

## The Role of Corporate Brand in the Entrepreneurial SMEs Total Brand

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### Abstract

Small and medium enterprises (SMEs) make an important part of the economy of countries and are accompanied by employment and economic blossoming. Even so, these companies have never been the focus of the science of brand and most of the literature on brand has been written about large companies which have different specifications from SMEs. Thus, SME brand is a new area that recently has introduced the corporate brand as an appropriate framework for branding in the SMEs, but there are limited numbers of scientific models of SME corporate brand. This research tries to study the effect and influence of corporate brand in SME brand. The conceptual model was compiled upon making semi-structured interviews and the focus group with a number of successful entrepreneurs in Tehran and Yazd provinces. The questionnaires were distributed through in two provinces. Data were analyzed and modeled by Lisrel software in the form of structural equation modeling. In this research, the SMEs corporate brand is operationally defined, the role of corporate brand in SME brand is confirmed, and strategies are presented on this basis.

**Key words:** Corporate brand; Entrepreneur; SME; Entrepreneurship

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### INTRODUCTION

The businesses during the past four decades have experienced semi-competitive, competitive, highly competitive, and hyper competitive market environment. The global movement towards privatization in the 'developed' and 'developing' nations has pushed us to create new businesses. This has created a demand for better understanding of the successful growth of the SME's both as an entity by itself, and as an outsourcing mechanism of the large organization's activities. In the recent years SME's have challenged successfully large businesses by developing market focused brands.

In today's business our ability to lead our organization through turbulent and complex environment requires leadership capabilities in order to achieve competitive advantage (Kupers & Weibler, 2008). There may be many explanations for this. Mainly, all cultures of east, west, north and south in the world have in their 'storytelling' developed an accepted image of their national leaders and they often translate these 'storytelling' into concrete but without proof Brand characteristics. The Romans, Persians, Greeks, Chinese, Americans etc have all developed philosophical images of their past and present leaders. We often confuse or indeed, do not clarify whether our definitions of brand leadership should solely focus on business products or the larger context. We assume that there is a direct relationship between product success and brand profit. Here lies our main problem. Our corporate leaders wish to focus on brand profit and our customers on brand experience. Even in the corporate sector, different cultures put different emphasis on achieving a balance between profitability and cultural success.

In order to create a customer focused, brand push organisation, we assume that we need to take control. Indeed, Kotler positioning statement was "Branding is the act of designing the company's offer and image so that it occupies a distinct and valued place in the target customers' minds" (Kotler, 1994, p.307). This takes a

highly positivist paradigm where brands are driven by companies alone.

Customers have become more demanding and intelligent and have become involved in brand development and brand pull. They have developed their own means of brand participation. Vargo and Lusch (2004) clearly highlight this dilemma of The customer is a co-producer of service. Marketing is a process of doing things in interaction with the customer. The customer primarily is an effective source for performance which often neglected as a source for functioning well. Peñaloza and Venkatesh (2006) in a statement expressed their support of this move “we do not restrict marketers to production or consumers to consumption, as marketers consume and consumers produce”.

As we develop user brand involvement further, natural formation of community of learning takes place and often this means that sub-cultural grouping is formed. This to a large extent gives meaning to the brand as they serve as a reference group that transports value from the socio-cultural realm to the brand and the products. They SME owner as well as customers serve as an aspirational group for many newcomers of the brand. The brand community serves as a co-creator and the competencies within these communities can be grown. This can be interpreted as a movement towards a subject-subject relationship between the SME and the consumer, where the consumer co-creates not only meaning but also value. Indeed in some way a process of co-branding takes place between the two where the result may be as Leuthesser (2003) puts forward using co-branding to leverage a brand ( $2+2 = 5$ ).

In creating effective brands, SME leaders need to create meanings through their past learning experiences, and connect them with the present experiential events, and therefore deduct some sense of meaning for the future. This process of sensemaking (Weick, 1995) allows co-brand development through the joint sensemaking of the market and customer understanding, business brand, and SME owner's influences. The way in which SME leaders and customers convey their sensemaking, is through the concept of a brand total 'story'. Our champions in the past have always conveyed their successes through 'storytelling', highlighting their wins and their learning through their actions (McKenzie, 2011). It is this positive attitude that makes entrepreneurs and champions successful.

Stories are extremely powerful tools for conveying brand associations. They are in essence interesting puzzles of sensemaking which allows all the participants to communicate their implicit values (Schein, 1984), legalize behavior (Johnson & Scholes, 1999) and control the behavior of others in the group (Wilkins, 1983). Most brand leaders use these concepts to continuously engage their customers in their brand awareness activities. The creation of identity and the transfer of meaning from the product or the brand to the consumer himself happen through different possession-rituals (McCracken, 1986).

