Competitive behaviour of entrepreneurs in the traditional services sector

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Abstract – This article aims better to understand the competitive behaviour of entrepreneurs in the traditional service sector. Based on the theoretical framework of competitive dynamics, this research has uncovered the existence of six competitive behaviours depending on these everyday entrepreneurs' focus of attention. Their behaviours vary according to whether the focus is on the exploitation of the entrepreneurs' resources, their interactions with their competitors, customers or suppliers. Thus, the drivers of the competitive strategies of entrepreneurs in the traditional service sector appear similar to those of large companies, apart from the importance traditionally given to rivalry, which appears to be less important.

Keywords – competitive behaviour, competitive dynamics, competitive strategies, everyday entrepreneurship, interpretative phenomenological analysis

Introduction

The field of entrepreneurship does not seem to have addressed the theme of competitive strategies. The issue of competitive advantage is well tackled through the questioning of the performance of entrepreneurial activities, which constitutes one of the major research themes of the field (Shepherd, Wennberg, Suddaby and Wiklund, 2019). But, while competitive strategies are seen as the core of strategy (Dagnino, 2012) and as leading to competitive advantage (Pisano and Hitt, 2012), little work has examined directly the competitive behaviour or competitive strategies of entrepreneurs, the former being seen as a reflection of the latter (Chen and Miller, 2012).

Some typologies of entrepreneurs have integrated the strategic issue as an element of differentiation, but it never really seems to be a question of competitive strategy. The distinctions made are based on the dichotomy between deliberate and emergent strategy (Jaouen, 2010), on the behaviour adopted in the face of environmental change (Miles, Snow, Meyer and Coleman, 1978) or even associate strategy with the way of thinking and the value system of the entrepreneurs studied (Filion, 2000b). Although the behaviours related to the ideal-types produced in this way may include elements related to competitive strategies, these do not appear to be the demarcation criterion for these typologies. The model of the perceived instantaneous strategic configuration (PISC) (Bruyat, 2001) does constitute a model of strategic analysis applied to entrepreneurship (Fayolle and Lassas-Clerc, 2005), but to our knowledge it has never been used to create typologies. However, the positioning of the entrepreneur with respect to his competitors and, more generally, his stakeholders is considered as a pillar of the praxeological dimension of the entrepreneurial phenomenon (Verstraete, 2001). They show how entrepreneurs continue to exploit opportunities once their business has been launched. Moreover, analysing the competitive strategies of entrepreneurs appears to be a good way to focus on what they do rather than who they are (Gartner, 1988).

Since it considers competitive behaviour as the aggregation of concrete interactions between the firm and all its stakeholders (Chen and Miller, 2015), the competitive dynamics perspective appears to be suitable for the study of entrepreneurs' competitive strategies. Consequently, the theoretical framework of this research comes under strategic management. If some works have sought to link competitive dynamics and entrepreneurship, it is only to address the issues of firms' market entries (Markman and Phan, 2011) and organisational entrepreneurship (Srivastava and Lee, 2005). Surprisingly, this approach, claiming to be based

on Schumpeter (Smith, Ferrier and Ndofor, 2001; Chen and Miller, 2012), ignores the figure of the entrepreneur.

In order to study the question of the competitive strategies of entrepreneurs, we examine the case of entrepreneurs in the traditional service sector in urban areas. The interest of this research object lies on the one hand in the context of hypercompetition (D'Aveni, 1994) in which these entrepreneurs evolve. Indeed, they are confronted with competition from chains, digital economy actors, and even mass retailing for some activities. On the other hand, the choice of this research object responds to the desire to improve our knowledge of ordinary entrepreneurs (Welter, Baker, Audretsch and Gartner, 2017) by focusing our attention on their actual practices (Williams and Nadin, 2013). This 'ordinary' entrepreneurship set against 'gazelles¹' and other 'unicorns²', and refers to the mass of entrepreneurs categorised as 'other' in the typologies, those who do not seek to grow, do not innovate significantly, do not mobilise technology much, and create almost no jobs (Welter et al., 2017). Traditional activities, such as crafts, trade and services (Jaouen, 2010) appear to be characteristic of this ordinary entrepreneurship. Under-studied, it is nevertheless the experience of the majority of people, and a better understanding of it would help to refocus theoretical constructions and managerial recommendations on the reality of the entrepreneurial phenomenon. Since the distinction between entrepreneurs and owners/managers can lead to the exclusion from the field of entrepreneurship of those ordinary entrepreneurs (Welter et al., 2017) in whom we intend to take an interest, we take into account the work that has been done on the managers of very small enterprises (VSEs), small enterprises (SEs) and even small and medium-sized enterprises (SMEs), insofar as the specificities of the latter are supposed to be even more marked in VSEs (Mahé de Boislandelle, 1996). For the purpose of clarity and coherence, however, we refer only to entrepreneurs and SMEs.

Therefore, we ask the following question: what are the competitive strategies on which the practices of entrepreneurs in the traditional urban service sector are based? Or, in other words: what competitive behaviours do these ordinary entrepreneurs adopt in order to face competition?

The first part of the article is devoted to the theoretical framework of the research (1). The next part describes the qualitative methodology that was implemented (2). The third and

¹ A gazelle is a company that grows by at least 20% per year for 3 years.

² A unicorn is a start-up with a valuation of at least \$1 billion.

fourth parts are respectively dedicated to the presentation of the results (3) and their discussion (4).

1. Competitive dynamics and entrepreneurship: overcoming mutual ignorance

In the presentation of the conceptual framework of the research, we show how competitive dynamics is suitable for the analysis of the competitive behaviour of entrepreneurs (1.1), which has been little studied (1.2).

