

THE ART OF FUNDRAISING FROM BUSINESS ANGELS BASED ON ENTREPRENEURIAL MARKETING: A NEW INSIGHT

Abdollah Ahmadi Kafeshani, University of Tehran, Iran

Mehran Rezvani, University of Tehran, Iran

Hasti Chitsazan, University of Tehran, Iran

Reza Mohammad Kazemi, University of Tehran, Iran

ABSTRACT

Raising financial resources is one of the main elements of the entrepreneurial process. Also, having access to capital is a challenging issue for entrepreneurs, and it is vital for venture creation and growth. Although there is a variance in access to early-stage finance in different countries, there is lack of such high-risk capital for entrepreneurial firms. Personal savings, friends, and family are usual financial recourses for entrepreneurs at the seeding and early-stages. But most entrepreneurs do not have such options, so angel investors who invest in risky ventures can play a key role in this regard. Entrepreneurs should offer their ventures in a desirable, attractive and persuasive way to encourage business angels to invest. Large information asymmetries between entrepreneurs and investors and the moral hazard problem are two fundamental problems which entrepreneurial financing situations are characterized with them. Information asymmetry is addressed by Signalling Theory and new venture legitimacy theory. We adapted a philosophical conceptualization method to propose that we would consider entrepreneurial marketing as new insights through which entrepreneurs can convince business angels and receive fund form them.

Key words: Business Angel, Entrepreneurial Marketing, Signalling Theory and New Venture Legitimacy.

INTRODUCTION

Raising financial resources is one of the main elements of the entrepreneurial process, Therefore access to capital is vital for ventures creation and growth and this is a challenging issue for entrepreneurs (Timons, 2005; Carter et al., 2003; Neeley and Van Auken, 2010). Entrepreneurs usually try to accept resources and support from a diverse array of external factors including business angels and VCs. Success in garnering such inputs can have a significant impact on the survival and sustainability of a new venture (Barney, 1991).

Due to the high cost of lending to SMEs, information asymmetry, high risk of repayment and lack of collateral, bankers are unwilling to provide credit to SMEs (Ghatak, 2007). Although

there is variance in access to early-stage capital in different countries, there is lack of such high-risk capital for entrepreneurial firms (Riding and Short, 1987; Harrison and Mason, 1993; Landström, 1993; Freear et al., 1994a). Therefore, one of the biggest challenges for an entrepreneur in successfully launching a new venture is to fund his idea and project. Some of them will be able to do this by using their savings or through friends and family. But most entrepreneurs do not have such an option. For them, a business angel who invests in risky ventures can play an important role.

Many of today's largest and most successful companies, such as Apple, Amazon and Google, have been funded with entrepreneurial expertise and support from business angels (Shane, 2008). Business Angels are individuals who work individually or in a formal or informal syndicate and invest their money directly on unquoted business and after investing, they play an active role in (for example, as Advisor or board member) (Mason and Harrison, 2008). In addition to financial support, experience, skills and individual expertise, they provide non-financial benefits regarding of communication, credibility, mentor and strategic advice and sometimes even operational cooperation (Politis and Gabrielsson, 2006). Advice provided by Business Angels can often be as valuable as financial capital (Stathis, 2004; Sohl, 2003). Angel's finance is an agile and flexible form of capital for businesses. Evidence shows that angel investors continued to operate during the 2008 financial crisis as they saw banks lower their loans and Venture Capital funds (VC) contracted their investments (Mason and Harrison, 2015).

Early-stage investments typically include unproven technologies, unfinished products and services and unconfirmed market demands. Therefore, the actual evidence of the new venture and its quality are often not available and investors' perceptions of a new venture may be more and less based on the entrepreneur's subjective and unproven claims (Maxwell et al., 2011). Thus, one of the challenges for entrepreneurs is to offer their ventures in a desirable, attractive and persuasive way to encourage investors to invest (Cornelissen and Clarke, 2010; O'Connor, 2002). The Interaction between business angels and entrepreneurs is a multi-stage decision process, in which early evaluations lead to the rejection of many business opportunities (Mason and Harrison, 2003).