This means that consumers are prone to either transfer meaning directly from the product to themselves in the creation of the desired identity, or transfer personal meanings to the product thus making it their own, possessing it, and then transferring value of the product to themselves once they are part of the product.

Effective development and management of small and medium size enterprises (SMEs) has attracted the interest of many researchers. Inherently the success of the SME' has always been their ability to respond to market needs. Since SME's do not possess complicated bureaucracy in their structure their market harmonization been mistakenly referred to as flexibility. Even though the area of SME marketing has recently become focus of many researchers' attention (for example Hill, Carson, Gilmore, Stokes), the overall subject of SME brand development within such enterprises has not been fully understood. Thus, 'SME brand' requires new understanding since most of the research efforts regarding the issues of brand have focused on large organizations.

An effective direction in brand literature is the development of company/corporate level marketing. Since product benefits alone can no longer be assumed as competitive advantage for the organization (Balmer, 2001; Bickerton, 2000; King, 1991). In the new hyper competitive environment customers are attracted to the total brand experience which may include the organization behind the product, the people working in the organization, the culture of the service, and the community which belongs to that brand.

A limitation of corporate brand model is the lack of clarity in differentiation. The complexity of profit oriented factors which often supersede brand community benefits, has often meant great expenses are involved to push the brand issues internally and externally often diluting brand differentiating characteristics. SME owners by default are entrepreneurs requiring clarity, closeness, and personality in their brands, while possessing limited resources. The corporate brand model in itself does not provide an ideal model for SMEs.

This research contributes to the understanding brand development cycle within SME's, and in particular how a holistic brand concept (Total Brand) has developed within growth SME's in Iran.

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## 1. LITERATURE REVIEW

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### 1.1 Corporate Brand

The macro level changes within marketing environment during the past two decades have been significant. These have included decreased life cycle of goods, increased competition at product level, complexity in differentiation, increased awareness of customers, increased purchasing power of the customer, increased selectivity of stakeholders, increased accessibility through social media,

and the role of employees in customer decision making. These have all driven the science of marketing toward a new direction (Bickerton, 2000; King, 1991; Markwick & Fill, 1997). Thus, the focus of marketing science is shifting from product brand to corporate brand. This change is occurred both in theory and practice (Knox & Bickerton, 2003; Balmer, 2001; de Chernatony, 1999).

Traditionally a brand was defined as: “the namerelated to one or more items in the product line which is used to recognize the source of character of them” (Kotler, 2000). He presents that branding is “a main subject in product strategy”. Aaker and Joachimsthaler (2000) believe that the traditional branding model was focused on building brand image as a tactical element for achieving short-term results.

The latter conceptual change regarding branding literature commenced in the mid-nineties. As customers became aware of the brand communities, Businesses evolved their focus from product brands to corporate branding (de Chernatony 1999, Hatch and Schultz 2003) in order to be part of that community. Companies realized that customers becoming sensitive and interested in what is behind and part of product they are buying. Chanel, Rolex and similar companies concentrated their brands as historical stories with distinctive capabilities and values.

The corporate brand aspect supports, and could be a result of, the strategic view of brands. King (1991) is considered to be the first writer to make a clear difference between product and corporate brands, confirming the significance of an interdisciplinary approach in order to manage them. After 1995 more research on corporate branding is started to emerge. Balmer and Greyser's (2003) literature review on corporate branding presents different views that have been extended within the previous years. They evolve that corporate brands are guiding to the development of a new field of marketing which should be identify as “corporate- level marketing” (Balmer & Greyser 2003). As Balmer and Gray (2003) states, corporate and product brands are different in terms of their combination, perspective, preservation, management, and disciplinary bases.

Corporate brand has enticed many definitions in different schools of thinking (Otubanjo & Melewar, 2007) but no general definition has been accepted. Some authors have defined the concept in terms of values, some in ways of transferring identity, and some as a tool for tiering internal and external organizational factors. Based on the interdisciplinary school of thinking, the corporate brand can be defined as expressing the feature and personality of an organization such that it can offer a distinguished value to the stakeholders (Otubanjo et al., 2010; Bickerton, 2000; Argenti & Druckenmiller, 2004).

## 1.2 Corporate Brand in SMEs

SMEs form the majority of organizations in most developed economies (Culkin & Smith, 2000; Graham,

1999). The United States, which is considered as one of leading economies provides a clear example of the significant role of SME's. Of the 5.7 million businesses in, only 14,000 employ more than 500 workers (Chaston, Badger, & Sadler-Smith 2001). SMEs contribute greatly to the development of social as well as economic infrastructure (Culkin & Smith, 2000; Graham, 1999). Similarly in a developing nation such as Iran, 5.1 million SMEs exist while the number of large organizations measure in thousands (Kamyabi et al., 2013).