1.1. Competitive dynamics, an analytical framework for understanding the competitive behaviour of entrepreneurs

The competitive dynamics stream was built around the objective of integrating the dynamic dimension implied by the dialogue between competitors into strategic analysis (Bensebaa, 2003; Smith, Grimm, Gannon and Chen, 1991). In the analysis of competitive strategies, it has the advantage of starting from the principle that both external and internal factors can affect the competitive strategy and therefore the performance of companies (Chen and Miller, 2012). Historically centred on rivalry, the field of competitive dynamics has gradually opened up and now considers competitive strategy as a dialogue not only between the company and its competitors, but also between the company and all its stakeholders (Chen and Miller, 2015). From then on, the competitive dynamics perspective studies competitive, cooperative and relational interactions (Chen and Miller, 2015), or competitive behaviour (Ferrier, Smith and Grimm, 1999) which aggregates several interactions, in various contexts: multi-market competition (Baum and Korn, 1996), strategic groups (Porac, Thomas and Baden-Fuller, 1989), leader/challenger rivalry (Young, Smith and Grimm, 1996), etc.

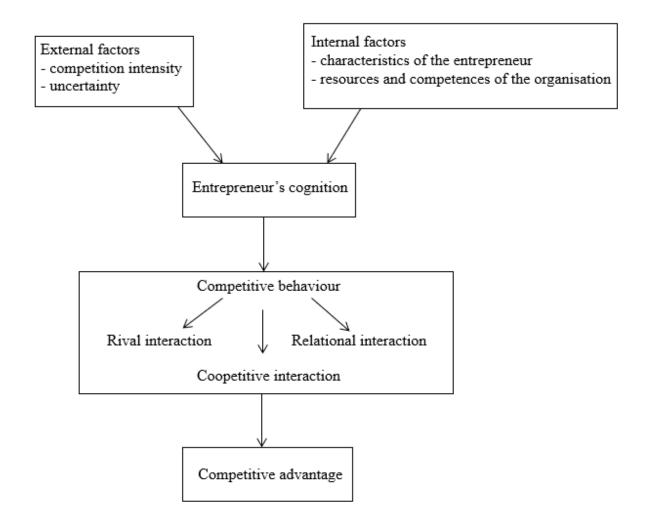
Authors following the competitive dynamics approach have produced some work integrating the entrepreneurial logic, but mainly to study the issues of market entry (Markman and Phan, 2011) and organisational entrepreneurship (Srivastava and Lee, 2005). Similarly, these authors rarely consider human specificity, in particular its psychological dimension. Admittedly, competitive perception has been sufficiently studied to become an important theme in competitive dynamics (Chen and Miller, 2012). But research focuses on perception at the level of the top management team (Lin and Shih, 2008), organisations (Chen and Miller, 1994;

Kilduff, Elfenbein and Staw 2010; Livengood and Reger, 2010; Tsai, Su and Chen, 2011), strategic groups (Porac *et al.*, 1989; Porac and Thomas, 1994; Porac, Thomas, Wilson, Paton and Kanfer, 1995) and industries (Reger and Huff, 1993). To our knowledge, only Marcel, Barr and Duhaime (2010) have considered the diversity of leaders - in the context of the large firm - to explain that their firms did not all react in the same way when faced with a rival's attack. According to them, if the leaders' cognitive model associates the competitor's action with the performance of their firm, then they are more likely to respond and to do it quickly.

Thus, the competitive dynamics perspective tends to ignore the specificity of the individual level of analysis, neglecting the person of the entrepreneur and reducing, in its work (Chen and Hambrick, 1995; Venkataraman, Chen and MacMillan, 1997; Haleblian, McNamara, Kolev and Dykes, 2012), the small size of the SE to just another variable of the competitive behaviour of firms. While SEs do differ from larger firms, the work from the competitive dynamics approach does not explain why two SEs act differently in a similar context. Although other characteristics of firms (age, past performance, visibility of attacks, etc.) or of the industry (barriers to entry, concentration, growth, etc.) are considered, the behaviour or personality of the entrepreneur - yet essential in terms of SE and entrepreneurship (Marchesnay, 1991; Torrès, 2003; Andersson and Tell, 2009; Chabaud and Sammut, 2017) - are not.

Ultimately, the competitive dynamics perspective has only focused on large firms (Chen, 2011). Nevertheless, as a theoretical framework for understanding the positioning of the object of study in relation to its competitors and other stakeholders (Chen and Miller, 2015), while taking into account the influence of external (Porter, 1980) and internal factors (Barney, 1991; Peteraf, 1993), competitive dynamics should prove suitable for the analysis of the competitive behaviour of entrepreneurs. It appears as a framework likely to favour the understanding of the entrepreneur's positioning as well as the configuration that supports it (Verstraete, 2001). Figure 1 presents the conceptual model on which this research is based.

Figure 1. Competitive behaviour of the entrepreneur (adapted from Chen and Miller, 2012; 2015; Pisano and Hitt, 2012)



1.2. Competitive behaviour, a little studied subject in entrepreneurship

It is mainly from the findings of work on factors of behavioural differences of entrepreneurs that we can relate the existing literature to competitive strategies. The relationship between the SE and its executive appears to be so close (Torrès, 2003; Andersson and Tell, 2009; Chabaud and Sammut, 2017) that in order to understand the competitive behaviour of the SE, it is the executive as an individual that needs to be studied. It is therefore necessary to look at the way in which the entrepreneur's characteristics and personality guide the SE (Reijonen and Komppula, 2007; Andersson and Tell, 2009; Jaouen, 2010) to understand its competitive behaviour. The latter then depends on the entrepreneur's choices (Marchesnay, 2003).

Various characteristics of entrepreneurs have been highlighted as influencing their competitive behaviour. Firstly, their geographical origin and background would have consequences on their level of embeddedness in the territory in which they are established

(Watts, Wood and Wardle, 2006). Moreover, their gender (Buttner and Moore, 1997), like their objectives (Reijonen and Komppula, 2007; St-Pierre and Cadieux, 2011), would make them define different indicators to evaluate the performance of their business, which would lead to varying competitive behaviours. On the other hand, the human and social capital of the entrepreneurs would allow them to build strategic spaces (Jones, MacPherson and Thorpe, 2010), implying that they would have a direct influence on the competitive path of the firm.

