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The Influence of Social and Cultural Control on the Motivation of Online Startups

Mahdi Aliyari[1]
1.Management Department, Business Management major, Islamic Azad University, Central Tehran Branch, Iran

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ABSTRACT

In this article, we use the perspectives of social and cultural control and assume that the scope of entrepreneurial activities is positively associated with two types of support: family support and peer support. Drawing on Hofstede's cultural dimensions, the article examines various influencing factors, including peer and family support. We also argue that peer influence positively affects the motivation of young Iranian entrepreneurs to promote online startups. Our findings indicate that compared to traditional research models, the combination of Hofstede's cultural theory and the S-O-R model can lead to the creation of a research model reflecting influential factors and presenting their specific relationships. Through the analysis of 200 valid online questionnaires based on partial least squares path modeling and variance-based structural equation modeling, this article demonstrates that peer and family support can reduce the conservative mindset of young entrepreneurs and have a positive impact on their motivation. Family and peer support are positively associated with the scope of entrepreneurial activities, while the conservative mindset has a negative impact on the motivation of young entrepreneurs.

Introduction

Since the emergence of Silicon Valley in the late 1990s, startups have evolved into a new model in the fields of technology, software industry, and the internet. In the contemporary digital landscape, the innovative acceptance of digital technologies enables consumers to play a pivotal role in the business environment. Unlike traditional entrepreneurship, the online startup model based on information technology has developed suitable platforms for interaction with online consumers [1]. Due to its convenience, young entrepreneurs are increasingly inclined to promote online startups on live streaming platforms, where they can interact in real-time with viewers and build trust with online consumers.

Most live streaming platforms encourage entrepreneurs to broadcast videos about their products and services. As a result, the use of live streaming for advertising online products has transformed into a new realm of e-commerce. Thus, establishing online startups for entrepreneurs is achievable without the need for capital, taxes, and websites. Therefore, based on the advantages of online startups, young entrepreneurs are more determined to develop online startups on live streaming platforms [2].

The first step in the process of starting an entrepreneurial venture is the motivation to engage in it, and entrepreneurial motivation precedes the initiation of the entrepreneurial process. Entrepreneurial motivation is a state of mind and spirit that guides individuals toward the development and launch of a serious business venture. Entrepreneurial motivation is largely influenced by environmental, cultural, and social factors [3]. Due to strong social connections, family members and peers play a fundamental role in the entrepreneurial process of young individuals. For many young entrepreneurs, the most vital support and entrepreneurial education, such as budgeting and counseling, are primarily provided by their parents and other family members. Peers are considered the primary source of social communication. The process of exchange and collaboration, peer support can solve work-related problems and provide essential skills for young entrepreneurs, which are necessary for online startups. Therefore, family support and peer support are two influential and vital factors when analyzing social and cultural control for online startups [4].

The social and cultural control on the potential norms and concentrated cultural atmosphere affects people's relationships with peers and family members. Based on the social and cultural background of Iranian youth, this study re-examines the Hofstede's cultural dimensions and reassesses their impacts within the Iranian cultural environment. Hofstede, a Dutch social psychologist, believes that individuals have mental programs that emerge in their early childhood within their families and are reinforced in schools and organizations. These mental programs contain national cultural components and clearly manifest in various values present among individuals in different countries.

In Iran, compared to Western countries such as Australia and the United States, there is a high degree of collectivism and long-term orientation, akin to the eastern mountains. Therefore, in such cultural environments, individuals focus on social relationships with peers and family members, and an improved social network can reduce the difficulty of launching a new business. Additionally, many cities in Iran exhibit high levels of power distance and masculinity, which can be reflected in their family dynamics. Hence, many young entrepreneurs must seek permission from their fathers and follow their advice in important decision-making, as family support entails not only financial backing but also moral dependency.

In a culture with high power distance, differences among individuals with various accepted statuses and the organizational or social positions of individuals influence their performance and others' behavior towards them. Therefore, families, as transmitters of social concepts, rituals, and behaviors, can play a fruitful role in acquainting their children with concepts such as ambition, independence, and risk-taking in the realm of economic activities and harmonizing them with the actual job conditions in society.