Given the essence of the entrepreneurial SMEs and their dependent concentration on the entrepreneurs' effect, anybody cannot note clear differences in management method, practice, and operation of SMEs are different from enterprises (Knight, 2000; Inyang, 2013). The decision making processes with SMEs is focused on the owner manger's influences and scarce resources. This has meant that the SME's entire key business processes such as recruitment, finance, networking, and market understanding etc. revolve around the owner manger (Culkin & Smith, 2000; Bhutta et al., 2008). This has meant that each SME may require its own leadership and management style with unique personality (Culkin & Smith, 2000; Gilmore et al., 1999).

Given the relative freedom of leadership within SME's it is not surprising to see the flourishing entrepreneurial culture, flexibility, and innovativeness, which makes them more responsive to customer needs (Gilmore et al., 1999; Cohn & Lindberg, 1972). This learning ability means they are adept at acquiring and utilizing marketing information than their counterparts (Chaston, Badger, & Sadler-Smith, 2001).

SMEs are able to live within the client markets and using their simple organization structure they are able to obtain market knowledge and quickly customize, or add value to their products and organization service (Gilmore et al., 1999). Using this ability SMEs can leverage marketing strategies for entering new product markets (Knight 2000). They are keen to be reputable within the markets and customers (Rode & Vallaster, 2005). If we accept that SMEs has strategic role in economy, then we can use the experience in development of corporate brands and apply them to branding within SMEs (Abimbola & Kocak, 2007).

Entrepreneurs use reputation as a competitive edge and therefore may be keen to develop SME branding as a mechanism for market reputation and innovation (Corkindale & Belder, 2009). Corporate brand can be an important and appropriate method of introducing and differentiating the SME since they have limited resources for branding and at the same time. The differentiation and brand identity will allow them to get maximum return on their resources (Bergström et al., 2010). These inherent characteristics of the SMEs allows them achieve benefits that large companies can acquire only by spending huge costs and energy to revive them (Krake, 2005).

## 2. METHODOLOGY

Given the emerging nature of research about SME brand and its relationship with other factors, the methodology of this research is based on qualitative-quantitative approach. Upon review of literature, qualitative research was conducted in the form of semi-structured interviews with six entrepreneurial companies based on purposeful sampling method and the conceptual framework of research was formed. Then a focus group consisting of 10 entrepreneur owner managers was used to adjust the indicators and the conceptual model. In the third stage, the conceptual model was distributed in the form of questionnaire using the Five Item Likert Scale and the results were analyzed by structural equation modeling. Using the initial 30-item sample, the results of calculation of Cronbach's alpha for each variable were as follows: market understanding: 0.920, corporate brand: 0.947, entrepreneur influence: 0.955, and total brand: 0.896. These proved the reliability of questionnaire. Validity was studied as content validity (opinion of experts) and factorial validity (convergent and divergent).

### 2.1 Conceptual Model

Entrepreneurship is about scanning the market, identifying the opportunities, and mobilizing resources to exploit them. A major characteristic of entrepreneurship is innovation in goods, services, processes, raw materials, or market (Burns, 2011). Entrepreneurs influence the market by presenting a new product, or presenting the current product in a new way or with new benefits to challenge the current style of competition. Market feedback is vital for entrepreneurs and they adjust their activities based on their perception of the market (Carrillat et al., 2004).

Through the interviews it became clear that entrepreneurs adjust corporate brand to their perception of the market. They try to identify the characteristics which they believe are market-favored or lead to differentiation and direct resources accordingly. These lead to formation of the following hypothesis:

Hypothesis 1: Entrepreneur's market understanding influences the corporate brand.

After the initial stage of SME life cycle, corporate brand should be the focus of brand and branding activities (Centeno et al., 2012; Juntunen et al. 2010). Research (Wong & Merrilees, 2005) showed that distinguished