With regard to the entrepreneurs' personality, several studies have examined their thinking. The cognitive inadequacy of entrepreneurs is an important reason for withdrawing from the entrepreneurial experience (Brigham, De Castro and Shepherd, 2007). More generally, entrepreneurs' way of thinking and their strategic vision would influence their competitive behaviour (Carrière, 1990; Filion, 1991; Cossette, 2003; Fassin, Van Rossem and Buelens, 2011). On the other hand, "intuitive" entrepreneurs would behave in a way that is more adapted to the entrepreneurial experience (Armstrong and Hird, 2009).

To better understand the behaviour of the entrepreneurs through their characteristics, behaviour and personality, many typologies have been built. "The usefulness of typologies [is] exceptional in terms of their ability to predict an actor's behaviour. Not only do typologies allow for a better understanding of the modes of action, attitudes and activity choices of organisational actors, but they also facilitate the understanding of their modes of reaction to their various environments" (Filion, 2000a: 260). Table 1 presents the main typologies of entrepreneurs, focusing on their contexts and the characteristics of the different types proposed.

Table 1. Mains typologies of entrepreneurs (adapted from Eymas, 2019)

Authors Context of the study	Types of entrepreneurs	Characteristics
Smith, 1967	Craft entrepreneurs	Technically competent, but poorly educated, they have little incentive to grow
Multisectoral	Opportunistic entrepreneurs	Educated and experienced, they are not afraid of growth and have a more managerial profile
Miles, Snow, Meyer et Coleman, 1978	Analysers	They combine the behaviours of the defenders and the prospector according to their analysis of the situation
Textbook publishing, electronics, food	Defenders	They build their business around a narrow segment and seek to prevent competitors from entering it

industry and health sectors	Prospectors	Rather facing a dynamic environment, they seek and exploit new opportunities
	Reactors	They respond inappropriately to environmental developments
	Butterflies	With good interpersonal skills, they start up businesses or take over companies in difficulty and then sell them quickly.
	Converts	Having finally found the business that would allow them to fulfil themselves, they have an obsessive relationship with it
Filion, 2000b	Handymen	They devote all their energy and free time to their business, which is their passion, even though they have another job for security
Libertines ha fin		Often coming from a wealthy background or having inherited their business, they see it as a financial support that allows them to do what they really like (outside their business)
	Loggers	They are ambitious, unsociable and hardworking
	Missionaries	Consumed by a real passion for what they do, they are convinced of being very useful to the community in which they operate
Reynolds, Camp, Bygrave, Autio et	Necessity entrepreneurs	They became entrepreneurs for lack of other options
Hay, 2001 - Multisectoral	Opportunity entrepreneurs	They chose entrepreneurship to exploit an opportunity
	Butter workers	Lacking resources, they are deploying an emergent strategy
Jaouen, 2010	Careerists	Surrounded by collaborators, multi-skilled and risk-taking, they implement a deliberate strategy to achieve their growth objectives
Traditional industries	Hedonists	Risk-takers but lacking management skills, they deploy an intuitive strategy
	Paternalists	Surrounded by employees, often located in a family business, they deploy a low-risk strategy
Marchesnay, 2012	Eco-entrepreneurs of conviction	They are environmental activists
Sustainable wood industry	Institutional eco- entrepreneurs	They are sustainable development oriented

H		
	Lifestyle eco- entrepreneurs	They integrate their activity into an ecological life project
	Manager eco- entrepreneurs	They are self-sufficient and opportunistic
	Proximity eco- entrepreneurs	They are territorially integrated
	Singular eco- entrepreneurs	They are business developers
	Entrepreneurs of conviction	They want to learn or put into practice a thoughtful project
Bayad, El Fenne et Ferry, 2016	Necessity entrepreneurs	They are driven by failures and dissatisfactions
Multisectoral	Opportunity entrepreneurs	They want to seize an opportunity in the market
	Entrepreneurs by tradition	They are driven by family pressure

These typologies lead to the proposal of ideal-types of entrepreneurs that describe the strategic behaviour of entrepreneurs. However, the criterion for distinguishing these ideal-types is most often far removed from these behaviours. This is particularly the case when it comes to the identity of entrepreneurs (Marchesnay, 2012), their entrepreneurial motivation (Reynolds, Camp, Bygrave, Autio and Hay, 2001; Jaouen, 2010; Bayad, El Fenne and Ferry, 2016), or their managerial background and style (Smith, 1967). This is also the case when the typology is based on the illusory distinction (Lazarus, 1982; 1984; Scherer, 1986) between affective and rational entrepreneurs (Jaouen, 2010). When the distinction criterion is more strategic, it is either the consideration of a life logic rather than a business one (Filion, 2000b), or it is reduced to the appreciation of the entrepreneur's behaviour in the face of environmental change (Miles *et al.*, 1978).

In typologies with contrasting positive versus negative categories, entrepreneurs in the traditional service sector in urban areas are normally placed in the least attractive categories (Shepherd *et al.*, 2019). The traditional service sector is indeed supposed to be the prerogative of necessity entrepreneurs (Reynolds *et al.*, 2001; Giacomin, Janssen, Guyot and Lohest, 2010). In the same perspective, the absence of a search for rapid growth makes them more of craft

entrepreneurs (Smith, 1967) and the small size of their business makes them more of defenders or reactors than prospectors (Smith, Guthrie and Chen, 1986).

To our knowledge, competitive strategies, despite their centrality (Dagnino, 2012; Pisano and Hitt, 2012) and their links to the praxeological dimension of entrepreneurship (Verstraete, 2001), have never been mobilised as a focal point to distinguish between entrepreneurs.

2. Research methodology

We seek to better understand the competitive behaviour of entrepreneurs in the traditional urban service sector. Our approach is phenomenological, in the sense that we seek to understand how a phenomenon - the competitive behaviour of the entrepreneur - presents itself to consciousness (Giorgi, 2012). More specifically, our research is based on an interpretative phenomenological analysis (IPA) (Smith, 1996) which should allow us to explore "the individual lived experience, based on the person's own formulation of it" (Antoine and Smith, 2017: 373). To do this, we opted for the semi-structured interview as a mode of data collection, because it offers participants the opportunity to freely express the full richness of their experiences.