Business angel research has created a significant list of variables likely to affect the business angels' investments, but have greatly focused on market and product objective data or have provided some models about business angel decision-making process. Past researches suggest impression Management (Parhankangas & Ehrlich, 2014) entrepreneur's enthusiasm (Mintz et al., 2012), entrepreneur communication skills and personal characteristics (Clark, 2008) trust-building behaviours during the initial interaction with business angels (Maxwell & Lévesque, 2014) as strategies that entrepreneurs can use to deal with business angels, but there is no comprehensive concept which guides entrepreneurs through this complex process. In this research we adapted a philosophical conceptualization method (Meredith, 1993) to suggest that entrepreneurial marketing can be considered as a new insight to include the application of these approaches and other approaches that have not yet been identified and can increase the success rate of raising capital from business angels. This paper contributes to the literature by introducing entrepreneurial marketing as a novel concept in business angel finance. In the

following sections, we render our literature review, propositions and discussion and implications, respectively.

LITERATURE REVIEW

Entrepreneurial Marketing

Entrepreneurial Marketing is the proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation (Morris et al., 2002). Morrish et al. (2010) notes that Entrepreneurial marketing is not simply the nexus of marketing and entrepreneurship; it is both wholly marketing and wholly entrepreneurship. It is a synergistic opportunity-driven, innovation-oriented, proactive, risk-accepting set of processes to gain competitive advantage. Stokes (2000) compared Entrepreneurial marketing to traditional marketing concepts (Table 1).

	Traditional marketing.	Entrepreneurial marketing.
Marketing principles		
Concept	Customer-orientated: Market-driven, product Development follows.	Innovation-oriented: Idea-driven, intuitive Assessment of market needs.
Strategy	Top-down segmentation, Targeting, and positioning.	Bottom-up targeting of Customers and other influence Groups.
Methods	The marketing mix Four/seven P's.	Interactive marketing methods Word-of-mouth marketing.
Market Intelligence	Formalised research and Intelligence systems.	Informal networking and Information gathering.

Entrepreneurial Marketing is “*a spirit, an orientation as well as a process of passionately pursuing opportunities and launching and growing ventures that create perceived customer value through relationships by employing innovativeness, creativity, selling, market immersion, networking and flexibility*” (Hills et al., 2010). In this regard, Entrepreneurial Marketing goes far beyond sales and distribution of products and services and covers the acquisition of resources of all kinds, including the capital.

Inefficiencies of the Business Angel Market

Entrepreneurial ventures pass through different stages in the search for equity capital in their life cycle. There are four categories of equity financing includes seed financing, Start-up financing, Early-stage financing, Later-stage financing which is related to the development stage of Venture (Sohl, 1999). Business angels are the main source of capital at the early stages and improvements in this market will increase the size and access to capital in the later stages (Sohl, 2007) so it is also possible to consider the effect of angel financing as the gateway to other types of financing (Christensen, 2011; White & Dumay, 2017). Large information asymmetries

between entrepreneurs and investors and the moral hazard problem are two fundamental problems which Entrepreneurial financing situations are characterized with them. For example, it is difficult for outside investors such as business angels to ascertain the quality and potential value of new an idea or venture while entrepreneurs understand the quality of the innovation. Once entrepreneurs have raised funds from outside investors includes business angels there is an incentive to misallocate these funds by spending on items that benefit themselves disproportionately, so they are prone to moral hazard (Denis, 2014).

Efficient capital markets facilitate the flow of funds between the suppliers and the demanders of capital in free enterprise systems. Markets for venture capital, broadly defined as those markets that serve the capital needs of small firms ranging from start-ups to pre-IPO companies, are Inefficient capital markets. Therefore this inefficiency conveys increased levels of risk and uncertainty and consequently increased the costs of doing business for small and entrepreneurial companies, which such markets serve (Yazdipour, 2010).

Traditional Finance response to Inefficiencies of the Business Angel Market

Traditional finance theory has offered a relatively large body of literature and theories that are based on the classical Principal-Agent and Information Asymmetry theories to resolve the problems that arise in the venture capital markets. Information asymmetry is addressed by Signalling Theory and new venture legitimacy theory. In Principal-Agent or Agency Theory, the conflict of interest between owner-managers and investors is considered and optimum financial contracts are offered to resolve these conflicts and other additional risks and uncertainties (Yazdipour, 2010; Fisher et al., 2017).

Signaling Theory and Fundraising from Business Angels

Signaling theory is fundamentally concerned with reducing information asymmetry between two parties (Spence, 2002), For example, CEOs signal the unobservable quality of their firms to potential investors via the observable quality of their financial statements (Zhang & Wiersema, 2009). Eddleston, et al. (2016) use signalling theory to propose that characteristics specific to the firm and the entrepreneur act as a means to signal the inherent quality of the venture and thus impact the amount of capital the entrepreneur can obtain.