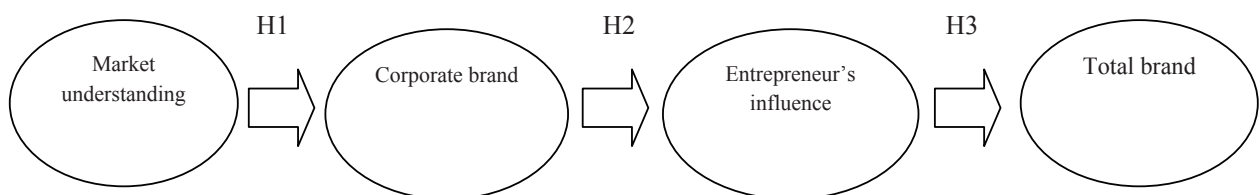
brand identity - meaning brand superiority over competitors- influences brand-orientation and branding activities of the SMEs. Therefore, a distinguished brand should be defined first, and become the basis of brand promotion activities. In this cycle, SME brand is influenced by the entrepreneur's activities. The entrepreneur has a key role in SMEs and he is responsible for the creation, prioritization, external recognition, and maintaining of the brand (Rode & Vallaster, 2005). The owner manager's motivation is dependent on achieving the vision (Cardon et al. 2009). Hence, any factor that is associated to the success of company will be of priority for the entrepreneur. This creates a new concept known as the influence of the entrepreneur in SME brand literature. The interviewed entrepreneurs have strong belief in their company and had demonstrated its distinguished characteristics inside and outside the organization. This leads us to the second hypothesis:

Hypothesis 2: Corporate brand influences the entrepreneurs' influence in branding.

Most SME managers believe that branding means creating a well-known and favorable image for their company. They want their stakeholders to know their company and understand its values (Barbu et al., 2010). The interviews showed that SMEs with successful brands are those who have managed to make an alignment between the entrepreneur and the company's brand. Interviews indicated that in SME, selected characteristics of the founder and the company have merged together, leading to formation of a unique brand. The interviewed entrepreneurs believed that their persistence, motivation, and personal plans both inside and outside the organization are vital to make this alignment, which is in conformity to the study of Krake (2005) and Hillestad et al. (2010). The brand image in SMEs is transferred through employees, quality of products, and the company's behavior, which are all under the influence of entrepreneur (Barbu et al., 2010).

Such alignment named here as "total brand" yields a distinct and known brand wherein there is consistency between the viewpoints of the entrepreneur and the advantages of company. This leads to the third hypothesis:

Hypothesis 3: Entrepreneur's influence in branding influences the total brand.



**Figure 1**  
**Conceptual Model**

The statistical population to test the conceptual model consists of the manufacturing SME companies at Tehran province as one of the industrial provinces of Iran, and Yazd province for its self-employment culture and the high number of private family businesses (Wikipedia.org). The entrepreneurial companies were selected based on the list of best entrepreneurs of 2006 through 2012 as well as the list of companies with license of research and development from the ministry of industry, mine, and commerce. A total of 137 companies are included in this population. The questionnaires were sent to all of them and as a result, 119 questionnaires were returned.

## 2.2 Measurement Model

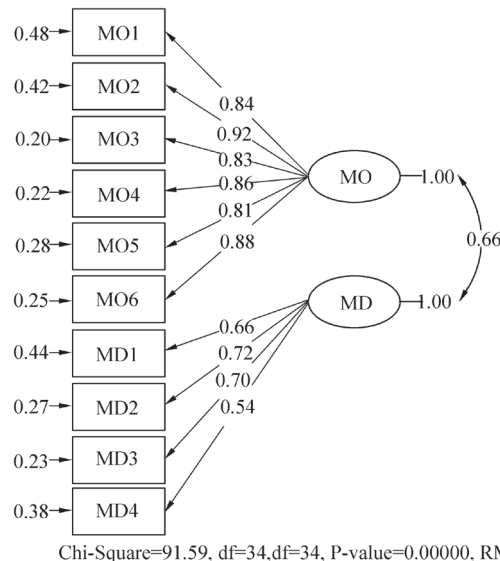
### 2.2.1 Market Understanding

The entrepreneur's perception of the market is defined mostly as sensing the market or defining the market need (Blankson & Ming-Sung Cheng, 2005). Entrepreneurs define the market needs using their creativity and develop a concept that they believe is useful for the market. In the same way, the entrepreneurial companies both adapt themselves to the market and seek to make changes in the market (Bettioli et al., 2012). Interviews indicated that aligning with market has a high priority for entrepreneurial companies. Moreover, these companies focus on the opportunities that can change the market conditions in their favor. They innovate to take advantage of these opportunities. On this basis, market-driven and market-driving are considered as two components of market understanding. The indicators of market-driven consisting of 6 questions were designed based on Aaker (1996) and Kohli and Jaworski (1990) indicators. Market-driving indicators, consist of 4 questions from Morris et al (2002) and Schindehutte et al (2008) studies. These indicators were studied by exploratory factor analysis to assess their classification. The adequacy of sample size and Bartlett significance test by SPSS was respectively 0.855 and 0.000, indicating that data was appropriate for factorial analysis. The rotated matrix of market perception showed that two factors were identified to recognize market understanding, i.e. market-driven and market-driving, which defined 74% of the total variance. A divergent validity existed since the loads of the items were above 0.5 in their factors and below 0.5 in other factors.