IPA presents itself as a doubly hermeneutic branch of the phenomenological stream. According to IPA, knowledge is constructed through a dual process of interpretation: "participants are trying to make sense of their world; the researcher is trying to make sense of the participants trying to make sense of their world" (Smith and Osborn, 2003: 51). Also idiosyncratic, IPA focuses its attention on individuals in isolation (Antoine and Smith, 2017). Before showing how we coded our material and constructed the cognitive maps of the entrepreneurs we met (2.2), we explain our choices of participants and data collection (2.1).

2.1. Participant selection and data collection

The selection of participants was both reasoned and convenient. In order to study entrepreneurs who were free to define and implement the strategy of their choice, we only met with owner-managers. Furthermore, in order to facilitate the analytical generalisation (Yin, 2012) of our work, we solicited a priori typical entrepreneurs as we found them in an online

directory and introduced some variety by targeting different industries (Royer and Zarlowski, 2014). However, we were only able to meet with those entrepreneurs who responded positively to our requests. This constitutes a selection bias that we believe we managed in the data analysis. Thus, we interviewed wine merchants, hoteliers and booksellers. The idiosyncratic nature of IPA justifies the selection of a small number of participants (Smith, 1996). The aim being that the researcher can "master the whole corpus" (Antoine and Smith, 2017: 379). However, we conducted as many interviews as necessary to reach the theoretical saturation point (Glaser and Strauss, 1967).

The semi-structured interview is the preferred method of collecting data in IPA (Smith and Osborn, 2003). Starting from the competitive dynamics perspective, we have therefore constructed an interview guide on the general theme of competition, so as to allow participants to reflect on the way they organise their activity in order to face it. The research interview guide is presented in Appendix 1. We allowed the entrepreneurs to talk extensively about what they considered to be related to the theme of competition and to be important in their business. This wide latitude explains the differences in interview time, as the researcher was careful to restate the participants moderately so as not to push them to go beyond what they wished to link to competition. As the data was then analysed on an individual basis, each individual was given the same weight in our results. Table 2 presents the main information about these interviews. All the entrepreneurs were interviewed at their working place, between January and July 2018, on the borders of the Hauts-de-Seine and Seine-Saint-Denis departments, in an area where the competitive intensity in the traditional services sector is high (Bessière and Trevien, 2016). The transcriptions were made quickly after the interviews.

Table 2. General information on the interviews and interviewees (adapted from Eymas, 2019)

	Duration of		Entrepreneur										
	the interview (in minutes)	Industry	Date de creation / takeover	Number of employees	Gender	Age							
1	31	Wine merchant	2012	1	M	56 yo							
2	47	Beer merchant	2017	0	M	52 yo							
3	34	Bookseller	2008	5	M	~ 50 yo							
4	34	Bookseller	2003	0	M	50 yo							
5	35	Hotel and	2009	2	M	~ 40 yo							

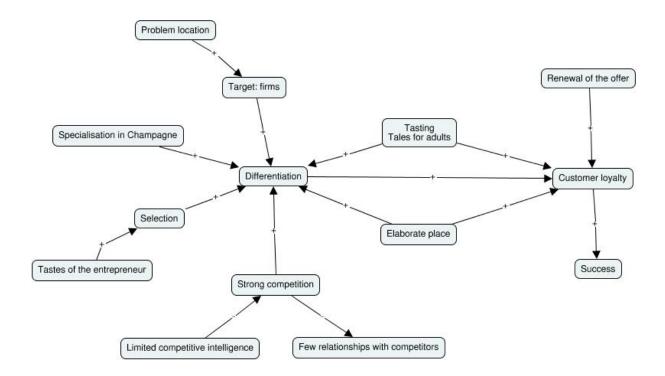
		catering				
6	53	Wine merchant	2010	1	F	~ 50 yo
7	31	Hospitality	1983	10	F	~ 60 yo
8	53	Wine merchant	2014	1 to 2	M	62 yo
9	36	Bookseller	2007	1	M	42 yo
10	26	Wine merchant	2016	2	M	47 yo
11	39	Hotel and catering	2009	1 to 2	M	35 yo
12	38	Bookseller	2000	1/2	F	~ 55 yo
13	34	Hospitality	2014	7	M	46 yo
14	50	Hotel and catering	1988	0	M	~ 50 yo
15	23	Hospitality	2015	1	M	29 yo
16	52	Wine merchant	2016	2	M	~ 40 yo
17	15	Beer merchant	2014	2	M	35 yo
18	19	Wine merchant	2017	2	M	~ 45 yo
19	33	Wine merchant	2016	0	M	~ 55 yo
20	27	Bookseller	2015	1	M	51 yo

2.2. Coding of transcripts and construction of cognitive maps

The idiosyncratic dimension of the IPA justifies our use of intra-interview coding rather than inter-interview coding. This coding allowed us to identify themes that we linked together in the form of a cognitive map. A cognitive map is "a graphic representation of the mental representation that the researcher makes of a set of discursive representations expressed by a subject on the basis of his or her own cognitive representations about a particular object" (Cossette, 2003: 5). The choice of using the cognitive map is based on its capacity to bring out the relationships between the categories and concepts (Allard-Poesi, Drucker-Godard and Ehlinger, 1999) evoked by the participant. Thus, we should be able to access the interactions that entrepreneurs consider important in the exercise of their activity. Because of its ability to

"represent the subjective world of the interviewee" (Eden, 2004: 673), this tool is particularly appropriate for IPA. On the map in Figure 2, the positive relationship between "elaborate place" and "customer loyalty" means that entrepreneur 1 believes that the thoughtful design of the place where customers are received plays a positive role in building customer loyalty.