Signalling theory has been applied in the entrepreneurship literature to explore how capital providers consider signals of underlying quality, such as viability and commitment, to evaluate the potential of entrepreneurial ventures (Ozmel et al., 2013; Prasad et al., 2000). Viability signals reflect the health, stability and future prospects of a venture (Jain et al., 2008; Ozmel et al., 2013) while Commitment signals reflect personal investment in the venture and an entrepreneur's determination to overcome obstacles (Busenitz et al., 2005; Prasad et al., 2000). These signals, which are embedded in the actions and past behaviours of entrepreneurs, create trust and credibility more effectively than a word or verbal promises to capital providers when entrepreneurs are seeking financial capital (Busenitz et al., 2005.).

Elitzur & Gavious (2003) With respect to the entrepreneur and the VCs, by focuses on the moral hazard problem (a term that is often used in economics to describe situations where parties act in their self-interest, regardless of the effect it has on the other parties involved) found that there might be an outcome leading to failure in which the parties would not expend any resources at all. They argue that the explanation for such results is the fact that if one of the participants does not invest enough resources or efforts, the firm fails even if the others play honestly. Each participant suspects that the others would not invest enough resources or effort, so each will show insufficient endeavours as well. This extremely unpleasant outcome can be avoided if the entrepreneur's signalling by approaching an angel. If the entrepreneur incurs some cost in dealing with the angel, this action, in itself, signals that the entrepreneur has chosen to exert a positive level of effort and thus, that they are going for the equilibrium that would lead to a positive cash-out firm value. Therefore the angel-backed firms could be seen as firms whose founders opted for a viable firm, rather than choosing to "*take the money and run.*"

Proposition 1

Entrepreneurs apply Entrepreneurial marketing to signal business angels that they have the adequate quality to receive their finance.

Legitimacy Theory and Fundraising Business Angels

Fisher et al. (2017) by reviewing articles, published between 1986 and 2012, that focused on new venture legitimacy identified a variety of things that an entrepreneur might do to enhance and manage the legitimacy of a new venture. They present a categorization of legitimacy mechanisms which includes identity, associative, organizational and other mechanisms. Under these categories they include for example storytelling (Aldrich and Fiol, 1994; Garud et al., 2014; Johnson, 2007; Martens et al., 2007, Navis and Glynn, 2010; Pollack et al., 2012; Ruebottom, 2013); sensegiving (Fischer and Reuber, 2014; Navis and Glynn, 2010; Wry et al., 2011); impression management (Benson et al., 2015; Nagy et al., 2012a; Rutherford et al., 2009; Rutherford et al., 2009); Analogies and arguments (Cornelissen and Clarke, 2010; Etzion and Ferraro, 2010; Hargadon and Douglas, 2001; Santos and Eisenhardt, 2009; van Werven et al., 2015); forging ties (Certo, 2003; Haveman et al., 2012; Higgins and Gulati, 2003: 2006; Stuart et al., 1999); attaining certification (Rao, 1994), engaging in symbolic actions (Starr and MacMillan, 1990; Zott and Huy, 2007), developing a business plan (Delmar and Shane, 2004; Karlsson and Honig, 2009; Wiklund et al., 2010) and so on.

For a new venture to be perceived as legitimate to angel investors, an entrepreneur needs to utilize identity, associative and organizational legitimacy mechanisms (Fisher et al., 2017). Most angel investors have entrepreneurial or business experience hence they get more excited about ventures that align with their personal history (Fisher and Kotha, 2015). On the other hand angel investors are drawn to ventures which they feel a personal connection, and are more likely to provide resources to such entrepreneurs (Mittens et al., 2012; Parhankangas and Ehrlich, 2014) so they are drawn to ventures with identity claims that signal a clear connection between

their history and identity and that of the venture (Fisher et al., 2017). These claims may be used to reference to a link between a venture's identity and an angel investor' prior industry experience, education, upbringing, family situation or personal interests (Fisher and Kotha, 2015).