In addition to the family's role in fostering entrepreneurial spirit among the youth, entrepreneurship education, which according to experts should be provided to 10% of the population, also contributes to shaping individuals' inclination toward entrepreneurship and their success in this field. If we

examine the family in an institutional perspective, we conclude that, both quantitatively and qualitatively, the family can be the primary center for nurturing the work ethic, effort, fostering the entrepreneurial spirit, and generating ideas in individuals.
Ultimately, unlike Western environments where there is a high tolerance for excess, the limited social background of young Iranian entrepreneurs dissuades them from testing new challenges, resulting in a conservative mindset for online startups. Hence, the relationship between cultural dimensions and influential factors regarding motivation is presented according to the Hofstede cultural model in Figure 1.

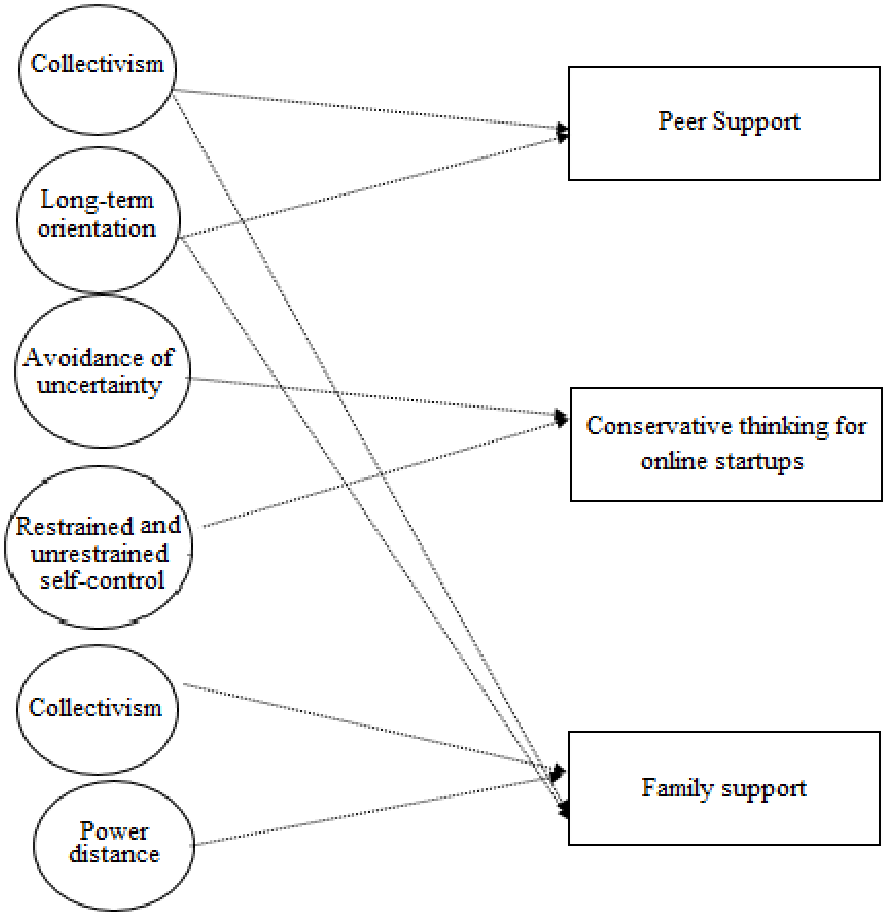

Figure 1: Relationship between cultural dimensions and influencing factors

Given that most young peers have embraced higher education and are controlling various entrepreneurial knowledge, peer support for young entrepreneurs is essential when promoting online startups in live environments. Therefore, peer support can reduce conservative thinking among young Iranians and increase their motivation to start online businesses.
Predicting entrepreneurial performance is important as it may facilitate better job choices and potentially help prevent misallocation of resources. Various individual and business-related variables have been previously tested for their impact on future business outcomes. However, evidence regarding the impact of entrepreneurial motivation on subsequent development as a rare entrepreneur is scarce. Since such motivation refers to "internal states that drive individuals toward purposeful action," such motivational variables may impact not only the start of an entrepreneurial career but also the subsequent progress of entrepreneurship [7.[
Research on motivation in the field of entrepreneurial activities presents diverse concepts, one of the most important being the duality of pressure-pull, which distinguishes novice entrepreneurs into two distinct types: the first type consists of those drawn towards entrepreneurship by their own choice due to their goal of realizing a business idea. The second type comprises individuals who are pushed into entrepreneurial activities under pressure from external and predominantly undesirable factors, for example, people becoming entrepreneurs due to a lack of better job alternatives. Global entrepreneurship observation creates a similar duality, a subset of the pressure-pull approach,