Figure 2. Cognitive map of the entrepreneur 1 (sources: authors)



We then analysed the cognitive maps by highlighting the concepts with the highest number of both incoming and outgoing arrows: the central concepts (Eden, 2004). This process has the advantage of underlining the concepts that are most important to the participants. On the other hand, it leads to the separation of core concepts from their context (Eden, 2004). In order to overcome this disadvantage, we then sought to highlight the nature of the links between the core concepts, in line with the purpose of our research. Table 3 lists the central concepts of the different cognitive maps.

Table 3. Central concepts and relationships of cognitive maps (adapted from Eymas, 2019)

Entrepreneurs	Core concepts	Number of arrows	Core relationships
1	Differentiation	7	In order to build customer loyalty, the

	Customer loyalty	5	entrepreneur sets up a differentiation strategy
2	Concept Indirect competition Decision to launch the project	9 6 5	To reduce direct competition, the entrepreneur relies on a unique concept
3	Competition Build loyalty	7 7	It is by building customer loyalty that the entrepreneur faces the competition
4	Struggle Strong competition Difficulties	7 6 4	Facing competitors who put him in difficulty, the entrepreneur adapts as best he can
5	Loyalty Hotel by the month Competition Competitive intelligence	8 6 4 4	The entrepreneur focuses on customer loyalty to get rid of abundant competition
6	Competence Notoriety	6 4	Competence and reputation enable the entrepreneur to develop her business
7	Low local competition Painful day-to-day management	6 4	In order to move from operational tasks to a controlling role, the entrepreneur takes shares in other hotels
8	Loyalty Pleasure Product of quality	6 6 6	Selling a quality product gives pleasure to the entrepreneur
9	Competition Strong points	6 6	The strengths (customisation, experience, logistics, specialisation) of the entrepreneur allow him to face the competition with confidence
10	Supplier selection Competences Growing segment	5 4 4	The entrepreneur exploits a fast- growing niche with strong marketing, sales and product selection skills
11	Conviviality Loyalty	7 4	Conviviality is the core of the entrepreneur's loyalty policy
12	Customers	6	Although not very dynamic, the entrepreneur nevertheless takes special care of her customers
13	Work Competitive intelligence Lowest price strategy	5 5 4	The desire to offer the lowest price on the market requires constant competitive intelligence from the entrepreneur.
14	Business customers Online comments New competitors	9 4 4	In order to attract and satisfy a mainly business clientele, the entrepreneur takes care to convey a qualitative image

15	Back to tourism? Conversion to a social hotel	8 7	The opportunity to return to a tourist hotel is central to the entrepreneur's thinking
16	Financing difficulties Modern wine merchant Customers Home delivery Winemakers	8 7 5 5 5	The small size of the entrepreneur's business does not allow him to access the necessary financing to implement the modern wine shop concept he wishes to develop
17	Customers Cellar Growth	6 5 4	Operating a concept that limits the competitive pressure on the business provides the entrepreneur with a customer base and development opportunities
18	Loyalty Concept	7 5	With a focus on loyalty, the entrepreneur relies on a concept resembling himself
19	Natural products Values of the entrepreneurs	5	The entrepreneur markets a product that allows him to convey his environmental convictions
20	Building customer loyalty Attracting customers	8	Based on a concept that limits competitive intensity, the entrepreneur can focus on finding and retaining customers

The study of cognitive maps reveals the existence of different types of competitive behaviour. This allows us to suggest an original typology of entrepreneurs.

3. A typology of entrepreneurs according to their competitive behaviour

We built our typology by analysing the similarities and differences between the cognitive maps (Cossette, 1994; Dumez, 2013). The focus of our categorisation work is linked to our theoretical anchoring: we distinguish entrepreneurs according to what they believe to be the basis of their competitive behaviour. The typology was then supported by going back to the transcripts.

A diversity of competitive behaviours appears according to whether the entrepreneurs focus their attention on one aspect of their activity or another. With the exception of two of them, competitive interaction proved to be of little importance in the eyes of the entrepreneurs interviewed. Customers and suppliers emerged as the other two stakeholders that can drive the

competitive behaviour of entrepreneurs. The former are the primary concern of seven entrepreneurs, while the latter are the primary concern of two. But internal factors also appear to play a decisive role. Some entrepreneurs take little interest in all their stakeholders and focus on themselves: either on their skills or on their concept. Thus, in Table 4 we distinguish five main driving forces behind the competitive behaviour of entrepreneurs.

Table 4. The 5 main foundations of entrepreneurs' competitive behaviour (adapted from Eymas, 2019)

Foundations of competiti	Associated entrepreneurs	
Interaction with stakeholders	Relational interaction with customers	1, 3, 5, 11, 12, 14, 20
	Relational interaction with suppliers	8, 19
	Competitive interaction (with competitors)	4, 13
Focus on the internal	Exploitation of skills	6, 9, 10
Focus on the internal	Exploitation of a concept	2, 7, 15, 16, 17, 18

However, the two entrepreneurs who focus on their competitors seem to us to do so according to two different logics. This leads us to propose a typology of six entrepreneurs in Table 5.

Table 5. The 6 entrepreneurs and the basis of their competitive behaviour (adapted from Eymas, 2019)

Competitive behaviours	Foundations
The activist	Relational interaction with suppliers
The classic	Relational interaction with customers
The living dead	Competitive interaction
The low-cost	Competitive interaction
The skilled	Exploitation of skills
The visionary	Exploitation of a concept

Following the IPA method, we accompany our results with extracts from our interviews (Antoine and Smith, 2017).

3.1. The classic entrepreneur

This profile appears to be dominant among our participants. The classic entrepreneurs have created or taken over a business, and are not particularly interested in growing their business. They seem to be simply looking to make a living from their work. To do this, some of them have chosen a field of activity that attracted them. Sometimes we can even say that they are passionate about what they do. Others were apparently responding to a business opportunity.

"It's a profession that you do because you're passionate about it. And this passion must be shared. And if this passion is not there, I think you can feel it." (Entrepreneur 3)

"I've always liked champagne, because in the restaurant business I used to work with sommeliers and taste certain things. It wasn't a passion, but it was a great opportunity." (Entrepreneur 1)

Hence, what motivates the classic entrepreneur is to create a clientele, to develop it and then to keep it.