In the eyes of angel investors, an entrepreneur can achieve legitimacy for their venture, if they use language, symbols and images to invoke disruptive claims that highlight their venture's potential to disrupt a market, and if they invoke connection claims that reflect a connection between their venture and the identity and history of the angel investor. Accelerators, and other similar organizations (e.g., incubators), often provide deal flow for angel investors Hence these organizations serve as legitimating entities for new ventures seeking angel investor funding. If a venture is associated with a venture accelerator, this signals to an angel investor that the venture is worthy of consideration (Hathaway, 2016). So entrepreneurs who tie with a venture accelerator (or other similar entrepreneurial support organizations) can achieve a manifest legitimacy signal among angel investors (Fisher et al., 2017)

To navigate the challenge of taking a new technology to market business angels look for an entrepreneur that can bridge the technological and market domains. An entrepreneur with an understanding of both domains that can link technology advancement with a solution to a customer problem to create a market. Hence, if an entrepreneur is to ensure that a venture is perceived as legitimate by angel investors, they need to highlight their commercialization expertise and describe pragmatic ways for linking technological advancements with a solution to a customer problem so as to create a market (Powell and Sandholtz, 2012; Fisher et al., 2017).

Impression management is a process through which people seek to influence the image which others have about them to achieve some specific goal. Impression management manifests itself in a wide variety of behaviors, such as the use of verbal statements, or in non-verbal or expressive behaviors (Parhankangas & Ehrlich, 2014). Parhankangas & Ehrlich (2014) by studying ascent ventures seeking business angel funding in the New York metropolitan area suggest that business angels prefer investment proposals characterized by the moderate use of positive language, moderate levels of promotion of innovation, supplication and blasting of competition, and high levels of opinion conformity.

Proposition 2

Entrepreneurs apply Entrepreneurial marketing to achieve legitimacy from business angels so they could fundraise from them.

Behavioural Finance Response to Inefficiencies of the Business Angel Market

The Behavioural finance is based on the belief that there is a better chance of understanding the related decision processes if we can better understand the types of risks and uncertainties are involved in entrepreneurial finance problems (Yazdipour, 2010). Behavioural finance does not assume rational agents or frictionless markets. It suggests that the institutional environment is vitally important; the starting point is bounded rationality (de Bondt et al., 2008).

Heuristics and biases researches pioneered by Tversky and Kahneman (1974) and Kahneman and Tversky (1979) are one of the main research fields in the Behavioral finance which focus on questions such as: how do people think and how do they decide? Some recent research in The Behavioural finance shows that entrepreneurs who are considered by investors as well prepared are more persuasive and at least one cognitive bias affects persuasive attempts and outcomes (Chen et al., 2009; Nagy et al., 2012; Nouri et al., 2017). Adomdza et al. (2016) had studied the effects of three cognitive biases by the entrepreneur on obtaining funding. They find that planning fallacy to increase funding amounts, whereas optimism and overconfidence by the entrepreneur have no effects on funding amounts from others.

Proposition 3

Entrepreneurs apply heuristics and biases in their Entrepreneurial marketing attempts to convince business angel for investing in their ventures.

DISCUSSION AND CONCLUSION

Although there is a variance in access to early-stage capital in different countries, there is lack of such high-risk capital for entrepreneurial firms. Angel's finance is an agile and flexible form of capital for businesses. Early-stage investments typically include unproven technologies, unfinished products and services, and unconfirmed market demands. Therefore, the actual evidence of the new venture and its quality are often not available, and investors' perceptions of a new venture may be more and less based on the entrepreneur's subjective and unproven claims (Maxwell et al., 2011). Business angel research has created a significant list of variables likely to affect the business angels' investments, but have greatly focused on market and product objective data, or have provided some models about business angel decision-making. Although there is some attempt through Signalling Theory and new venture legitimacy and also behavioural finance provide some new insights but there is no comprehensive concept which guides entrepreneurs through this complicated process. We propose Entrepreneurial marketing as a comprehensive perspective through which entrepreneurs can attract business angel and finance their ventures.

IMPLICATIONS FOR FUTURE RESEARCHERS

This paper attempted to introduce entrepreneurial marketing as a novel concept in business angel finance. Future researchers can examine our findings, by applying qualitative and quantitative methods. We also recommend that future studies examine entrepreneurial marketing in other area of entrepreneurial finance including bootstrapping methods, venture capital and crowd funding. Entrepreneurial marketing is a useful concept that can describe marketing in finance more appropriate than traditional marketing theory.