**Table 1**  
**Rotated Matrix of Market Understanding**

	Component	
	1	2
MO1	.827	.179
MO2	.866	.160
MO3	.891	.179
MO4	.852	.244
MO5	.756	.388
MO6	.801	.365
MD1	.364	.672
MD2	.371	.753
MD3	.323	.798
MD4	-.022	.877

The results of confirmatory factor analysis showed that the designed questions were appropriately fit to measure the market understanding variable. Regarding that all loading factors in the research components are bigger than 0.5 and their significance coefficients are above 1.96, there is a convergent validity too.



**Figure 2**  
**Measurement Model of Market Understanding in Standard Estimation Mood**

### 2.2.2 Corporate Brand

There are a variety of definitions for the concept of corporate brand and the author's perspective specifies the measurement method. Therefore, the results of interviews were considered as reference. What was mentioned as the brand of company/organization in the interviews consisted of assets, equipment, products, and capabilities of the company. These results showed that indicators of corporate brand variable should be defined in associations approach. Therefore, the work was based upon a combination of organizational associations summarized by Berens and van Riel (2004) in areas of all industries in general, and manufacturing industries in particular. Associations related to being a good employer were omitted because they were mentioned in none of the interviews as confirmed also by focus group.

As SMEs have such characteristics as closeness and personal relationship with customers which make advantages for them (Hill, 2001; Johnson, 1997; Hägg & Jonsson, 2010), these characteristics were also added according to the recommendation of Centeno et al., (2012) and the results of interviews. Product was introduced as one of the key parts of corporate brand because in SMEs, product is a very important vehicle for recognition and perception of brand. What was summarized as corporate brand indicators consisted of culture, assets, position, and behavior toward customer, organizational performance and product performance in 64 indicators.

The obtained indicators were reviewed in focus

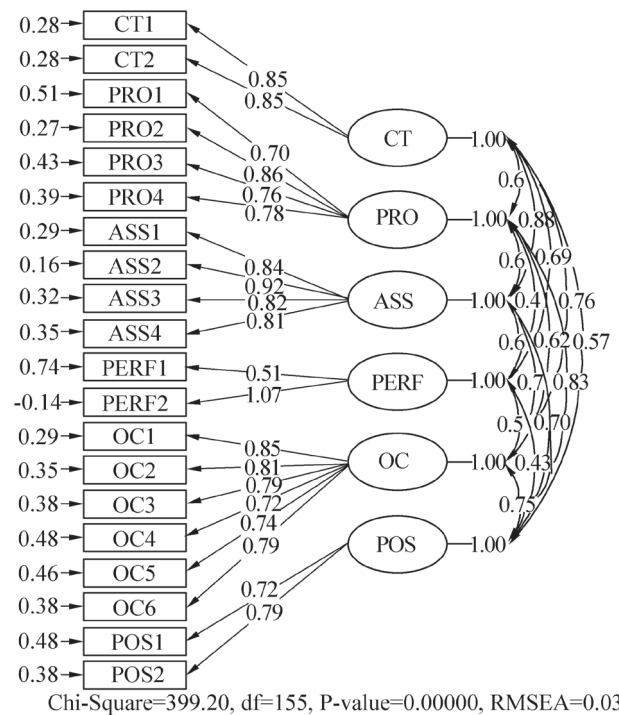
group. Twelve insignificant indicators were eliminated and the remaining indicators were ranked based on their degree of importance (scoring from 1 to 10, 1 being the least important) to be included in corporate brand. Finally, 20 indicators with an importance mean above 7 were selected. Two questions were gained for customer treatment, 4 questions for product performance, 4 questions for assets, 2 questions for organizational performance, 6 questions for organizational culture and personality, and 2 questions for organizational position. These indicators were also reviewed in exploratory factor analysis. The adequacy of sample size and Bartlett test by SPSS was respectively 0.866 and 0.000 which showed that data was adequate for factor analysis. According to the rotated factorial matrix, 6 factors were identified as main factors which were corporate brand dimensions and defined 72% of total variance.

There was a divergent validity as the loads of items were above 0.5 in their factors, and below 0.5 in other factors.