"I put this loyalty strategy in place from the moment I arrived 10 years ago." (Entrepreneur 3)

Customer loyalty thus seems to be the result of interactions between the company and its customers. The competitive behaviour of classic entrepreneurs is based on the dialogue between the company and its customers.

"One customer told me that she had a lot of colleagues who wanted to take away and I was charging the same price, take away or on the spot. She said to me why don't you set a different price for the takeaway (...) I did it (...) It brought me back some colleagues. It helps me, because I don't have many places and then there are no dishes, there is no service, there is

nothing, you give the box and then [that's it]. She's happy, she pays 10 €, she pays 1 € less. (...) We listen to our customers." (Entrepreneur 5)

Therefore, the relationship that classic entrepreneurs have with their customers turns out to be the main basis for their competitive behaviour. They focus their attention on the relational interactions they have with this particular stakeholder.

3.2. The visionary entrepreneur

The visionary entrepreneur has started a concept with the aim of earning a living or getting wealthy. The desire to exploit an identified business opportunity is the source of the concept created by the visionary. The visionary believes that a new type of offering or a market segment - often territorial - has sufficient potential to try to capitalise on it.

"I said to myself that I should be a wine merchant, but a modern one. That involved [doing] home delivery, not online sales automatically, rather home delivery in a fairly wide area." (Entrepreneur 16)

The innovative dimension of the concept thus created by visionaries favours the differentiation of their company and thus reduces the competitive intensity.

"I think that what guided me first was the concept rather than the product itself (...) What made me decide to set up this thing? It was also the fact that there was almost no competition in this sector in the [area]." (Entrepreneur 2)

The visionaries can then move forward in a number of ways. On the one hand, they can continue to shape their concept according to their vision of the future of their market. On the other hand, a shift towards the competitive behaviour of classic entrepreneurs appears possible. Indeed, little by little, the visionaries may prefer to feed off their relational interactions with their customers to develop their business. The discourse of entrepreneur 2 reflects this potential change.

"When it's on, it's on. You serve what the buyers want." (Entrepreneur 2)

The visionary entrepreneurs appear to be those who focus less on their interactions with their stakeholders than on themselves. It is in fact the exploitation of one of their resources, their creativity, which enables them to propose an innovative concept. Their competitive behaviour then consists essentially in steering this concept, redefining it and making it evolve.

3.3. The living-dead entrepreneur

The living dead is a classic or visionary entrepreneur who is facing difficulties. This category reflects a negative development towards a situation where the entrepreneur is fighting to survive.

"We will struggle all year long not to go on holiday. This month, for example, we will be extremely short of money." (Entrepreneur 4)

Unable to create a differentiating concept or to develop and retain customers, the living-dead entrepreneurs devote their energy to adapting to their competitors. In practice, they scrutinise their actions and modify their offer accordingly. The living-dead entrepreneurs find themselves in the position of responding to the competitive actions of their rivals. They live this situation with fatality.

"Just next door to us, (...) there's [a fancy dress shop] that's been set up (...) When she moved in, [she said she would] make costumes for adults (...) Obviously, she didn't sell enough (...), so as she had to make a living as well, she did fancy dress for children. As a result, the children's costume division that we had was divided up again." (Entrepreneur 4)

The discourse of the living dead entrepreneurs reflects the sense of rivalry that dominates their actions. This rivalry feeds a certain resentment towards their competitors and proves to be the primary basis of their competitive behaviour.

"[New competitors] come every time: 'hello we're going to do this, we can work together, I'll send you clients'. "Yeah, if you're doing the same thing that we are, no". It's like that." (Entrepreneur 4)

3.4. The low-cost entrepreneur

Like the living dead, the low-cost entrepreneurs focus their attention on their competitors to design their competitive behaviour.

"Competition spontaneously makes me think of sales strategy." (Entrepreneur 13)

The low-cost entrepreneurs are those who have made it their business to offer the cheapest product or service in their market. Consequently, a continuous comparison between their prices and those charged by their competitors must be carried out.

"When we sell, we try to sell for a little less than [the other 2-star hotel in the area]." (Entrepreneur 13)

Like the living dead, the competitive behaviour of the low-cost entrepreneurs is essentially fed by their competitive interactions. They spend a lot of time monitoring the prices charged by their rivals.

3.5. The activist entrepreneur

Like the previous entrepreneurs, the activists seem more interested in making a decent living from their work than in growing. What distinguishes them from the previous categories is, first of all, the choice of their activity. Indeed, this choice was made for a business that would enable them to advertise products that they are very fond of. These products must be in line with their values.

"I can't sell [anything]. It's not an option. In my mind, I won't sell hormone chicken. That's very obvious." (Entrepreneur 8)

In fact, the distribution of their products appears to be a pretext for spreading the values of the activist entrepreneurs.

"All these people who visit us every day, in our cellars, [it enables us] to promote ecology, to promote unpolluted soil, to try to make them understand all this, because otherwise people don't care." (Entrepreneur 19)

The activist entrepreneurs therefore focus their efforts on creating an offer in harmony with their values. It is with suppliers with whom they share these values that the activists find these products. Therefore, the interactions between the activist entrepreneurs and their suppliers are critical for their competitive behaviour. This is just as true for the distribution of their products as it is for the creation of their offer.

"We are true militants for our winegrowers (...) We truly work with winegrowers who resemble us, really. (...) They are people who (...) are passionate, there is no other word for it, who do not want to harm the land at all." (Entrepreneur 19)

Although the relational interactions that the activist entrepreneurs have with their suppliers appear to be the essential foundation of their competitive behaviour, as the choice of products they will sell seems crucial in their minds, this focus is nevertheless based on an internal factor. It is the values of the activist entrepreneurs that lead them to adopt a competitive behaviour based on the quality of their products.

3.6. The skilled entrepreneur

The skilled entrepreneurs differ from the classic ones in their ability to respond more finely to the needs expressed by their clients. This ability is derived from previous experience - direct or indirect, but always significant - in the domain where they are working.