considering that the income level of most young entrepreneurs is lower than that of other entrepreneurs. Consequently, these individuals face more financial problems and pressures, leading them to avoid uncertain issues and incline towards restraint, reflecting a factor of conservative thinking. This kind of thinking may deter young entrepreneurs from facing challenging businesses and reduce sustained enthusiasm for innovation. Therefore, under specific social and cultural environments, the motivation for young online entrepreneurs is influenced by specific factors.

To discover the social and cultural impact on young entrepreneurs, the first objective of the research is as follows: What kind of social and cultural factors influence young entrepreneurs in online startups?

Factors affecting cultural and social control

Family Support

Social capital refers to networks of relationships where personal and organizational contacts are closely interwoven. Through these relationships, social actors can access information, resources, and social validation. However, the likelihood of resource exchange, information channeling, or legitimacy attribution depends on the quality of network relationships, which is assessed in the strength of the relationships. Strong ties generally entail long-term relationships based on frequent interactions, such as relationships within close-knit families, friends, or solid communities. Conversely, weak ties usually involve short-term relationships based on infrequent interactions and exchanges. In the context of entrepreneurial activities, it seems that the number of social network ties may be more beneficial than the strength of the established ties [5].

Family support is the support from family members, which includes both financial and emotional support based on strong social ties among family members. Family support significantly influences the motivation of young online entrepreneurs. Parents often aid family-generation entrepreneurs through their own connections. Family social capital facilitates the introduction of young entrepreneurs to existing social networks of family members, mobilizes other resources, and enables the execution of fundamental activities necessary for a successful startup. By leveraging previously established relationships among family members and resource holders, family involvement may be beneficial in securing financial support, which is vital for a crucial startup activity. Additionally, children may have access to the social capital of their entrepreneurial parents, including contacts with suppliers, business partners, and customers, to facilitate other startup activities. The unique cultural knowledge gained from older family members can be utilized to create live content and enhance the online shopping experience for online consumers. Therefore, family support, including both financial and emotional support, is vital for young entrepreneurs' self-confidence in online startup ventures. In general, traditional family members focus on maintaining their family's position and power in society, concentrating on the long-term influences of collectivism and direction, which is why the space of family businesses dominates in modern East.

Support from peers

Creating a network of like-minded individuals is very important for entrepreneurs because they often embark on a challenging journey and frequently start a business alone. While mentors and advisors play a crucial role in guiding entrepreneurs, there is another form of support that should not be overlooked. Peer support refers to the exchange of knowledge, experiences, and mutual encouragement among entrepreneurs who are at similar stages of their entrepreneurial journey. This is a powerful tool that can provide a wide range of benefits for entrepreneurs beyond traditional mentoring [10]. Building relationships with peers plays a fundamental role in contemporary society. In Eastern countries such as South Korea and China, the youth focus on collectivism, leading them to rely on peer encouragement when faced with challenging careers. One key advantage of peer support in entrepreneurship is the opportunity to learn from the experiences of others. By connecting with peers who have faced similar challenges, entrepreneurs can gain valuable insights and learn from their successes and failures. For example, an entrepreneur struggling with marketing strategies for the first time can benefit from hearing how other entrepreneurs have overcome similar obstacles to achieve success [11].

Therefore, supporting talents and building trust among peer groups can boost the confidence of young entrepreneurs in developing their online startups. Peer support also provides a platform for brainstorming and problem-solving. Entrepreneurs can share their ideas, seek feedback, and collaborate with their peers to find innovative solutions to their business challenges [12]. This collaborative approach can lead to fresh perspectives and creative problem-solving techniques that may otherwise be overlooked. For example, a group of entrepreneurs working in the technology sector can come together to share their experiences and collectively find solutions to common technical issues. Additionally, unlike traditional offline startups, young entrepreneurs venturing into the development of online startups must pay more attention to technical skills, live marketing skills, and online interaction skills. Given that most young peers have pursued higher education and have a grasp of various entrepreneurial knowledge, peer support is essential for young Iranian entrepreneurs when promoting online startups on live platforms. Therefore, peer support can reduce conservative thinking and boost the motivation of young entrepreneurs in launching their online ventures [13].