**Table 2**  
**The Rotated Factorial Matrix of Corporate Brand**

	Component					
	1	2	3	4	5	6
CT1	.781	.178	.257	.001	.134	.143
CT2	.803	.270	.194	.234	.391	-.086
PRO1	.084	.081	.844	.054	.215	.069
PRO2	.418	.131	.727	.181	.111	-.018
PRO3	.294	.265	.681	-.293	.360	.126
PRO4	.361	.302	.655	.155	.040	-.154
ASS1	-.281	.819	.224	-.026	-.030	.089
ASS2	.161	.755	.310	.090	-.094	.224
ASS3	.241	.774	.272	-.078	.050	.159
ASS4	.124	.558	.329	-.020	.273	.102
PERF1	.178	.202	.115	.324	-.217	.873
PERF2	.032	.246	.121	.012	.168	.762
OC1	.221	.124	.156	.607	-.246	.143
OC2	.234	.231	.136	.867	.160	.021
OC3	.245	.154	.186	.519	.443	-.037
OC4	.013	.042	.096	.654	.151	-.007
OC5	.123	.001	.291	.775	.360	.180
OC6	.222	.006	.221	.719	.040	.340
POS1	.216	.179	.213	-.026	.722	.208
POS2	.124	.570	.156	.090	.545	.161

The results of confirmatory factor analysis showed that the designed questions appropriately fit the corporate brand variable measurement. Since all loading factors in research components are bigger than 0.5 and their significance coefficient above 1.96, it could be stated that there is a convergent validity.



**Figure 3**  
**Measurement Model for Corporate Brand Dimensions in Standard Estimation Mood**

**2.2.3 Entrepreneur’s Influence in Branding**

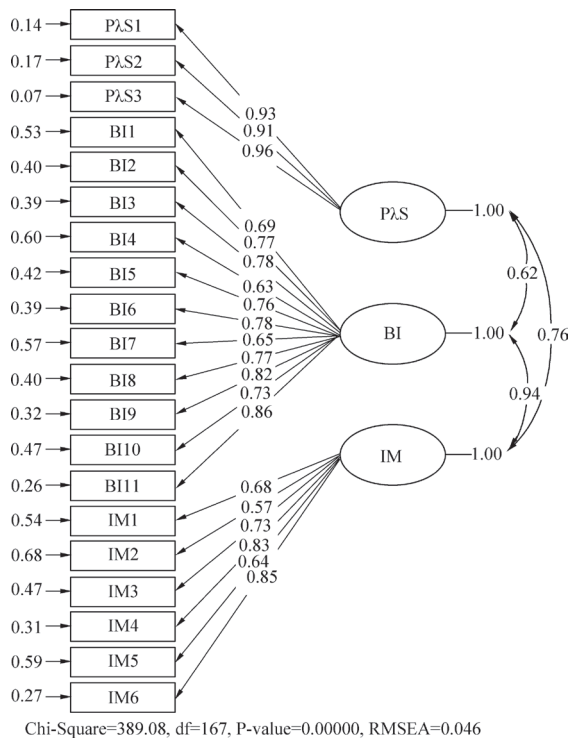
Entrepreneur’s influence in branding is one of the variables of the model which was first presented by Krake (2005). The interviews showed that the positive associations by which the SME was recognized or accredited, was in fact one of the bases of brand, which would be promoted formally or informally by the entrepreneur. Whereas the company was part of the entrepreneurs’ self, they loved successful characteristics of their company to be recognized as brand and get expressed consistently. The associations related to the company would honor the entrepreneur and increase his motivation to continue the company and make it well-reputed. This showed that company was the motivator of entrepreneur (Cardon et al, 2009).

In general, taking into account the previous models and the results of interviews, the influence of the entrepreneur in branding was defined based on three questions of passion for brand according to the guidance of Cardon et al (2009), 10 questions of building internal identity from Schein (1995) and Krake (2005), and 6 questions for creating external brand image based on Hillestad et al. (2010) and Rode and Vallaster (2005) indices. The adequacy of sample size and the Bartlett test were respectively 0.859 and 0.000 in the exploratory factorial analysis by SPSS. It showed that data was adequate for factor analysis. The results of the rotated factorial matrix table showed that the three identified factors defined 76% of total variance, which were the dimensions of the influence of entrepreneur. Regarding that the loads of items were above 0.5 in their factors and below 0.5 in other factors, a divergent validity existed.

**Table 3**  
**The Rotated Factorial Matrix of the Entrepreneur’s Influence**

	Component		
	1	2	3
PAS1	.141	.893	.177
PAS2	.224	.845	.229
PAS3	.167	.899	.173
BI1	.847	.347	.053
BI2	.602	.053	.159
BI3	.536	.301	.238
BI4	.853	.055	.008
BI5	.745	.323	.228
BI6	.914	.060	.200
BI7	.785	.062	.111
BI8	.842	.225	.198
BI9	.862	.292	.277
BI10	.625	.102	.145
BI11	.701	.289	.289
IM1	.303	.055	.735
IM2	.062	.372	.754
IM3	.477	.212	.658
IM4	.137	.001	.527
IM5	.344	.325	.747
IM6	.247	.002	.871

The results of confirmatory factor analysis proved that all loading factors are above 0.5. Since their significance coefficients are above 1.96, they are all meaningful. Therefore, there is also a convergent validity and this model can well measure the influence of the entrepreneur based on the model fit indicators.