"We've been working with the municipalities for 30 years. That is to say, ten years for me, and my parents for 20 years, so this card allows us to know exactly what is needed for a

level of pupils in terms of gift books, in terms of what should be studied in class, as children literature, etc. (Entrepreneur 9)

Sometimes it was even in the context of their previous experience that they identified a business opportunity to exploit.

"[My previous work experience] enabled me (...) to discover, in fact, a market opportunity in France. That was what drove me to set up [this company] (...) It was mainly that at the beginning that got me started, that made it work. "(Entrepreneur 10)

The skilled entrepreneurs' businesses are flourishing.

"On Saturdays, in the neighbourhood, we remain the only store open (...) However, this in no way stops us from generating our turnover. Therefore, as people know that they are going to be given the product, the service..., they come all the way here." (Entrepreneur 6)

Like the visionaries, the skilled entrepreneurs do not particularly focus on their relationships with their stakeholders to define their competitive strategy. Rather, it lies in exploiting an internal resource: their above-average skills.

4. Discussion and implications of our research

After discussing our typology (4.1) and the driving forces behind the competitive behaviour of entrepreneurs (4.2), we present the methodological and practical contributions of this research (4.3).

4.1. A typology of business pursuit logics in the traditional services industry

Starting from the competitive behaviour of the entrepreneurs to distinguish them rather than other criteria and then supporting their strategic behaviour, we reach conclusions that allow us to contribute to the entrepreneurial literature.

The interest of this research lies in the fact that it focuses on entrepreneurs in the traditional urban service sector, i.e. ordinary entrepreneurs, often presented as less worthy of attention or even as non-entrepreneurs (Shepherd *et al.*, 2019) due to their negative characteristics: they would not seek to grow, would innovate little, would mobilise technology weakly, would create almost no jobs (Welter *et al.*, 2017). This research contributes to the field of entrepreneurship by showing the heterogeneity of ordinary entrepreneurs in the traditional service sector. Indeed, they deploy various competitive strategies to sustain their activity. This diversity allows us to discuss the existing typologies of entrepreneurs.

This study contributes to deepening our knowledge about the negative entrepreneurs of Manichean typologies. While these ordinary entrepreneurs should rather have the characteristics of necessity entrepreneurs (Reynold et al., 2001; Giacomin et al., 2010) or craft entrepreneurs (Smith, 1967), this research shows entrepreneurs who are often passionate, sometimes experienced, who have thought carefully about their project or have been able to seize the opportunities that have presented themselves. The classic dichotomy between entrepreneurs of opportunity and necessity, based on entrepreneurial motivation, is not evident once the business has started. While entrepreneurs in the traditional service sector are more likely to be necessity entrepreneurs, they may still pursue their business according to different logics. Even if there are no constrained entrepreneurs among the skilled, necessity entrepreneurs may turn to a business that allows them to link their political convictions to their activity (activist), they may turn to a customer-oriented business (classic), but they may also show an innovative spirit (visionary). Therefore, being driven to entrepreneurship by one's environment does not appear to be out of step with the development of a successful concept. Above all, the use of competitive behaviour as a criterion for distinguishing entrepreneurs allows us to understand their positioning and the configuration that supports it (Verstraete, 2001) better than the dichotomy between opportunity and necessity entrepreneurs. Indeed, for example, it is because they seek to transmit their values through their commercial activity that activist entrepreneurs spend a lot of time looking for and exchanging with their suppliers. Similarly, it is because they strive to be the cheapest on the market that low-cost entrepreneurs give a prominent place to competitive intelligence. This research thus contributes to the field of entrepreneurship by shedding light on entrepreneurship of necessity. While some individuals are forced to start their own business, this study reveals that they do not necessarily do so in a resigned manner. On the contrary, many go into business with a well-defined competitive

strategy to support the entrepreneurial process they are engaged in. Only the living dead seem to lack the resources to break free from their constrained world.

Hence, this research improves our understanding of the behaviour of poorly known entrepreneurs. While their small size should inhibit their ability to exploit new opportunities (Smith *et al.*, 1986), the innovative dimension of the concepts created by visionary entrepreneurs seems to reflect opportunity-seeking and even opportunity-creating behaviour. This leads this type of entrepreneurs to combine the characteristics of both the prospector and the defender (Miles *et al.*, 1978) since they exploit new opportunities while extricating themselves from the competition through the narrowness of the invested segment. However, visionaries do not appear to be the analysers described by Miles *et al.* (1978) insofar as their competitive behaviour is not a reaction to environmental change, but reflects a sustainable course of action. They do not choose to behave alternatively as defenders or as prospectors according to the changes encountered; rather, certain traits of these two types appear to be permanently intermingled.

Our typology is also likely to allow for the further development of Filion's classification (2000b). Indeed, the latter is based on the logic of entrepreneurs' lives, and is therefore broader than ours, which focuses on entrepreneurs who are invested in the business they have created. The competitive behaviours that we have uncovered reflect the concrete actions of these entrepreneurs, who are Filion's loggers, converts and missionaries. In particular, the profile of the missionaries, passionate and convinced of being useful, seems to marry with the competitive behaviours of the classic entrepreneurs, devoted to his clients, and the activists working for the community.

The context of Jaouen's (2010) research is closer to ours, insofar as it is also entrepreneurs in traditional sectors that have been studied. While our work suggests that there are indeed opportunity entrepreneurs in traditional sectors of activity, the second criterion used by Jaouen (2010), namely the separation between affect and rationality, appears artificial (Lazarus, 1982; 1984; Scherer, 1986). Dissociating affectivity from rationality is a challenge. The activist entrepreneurs certainly have an affective relationship with their product, which constitutes the totem of their struggle, but they nevertheless construct a completely rational sales argument, based on environmental and/or health issues. Trying to find out if one dominates the other seems pointless. In the same way, the creation of a concept is certainly the result of an amalgam between affect and rationality. Similarly, every entrepreneur, whether emotional or

rational, can obtain the experience on which the know-how of our skilled people is based. Finally, neither affect nor rationality prevents the descent into the situation of the living dead. Despite this reservation about the possibility of separating affect and rationality, similarities can be drawn between our types of entrepreneurs. Even if the growth of the skilled entrepreneur seems to us to be more the result of the good health inherent in a well-run business than of the satisfaction of a prior objective, this entrepreneur is, like the careerist, at the head of a growing company. Even better, our living-dead entrepreneurs resemble Jaouen's butter workers (2010) in every respect. Lacking the resources - skills, creativity, values - to implement a more effective competitive strategy, they are forced to adapt constantly. The contribution of our research then lies in highlighting a diversity of competitive behaviours between the two extremes constituted by the obviously successful entrepreneur (careerist/ skilled) and the one who is experiencing difficulties (butter worker/living dead).

