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**Entrepreneurial storytelling : A mean
for legitimacy and opportunity exploitation.**

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Abstract : Stories are an important tool to create shared meanings about ventures and entrepreneurs. To analyze how storytelling contributes to legitimacy, identity and resources access, data was collected from press articles (2005-2016) about a french small business Michel & Augustin. Thematic analysis of the 275 press articles shows that the balance between alignment with norms and uniqueness is crucial for entrepreneurial identification and acceptance. Further perspectives of this research relate to the effects of developing effective mediatic storytelling on customer relationships and human resources strategy.

Key Words : storytelling ; legitimacy ; opportunities ; customer relationship

Storytelling, as part of the ‘entrepreneurial toolkit’ (Martens, Jennings and Jennings, 2007), helps individuals and organizations to materialize their identity and justify their existence, both in a unique way and in alignment with existing norms. Emergent ventures have to be identified as new members within an activity, an industry, or a sector. Nascent entrepreneurs are challenged to integrate a social group labeled ‘entrepreneurs’. Ideology and myths are rooted in the entrepreneurial character inducing a strong need for distinctiveness and uniqueness. Entrepreneurial stories depict mythical or heroic with hyperbolic action-oriented characters (Nicholson and Anderson, 2005 ; Down and Warren, 2008). Accomplishing a social role (entrepreneur) is a bi-directional evaluation of the interactions between entrepreneur realizations and stakeholders expectations, with storytelling being the formal tool to enhance the fit between the different expectations. Stories aim to identity construction through creation of attractive characters, history, and heroic metaphor. This function is inherent to making sense for stakeholders through a dynamic process of refinement and reinterpretations (Boje, 1991), providing understandability (Suchman, 1995). Entrepreneurs use different references of stories depending on the situation attributing to themselves different characters or qualities. O’Connor (2002) suggest three categories of entrepreneurial narratives : personal stories (founding or vision stories), generic stories (marketing or strategy stories) and situational stories (historical or conventional stories). Storytelling, as a phenomenon where entrepreneurs strive to graft the story of their company onto existing relevant, taken-for-granted storylines, is linked to legitimacy (O’Connor, 2002). Identity, reputation and legitimation are conveyed by stories and amplified by mediatization.

Previous results showed that entrepreneurs intentionally use clichés, metaphors and events to build legitimacy. On one hand, legitimacy as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (Suchman, 1995) refers to stable induced reactions, shared beliefs and congruent behaviors that is part of symbolic activities. On the other hand, stories refer to the symbolic, creation of shared assumptions and objectify existence or organization’s cultural conformity (Lounsbury and Glynn, 2001 ; Smith and Anderson, 2004). More specifically, sociopolitical legitimation relates to “the process by which key stakeholders, the general public, key opinion leaders, or government officials accept a venture as appropriate and right, given existing norms and laws” (Aldrich and Fiol, 1994). It can be assessed by public acceptance of an industry, government subsidies to the industry, or the public prestige of its leaders. Establishing legitimacy is part of key activities of emergent ventures (Liao and Welsch, 2008 ; Delmar and Shane, 2004 ; Tornikoski and Newbert, 2007 ; Zimmerman and Zeitz, 2002). The actions contributing to legitimacy building have to demonstrate to stakeholders the merit of their engagement (Gartner, 2010). For that, entrepreneurial stories used to legitimate the emergence and development of new ventures are identity stories (“who we are”) that define the venture identity and growth identities (“what we do”) that explain and coordinate the increasing number of venture members (Wry, Lounsbury and Glynn, 2011).

Medias are interested about entrepreneurs and ventures, build or re-build stories with some kind of mystification. In narratives, entrepreneurs frame their own story to create their

character, while in mediatic storytelling journalists are the scriptwriters. In this study, we are interested in mediatic storytelling and its influence on building venture legitimacy and acquiring resources. Our work is underpinned by the relationships between narratives and identity, legitimacy, resources and entrepreneurial characteristics.