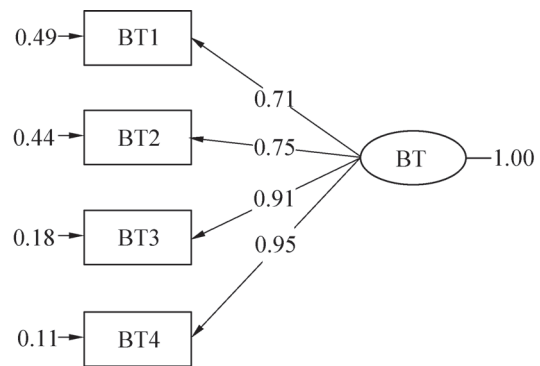


**Figure 4**  
**The Model for Measuring the Dimensions of the Entrepreneur’s Influence in Standard Estimation Mood**

**2.2.4 Total Brand**

What the entrepreneurs called their true brand and transferred in their communications was a package of associations of personal values, characteristics of the entrepreneur, assets and achievements of the company which were aligned with each other and both of them made credit. Thus brand’s credibility would not exclusively depend on the entrepreneur. Instead, the company was also a source of creating credit and presenting brand promise which was accepted by the stakeholders because of its consistency with the entrepreneur.

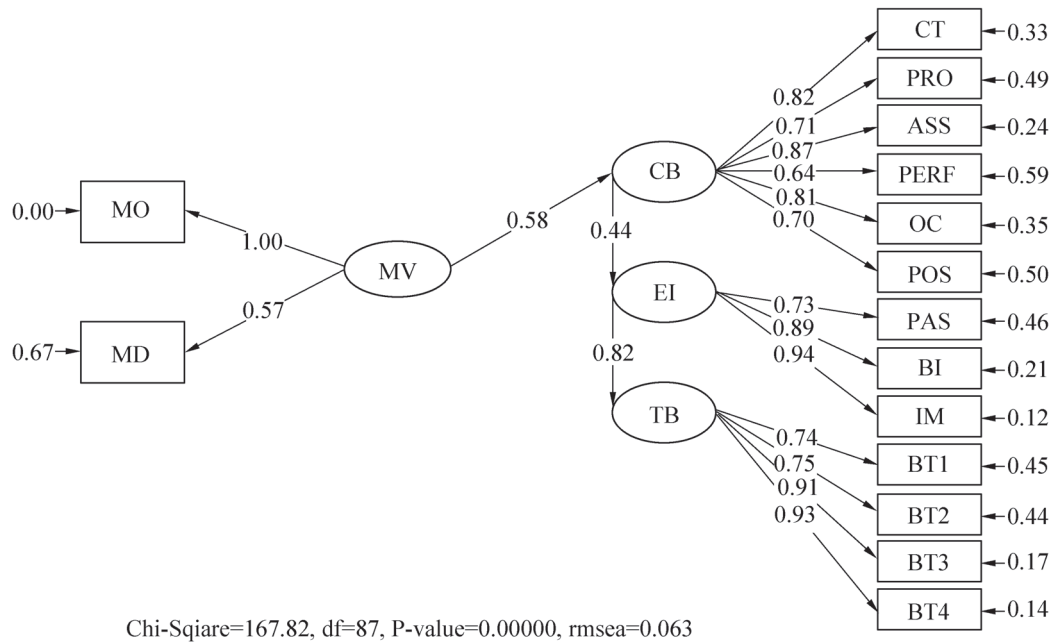
Total brand indicators were defined through 4 questions based on the method of measuring alignment between brands which was presented by Aaker (1996), Simonin and Ruth (1998), Aaker and Keller (1990) and Sorensen (2011) and were reviewed in focus group for adequacy study. The convergent validity of this variable was measured using confirmatory factor analysis. Regarding that all loading factors in research components are bigger than 0.5, and all significance coefficients were above 1.96, it can be said that there is a structured validity of convergent type.



