
78		Brand life cycle		
79		Brand focus scope		
80		Visual aspects of brand		
81				Brand architectural
82			Competitive strategies	Market researches
83				Competitors' analysis
84				Business environment analysis
85				Target customer's analysis
86				Focus on unique value of the brand
87				Watching competitors
88	Identifying alternative products			
89	Continue innovation for entrepreneurial brand building			
90	Executive management strategies		Executive management strategies	Using consultants' services
91				Patterning from other businesses (local and international)
92				Personnel's training
93				Brand outsourcing
94				Internationalizing through fairs
95				Continuous refining of brand building

No	Axial code	Selective code	Open code
			activities
96			R&D
97			Continuing brand building activities
98			Divergence thought
99			Brand positioning
100			Attract and keep talented and skillful employees
101			Gain beneficiaries trust
102			Moving on the edge of technology
103			Protecting brand
104			Internalizing brand before members
105			Observing professional ethics
106			Giving feedback from customers
107			Speed and agility
108			Considering brand building activities since business model design
109			Managing interaction with environment
110			Process management of brand
111			Business renewing
112			Needs assessment
113			Presenting an experimental version
114			Communication through goods
115			Using virtual space
116			Message transfer through media
117			Motivating customers
118			Entrepreneurial marketing
119			Face to face advertisement
120			Sustainable relationship with customers
121			Event making
122			Brand personalizing
123			Legal requirements of brand building
124			Effects of international sanctions
125			Political changes
126			Governmental supports
127			Weakness of supporting legal system
128			Regulations and rules
129			Company's size
130			Flexibility of business structure
131			Entrepreneur's personality features in brand building
132			Affecting by business growth
133			Business life cycle

No	Axial code	Selective code	Open code
134			Shallow startups knowledge of brand building
135		Social field	Local and foreign persons
136			Audiences' expectations
137			Preparedness of purchasers
138			Social platform
139			Statistical changes of population
140			Cultural and social factors changes
141			Audiences' variety
142			Customer's tastes
143			Social networks
144			Technological field
145		Technological changes	
146		Economic field	Economic changes
147			Risk of brand bad luck
148	Competition conditions		
149		Nature field	Natural factors changes
150	Entrepreneurial brand building consequences	Financial consequences	Making high added value
151			Business growth
152			Profitability
153			Decreasing advertisement expenses
154			Decreasing company's expenses
155		Competitive consequences	Making core value for whole company
156			Pioneering
157			Brand development
158		Gaining competitive advantages	
159		Customer's consequences	Make customers loyal
160			Facilitating customer to select
161			Business commitment against brand
162			Customer's satisfaction
163		Operational consequences	Affecting marketing operations by brand
164			Personnel's satisfaction
165			Better product's function because of brand building

Finally the components of main structure of the model and its substructures together with their relationship are presented in Fig. 1.

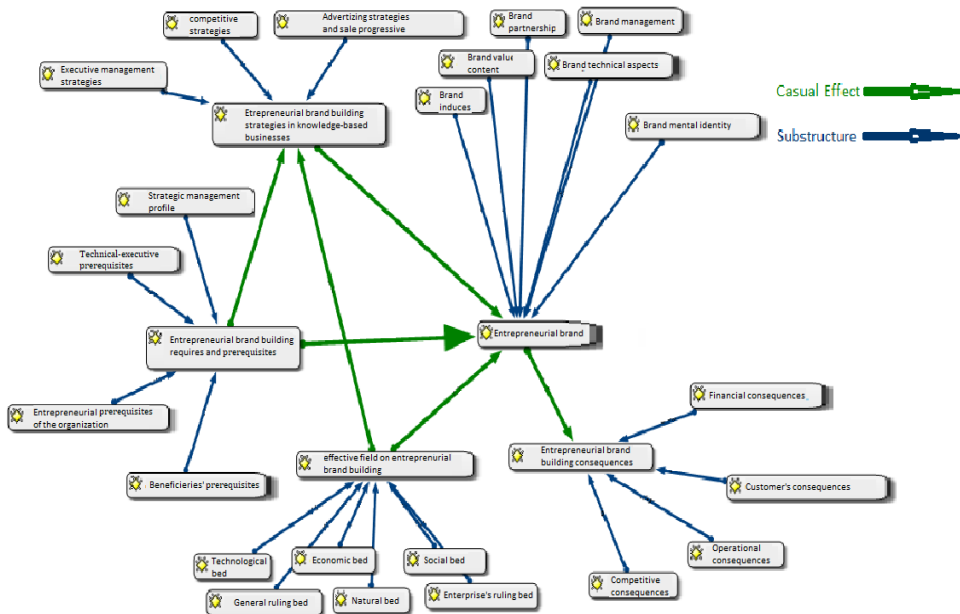


Fig. 1. Final model together with casual relationships

## 5. Conclusions

According to the importance of knowledge-based economic field in the country in upstream documents such as policies of Principle No. 44 of the Constitution, 4th and 5th of Development Plan and also the document of state's 20-year perspective, it was prioritized the development of this part in country's developmental plans. These goals shall be met by establishing knowledge based firms which are generally managed by entrepreneurs who have core ideas. There are so many factors in forming and developing such enterprises. The purpose of this research is presenting an entrepreneurial brand building model for those firms.

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