Finally, while militant entrepreneurship had, to our knowledge, only been identified in industries conducive to activism, such as the sustainable wood sector (Marchesnay, 2012), our research shows that it can also find its place in traditional sectors of activity.

4.2. Strategic driving forces similar to those of larger companies

All in all, this research shows that the driving forces of entrepreneurs' competitive strategies appear to be quite similar to those of larger firms. The competitive behaviour of entrepreneurs appears to be affected by both external and internal factors (Chen and Miller, 2012) and may manifest itself through interactions with various stakeholders (Chen and Miller, 2015). Moreover, the fact that the typical competitive behaviours that emerged from our research cover most of the interactions envisaged by the theory (Chen and Miller, 2015) suggests that the selection bias has been properly managed.

The living-dead entrepreneurs turn out to be overwhelmed by external constraints that force them to adapt, their adaptation strategy is imposed by their environment (Porter, 1980). The competitive strategies of the skilled, activists and visionaries draw respectively on their skills, values and creativity - that is, on their resources (Barney, 1991; Peteraf, 1993). For the classic, activist, low-cost and living-dead entrepreneurs, the implementation of competitive strategy manifests itself in a focus on a particular type of interaction: relational for the former two, competitive for the latter two (Chen and Miller, 2015). Only the importance given to rivalry

in the competitive behaviour of firms (Marcel *et al.*, 2010; Chen and Miller, 2012) seems to need to be qualified as the entrepreneurs we met appear to be primarily concerned with other stakeholders or internal factors.

4.3. Methodological and praxeological implications

In order to analyse the cognitive maps, we relied on the work of Eden (2004) who recommends counting the number of arrows entering and leaving each concept. Those with the highest total are the central concepts of the map. Although this method highlights the most important categories, the links between the concepts disappear. To overcome this shortcoming, we developed the "central relationships" that create links between the central concepts of the map.

The practical contributions of this research concern both entrepreneurs and the decision-makers who define the schemes to support and train them. Entrepreneurs in the traditional service sector could benefit from our typology by situating themselves in it. This could help them to understand the logic behind their actual competitive behaviour, so that they can either embrace it more consistently, or move towards a perceived more desirable competitive behaviour pattern. Visionaries might, for example, seek to develop their skills so that they can continue to stand out if an imitator enters their sector, destroying the differentiating character of their concept.

The role of resources in the differentiation capacity of entrepreneurs should lead project advisers to take this element into account in their evaluation criteria. Indeed, the presence of a specific resource seems to allow entrepreneurs both to avoid being subjected to environmental changes and to distinguish themselves from the more traditional behaviour based on a strong proximity to the client. However, this ability to run a business in close contact with customers appears to be a quality that deserves to be valued as much, as it distinguishes classic entrepreneurs from the living dead. Entrepreneurship training could also focus on creativity, customer relations and, above all, the development of the entrepreneur's skills.

Conclusion

This paper aims to understand the competitive strategies that underpin the practices of entrepreneurs in the traditional services sector once their business has been launched. To do so, we have mobilised the theoretical framework of competitive dynamics which takes into account external and internal factors in strategic analysis and for which the dynamic nature of competition is materialised by the existence of interactions between firms and their stakeholders. We have constructed a typology of the competitive behaviour of entrepreneurs according to the main object of their focus of attention.

This research leads to two substantial contributions. On the one hand, the proposed typology is likely to enrich our understanding of the competitive behaviour of ordinary entrepreneurs. It shows their diversity by distinguishing six types of entrepreneurs according to whether they focus their attention primarily on their resources (skilled and visionary), their resources and their relations with their suppliers (activist), their relations with their customers (classic) or their relations with their competitors (low cost and living dead). On the other hand, this typology shows that the competitive strategies of entrepreneurs in the traditional services industry are similar to those of large companies - the role of resources being particularly marked - except that the importance of competitive interaction and rivalry seems to be reduced.

Despite these contributions, further research is needed. For example, it would be interesting to systematically link entrepreneurial motivation to the competitive behaviour that follows the creation of the firm, so as to combine our typology with the dichotomy between opportunity and necessity entrepreneurs. Furthermore, this research could be extended to entrepreneurs in other traditional service sectors to strengthen its analytical validity. It could also be fruitful to duplicate this research in an industry that is more likely to be considered as a sector of opportunity entrepreneurs, in order to see if certain types of competitive behaviour could be found. Finally, linking the profile-types of this research to the performance of their business could allow us to refine our typology by integrating the different conceptions of performance and by prioritising the six types of entrepreneurs more precisely.

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Appendix 1 – Interview guide

Themes \ Entrepreneurs	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Context																				
• Can you tell us about your background?	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
 Can you tell us how this activity came about? 	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Competitive behaviour																				
 If I tell you "competition", what does that make you think of? 	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
• Who are your competitors?	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X
• Are you interested in what they do?	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X
What do you do most on a daily basis?	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X
• How do you try to face the competition?	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X

The interview with the entrepreneur 15 took a rather different turn, as he had decided 3 years earlier to transform his tourist hotel into a social hotel. The interview centred around this decision and the entrepreneur's hesitations about the opportunity to return to tourism, particularly in view of the 2024 Olympic Games. Our objective was to understand the role that competition could play in this decision and these hesitations.