REFERENCES

- Adomdza, G.K., Astebro, T., & Yong, K. (2016). Decision biases and entrepreneurial finance. *Small Business Economics*, 47(4), 819-834.
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of management*, 17(1), 99-120.
- Benson, D.F., Brau, J.C., Cicon, J., & Ferris, S.P. (2015). Strategically camouflaged corporate governance in IPOs: Entrepreneurial masking and impression management. *Journal of Business Venturing*, 30(6), 839-864.
- Busenitz, L.W., Fiet, J.O., & Moesel, D.D. (2005). Signaling in venture capitalist-New venture team funding decisions: Does it indicate long-term venture outcomes? *Entrepreneurship Theory and Practice*, 29(1), 1-12.
- Carter, N.M., Gartner, W.B., Shaver, K.G., & Gatewood, E.J. (2003). The career reasons of nascent entrepreneurs. *Journal of Business Venturing*, 18(1), 13-39.
- Chen, X.P., Yao, X., & Kotha, S. (2009). Entrepreneur passion and preparedness in business plan presentations: A persuasion analysis of venture capitalists' funding decisions. *Academy of Management journal*, 52(1), 199-214.
- Clark, C. (2008). The impact of entrepreneurs' oral 'pitch' presentation skills on business angels' initial screening investment decisions. *Venture Capital*, 10(3), 257-279.
- Denis, D.J. (2004). Entrepreneurial finance: An overview of the issues and evidence. *Journal of corporate finance*, 10(2), 301-326.
- De Bondt, W., Gulnur, M., Hersh, S., & Sotiris, K.S. (2008). Behavioural finance: Quo vadis? *Journal of Applied Finance*, 7-21.
- Eddleston, K.A., Ladge, J.J., Mitteness, C., & Balachandra, L. (2016). Do you see what I see? Signaling effects of gender and firm characteristics on financing entrepreneurial ventures. *Entrepreneurship Theory and Practice*, 40(3), 489-514.
- Elitzur, R., & Gaviols, A. (2003). Contracting, signaling and moral hazard: A model of entrepreneurs, 'angels,' and venture capitalists. *Journal of Business Venturing*, 18(6), 709-725.
- Fisher, G., Kuratko, D.F., Bloodgood, J.M., & Hornsby, J.S. (2017). Legitimate to whom? The challenge of audience diversity and new venture legitimacy. *Journal of Business Venturing*, 32(1), 52-71.
- Fisher, G., & Kotha, S. (2015). In: Hitt, M., Zhou, J., Shally, C. (Eds.), *Entrepreneurial identity and resource acquisition: The role of venture identification*. Oxford Handbook on Creativity, Innovation, and Entrepreneurship. Oxford University Press, New York.
- Freear, J., Sohl, J.E., & Wetzel Jr, W.E. (1994). Angels and non-angels: are there differences? *Journal of Business venturing*, 9(2), 109-123.
- Harrison, R.T., & Mason, C.M. (1993). Financing for the growing business: the role of informal investment, *National Westminster Quarterly Review*, 17-29.
- Hills, G.E., Hultman, C.M., Kraus, S., & Schulte, R. (2010). History, theory and evidence of entrepreneurial marketing-an overview. *International Journal of Entrepreneurship and Innovation Management*, 11(1), 3-18.
- Jain, B.A., Jayaraman, N., & Kini, O. (2008). The path-to-profitability of Internet IPO firms. *Journal of Business Venturing*, 23(2), 165-194.
- Landström, H. (1993). Informal risk capital in Sweden and some international comparisons. *Journal of Business Venturing*, 8(6), 525-40.
- Mason, C.M., & Harrison, R.T. (2008). Measuring business angel investment activity in the United Kingdom: A review of potential data sources. *Venture Capital*, 10(4), 309-330.
- Mason, C.M., & Harrison, R.T. (2015). Business angel investment activity in the financial crisis: UK evidence and policy implications. *Environment and Planning C: Government and Policy*, 33(1), 43-60.
- Maxwell, A.L., Jeffrey, S.A., & Levesque, M. (2011). Business angel early stage decision making. *Journal of Business Venturing*, 26(2), 212-225.