**Figure 5**  
**Total Brand Variable Measurement Model in Standard Estimation Mood**

**2.3 Study of Structural Model (Path Analysis) of Research**

The final model of research was analyzed using structural equation as shown in Figure 6. The results of path analysis show that market understanding of the entrepreneur influences the corporate brand and predicts almost 34% of corporate brand changes. The significance level of this equation is 6.03 proving the first hypothesis. Corporate brand affects the Entrepreneur’s influence and determines almost 19% of its changes. The significance level of this equation is 4.8, which confirms the second hypothesis. The Entrepreneur’s influence affects the total brand and determines almost 67% of its changes. The third hypothesis is also confirmed regarding the significance of the said equation (7.05). The model fit indicators proves good fit of this model.



**Figure 6**  
**The Model in Standard Estimation Coefficients Mood**

### 3. DISCUSSION

The results of this research show that in entrepreneurial SMEs, corporate brand is influenced by entrepreneur's understanding of the market. Authors such as Krake (2005), Ahmad and Baharun (2010), Hillestad et al. (2010) consider no relationship between market perception and corporate brand in SMEs. This is perhaps due to believe in the internal nature of corporate brand (Knox and Bickerton, 2003; Balmer, 2001; de Chernatony, 1999; He, 2008). Authors who are the founders of corporate brand concept believe that it is more defined on the basis of fundamental values and philosophy and is less influenced by external factors. Nonetheless the research of Abimbola (2001), Inskip (2004), Otubanjo (2011), Centeno et al. (2012) concluded that corporate brand in SMEs should be based on market. In this research, making innovation in the market was focused as an SME entrepreneurial characteristic and considered as one of the corporate brand inputs. Therefore, the relationship of influencing the market and being influenced by market on corporate brand was emphasized in these research works.

SME brand studies concerning the second hypotheses are limited. Most research stated that the branding activities of the entrepreneur should be influenced by the individual (and not the company). Krake (2005) considered a converse relationship wherein it is stated that the entrepreneur's branding activities influence the corporate brand. Ahmad and Baharun research in 2010 mentions the influence of the entrepreneur and corporate brand as moderating variables in SME brand performance.

The result of this research is consistent with the research of Juntunen et al. (2010) and Centeno et al.

(2012). They stated that in the SME life cycle, the company needs other sources of brand value except the personal brand of the entrepreneur. Therefore, after passing through the initial stage of life cycle, the corporate brand should become the concentration of branding activities. Otubanjo's research in 2011 showed that in entrepreneurial companies, corporate brand should be the focus of branding, and the corporate brand identity should be presented to the stakeholders through formal and informal branding activities. Abimbola and Kocak's research in 2007 showed that organizational identity in SMEs should be built upon entrepreneurial characteristics and become the basis of their brand and reputation. The results of this research were consistent with Wong and Merrilees research in 2005. They came to the conclusion that the distinguished brand identity influences brand-orientation and branding activities of SMEs, which is the responsibility of SME senior managers.

In their study of industrial SMEs in 1997, Sashittal and Tankersley concluded that there was a strong relationship between brand differentiation and brand-orientation. In fact, the brand distinctive identity determines the branding route of SMEs. The results of this research are also consistent with the studies of entrepreneurial identity. These studies insist that the company is a central and salient part of entrepreneur's identity. Therefore, all issues related to the company, such as brand, lead to their purposefulness and motivation (Cardon et al., 2009).

The third hypothesis of this research states that total brand is the result of the entrepreneur's influence. Rode and Vallaster's research in 2005 showed that the entrepreneur's influence in SME brands include both



acculturation and brand statement, and are key activities for branding in newly established companies. Witt and Rode (2005) conducted a research on newly established SME companies and concluded that these companies should work on creating identity of their brand in order to achieve a favorite image. They considered precise and adaptive internal branding as a necessity to this. In their work in 2010, Hillestadet et al. concluded that making a powerful and trustworthy brand is the result of founder's effort to develop internal identity and culture and his external symbolic leadership.

## CONCLUSION

SMEs have potentially beneficial resources like assets, organizational culture, customer care, position and performance of the company which could help the stakeholders distinguish and prefer their brand. Corporate brand building, based on special advantages of SMEs, can bring them differentiation and consistency of image with reality. However there is a risk in SMEs that brand credibility may get dependent on the entrepreneur. Total brand is a form of brand wherein there is an alignment between values and characteristics of the entrepreneur and corporate brand. Such alignment causes the SMEs to reduce their dependence on the entrepreneur and achieve a unique and distinctive brand which can live after the entrepreneur has left. Therefore, total brand can become the content and manual of internal and external communications of these companies to enable transfer of the unique core of brand to the future generations. To achieve total brand, entrepreneurial companies should focus on market and innovation in the market, identify the distinctive characteristics of their corporate brand, and assure the consistency and alignment of brand message through comprehensive institutionalization activities.

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