In order to identify how medias build entrepreneurs' story, we decided to analyze a characteristic small business, engaging in brand storytelling in a crowded sector: we selected Michel & Augustin (M&A), a french company founded in 2005 that is considered a reference in storytelling. First we conducted a semi-directed interview with the communication director at M&A. As public relations are a big part of M&A communication strategy, it appeared interesting to study the way medias reproduce the narrative of the brand. As stated by Anderson and Warren (2011), the press, by producing daily records of entrepreneurial stories, plays an important role in discourse and "shape society's attitudes, understandings of and interests in the entrepreneurial phenomenon". We looked at newspaper articles published in the French press from the company foundation (June 2005) up to January 2017 using Factiva, this yielded 1236 articles. To underline key elements of the storytelling as well as important moments in the brand history, we retained the 275 relevant articles dealing with the story of M&A and we excluded the ones just mentioning them. Overall the lexicon to deal with M&A story in the press is laudatory. The narrative plot used by M&A, and retraced by the press follows the basic classic of storytelling and mentions a subject and an object that interact by means of two modalities : being-able-to-do and knowing-how-to-do (Fiol, 1989) as well as helping auxiliaries and enemies. Overall, the used

vocabulary is representative: the story being called an adventure, the two funders are taste troublemakers, their headquarters “bananeraie”. Among the retained verbatims, 185 are produced by the economic press. These verbatims emphasize more the acquisition of resources, than the generalist press that works on building the legitimacy of the company in the general public.

Through a content analysis of the elements that are mentioned by French newspapers year per year, we retrace the story of the brand told by the press. It allows to understand the storytelling of the brand as its art to tell a story to the consumers (Salmon, 2007) through medias. The press first emphasizes the story of the two founders, who decided to quit their job to create M&A, and the small size of the company, in comparison to other players in the sector, as uniqueness of the venture. The authenticity of this story is also an element that is recurrent in the way the press relates the company narratives, it is highlighted by the used vocabulary. Regularly, since 2007, the founders directly tell their story in the press through chronicles. Important elements in these chronicles are the way the founders tell their adventure, emphasizing the relationship with stakeholders, but also personal point of views and political stances. The ability to listen to consumers and to develop a relationship with them is a recurring theme. The success is based on their relationship marketing. Relationships with employees are also strategic, as they are considered members of a “tribe”. The values of the brand, and this way of communication are considered as assets by the press. The press also highlights specific actions implemented by the brand, from promotions at start to stances (such as offices loan to entrepreneurs) after 2008. One of the turn happens in 2010 when the

press ask the question whether the founders should become more serious to be legitimate in a sector of big players. After that, the press becomes more focused on the brand and on the company compliance to the sector norms rather than on the specificities of the venture. From 2013 to 2016, the potential future shareholders are the center of the buzz in the media's, showing a second turn. Artemis a shareholder raised its shares up to 70% of M&A equity in 2013, 40% of those shares bought back in 2016 by Danone, one of the main competitor, and agroalimentary giant.

As previous researches stated, alignment with norms for venture legitimacy precedes distinctiveness for entrepreneurial identity. In our case, mediatic storytelling is based on the uniqueness of the entrepreneur's identity and adventure and develops towards the alignment on norms in the sector. This development leads to validate the entrepreneurial process and to access to resources to exploit opportunities. In compliance with Wry, Lounsbury and Glynn (2011), our research shows that storytelling via media is correlated to actions and to individual characteristics: the press first describes who M&A are and what they do. Actions are valued as bricks building venture legitimacy and used to measure entrepreneurial success. At the emergent stage, communication is challenging for entrepreneurs in order to create a story and the image of the venture. The element of communication have to be convincing towards internal and external stakeholders (Glynn, 2000 ; Ashforth and Mael, 1996). In the way medias reproduce the entrepreneurs' storytelling, communication is used to develop a relationship with consumers, by making the brand meaningful and closer to consumers (Escalas, 2004). As such, storytelling, when mediatized can be a mean to acquire resources.

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