- Maxwell, A.L., & Lévesque, M. (2014). Trustworthiness: A critical ingredient for entrepreneurs seeking investors. *Entrepreneurship Theory and Practice*, 38(5), 1057-1080.
- Meredith, J. (1993). Theory building through conceptual methods. *International Journal of Operations & Production Management*, 13(5), 3-11.
- Mittennes, C., Sudek, R., & Cardon, M.S. (2012). Angel investor characteristics that determine whether perceived passion leads to higher evaluations of funding potential. *Journal of Business Venturing*, 27(5), 592-606.
- Morris, M.H., Schindehutte, M., & LaForge, R.W. (2002). Entrepreneurial marketing: A construct for integrating emerging entrepreneurship and marketing perspectives. *Journal of marketing theory and practice*, 10(4), 1-19.
- Morrish, S.C., Miles, M.P., & Deacon, J.H. (2010). Entrepreneurial marketing: Acknowledging the entrepreneur and customer-centric interrelationship. *Journal of Strategic Marketing*, 18(4), 303-316.
- Nagy, B.G., Pollack, J.M., Rutherford, M.W., & Lohrke, F.T. (2012). The influence of entrepreneurs' credentials and impression management behaviors on perceptions of new venture legitimacy. *Entrepreneurship Theory and Practice*, 36(5), 941-965.
- Neeley, L., & Van Auken, H. (2010). Differences between female and male entrepreneurs' use of bootstrap financing. *Journal of Developmental Entrepreneurship*, 15(01), 19-34.
- Nouri, P., Imanipour, N., Talebi, K., & Zali, M. (2017). Heuristics and Biases in Entrepreneurial Marketing: Some New Insights. *International Journal of Entrepreneurship*, 21(3), 1-9.
- O'Connor, E. (2002). Storied business: Typology, intertextuality and traffic in entrepreneurial narrative. *The Journal of Business Communication*, 39(1), 36-54.
- Ozmel, U., Reuer, J.J., & Gulati, R. (2013). Signals across multiple networks: How venture capital and alliance networks affect interorganizational collaboration. *Academy of Management Journal*, 56(3), 852-866.
- Politis, D., & Gabrielsson, J. (2006). Informal investors and value added: what do we know and where do we go?
- Prasad, D., Bruton, G.D., & Vozikis, G. (2000). Signaling value to business angels: The proportion of the entrepreneur's net worth invested in a new venture as a decision signal. *Venture Capital: An international journal of entrepreneurial finance*, 2(3), 167-182.
- Riding, A.L., & Short, D.M. (1987). Some investor and entrepreneur perspectives on the informal market for risk capital. *Journal of Small Business & Entrepreneurship*, 5(2), 19-30.
- Shane, S. (2008). *Fool's Gold? The Truth Behind Angel Investing in America: The Truth Behind Angel Investing in America*. Oxford University Press.
- Sohl, J. (2003). The private equity market in the USA: Lessons from volatility. *Venture Capital: An international journal of entrepreneurial finance*, 5(1), 29-46.
- Sohl, J.E. (2007). The organization of the informal venture capital market. In *Handbook of research on venture capital*, edited by H. Landstrom, 347-370. UK: Edward Elgar Publishers.
- Sohl, J.E. (1999). The early stage equity market in the United States. *Venture Capital: An International Journal of Entrepreneurial Finance*, 1, 101-120.
- Spence, M. (2002). Signaling in retrospect and the informational structure of markets. *American Economic Review*, 92(3), 434-459.
- Stokes, D. (2000). Putting entrepreneurship into marketing: The processes of entrepreneurial marketing. *Journal of research in marketing and entrepreneurship*, 2(1), 1-16.
- van Werven, R., Bouwmeester, O., & Cornelissen, J.P. (2015). The power of arguments: How entrepreneurs convince stakeholders of the legitimate distinctiveness of their ventures. *Journal of Business Venturing*, 30(4), 616-631.
- Parhankangas, A., & Ehrlich, M. (2014). How entrepreneurs seduce business angels: An impression management approach. *Journal of Business Venturing*, 29(4), 543-564.
- Tversky, A., & Kahneman, D. (1973). Availability: A heuristic for judging frequency and probability. *Cognitive psychology*, 5(2), 207-232.
- Tversky, A., & Kahneman, D. (1974). Judgment under uncertainty: Heuristics and biases. *Science*, 185(4157), 1124-1131.

- Yazdipour, R. (2010). *Advances in entrepreneurial finance: With applications from behavioral finance*. Springer, New York.
- Zhang, Y., & Wiersema, M.F. (2009). Stock market reaction to CEO certification: The signaling role of CEO background. *Strategic Management Journal*, 30(7), 693-710.