Research Hypotheses

In light of the issues mentioned in this study, we will examine the following hypotheses:

Hypothesis 1: Peer support has a positive effect on the motivation of young Iranian entrepreneurs to promote online startups.

Hypothesis 2: Family support has a positive effect on the motivation of young Iranian entrepreneurs to promote online startups.

Hypothesis 3: Peer support negatively affects the conservative thinking of young entrepreneurs regarding online startups.

Hypothesis 4: Family support has a positive effect on the motivation of young Iranian entrepreneurs to promote online startups.

2. Research Method

2-1- Population and Sampling

The statistical population in this research consists of all final-year students in technical fields (industrial engineering, civil engineering, and electrical engineering) at the Industrial University. The number of final-year engineering students in 1401 was approximately 200, out of which 130 were selected based on Morgan's table.

2-2- Data Collection Tools

In this study, a researcher-made questionnaire was used. This questionnaire includes 4 questions about peer support, 5 questions about conservative thinking of young entrepreneurs for online startups [14], 4 questions about the motivation to establish online startups [15], and 5 items about the development behavior of online startups [16]. A 7-point Likert scale ranging from a minimum score of 1 to a maximum score of 7 was used to measure participants' responses. To determine the content validity of the questionnaire, it was reviewed by experts in the fields of management, sociology, and psychology, and the Cronbach's alpha statistic was used to determine its reliability. The Cronbach's alpha test resulted in a 96% reliability. Then, an online questionnaire form was created and emailed to the students. In total, 200 responses from students were received over a period of 4 months.

Data Analysis

In this research, a quantitative approach was used, and the data were analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method to test the hypotheses.

3. Findings

The respondents' characteristics in this study, including four demographic variables (age, gender, and education level), were examined solely for reporting the participants' profile. Table 2 summarizes these results.

Table 1: Demographic Characteristics of the Participants

emographic Variables	atus	Percentage Frequency
ender	emale	42.37
	ale	57.63
ge	ss than 20 years old	05.46
	etween 19 and 25 years old	59.32
	etween 26 and 32 years old	35.22
lucation	igh school diploma	16.20
	achelor's degree	55.00
	aster's degree	15.63
xperience with online entrepreneurship	es	50.85
	o	45.57

Among these 200 respondents (Table 2), 37.42% of them are women, and 63.57% are men. This is while 5.46% are under 20 years old, 32.59% are between 19 and 25 years old, and 2.352% are between 26 and 32 years old. In terms of educational backgrounds, over 55% are at the bachelor's level, 16.20% have a high school diploma, and 63.15% are at the master's level. Additionally, 57.45% of them have no experience using the platform, and 50.85% of these participants have experience with online entrepreneurship (Table 1).

3-1- Fit of the Measurement Model

To assess the measurement model, the article must test reliability, convergent validity, and discriminant validity. Based on the results of research claimed by Hair et al. (2016), the reliability of the model can be analyzed through three aspects, including AVE and Cronbach's alpha. Specifically, AVE should be above 0.50 and Cronbach's alpha should be greater than 0.70. According to Table (2), the average variance extracted for all constructs is more than 0.50.

Table 2: Average Variance Extracted (AVE) of the research questionnaire

ariables	AVE	Cronbach's Alpha
onservative thinking for online startups	0.686	0.94
eveloping online startups	0.731	0.86
amily support	0.704	0.88
otivation for creating online startups	0.657	0.96
eer support	0.673	0.88

Also, the average variance of the traits explains 73.7% of the total variance, and the average variance of the method can explain 1% of the total variance. The ratio of the average variance of the traits to the average variance of the method is 73/968, which is higher than 39, indicating that the claim of method bias in this study is not significant, and the structural correlations are acceptable.

		squared	2	2 Squared
onservative thinking for online startups	927	860	109	012.0
eveloping online startups	855	724	.016	00.0
amily support	867	774	.133	018.0
otivation for creating online startups	815	665	.039	001.0
eer support	898	806	000	00.0

ariables		squared
onservative thinking for online startups	686.0	94.0
eveloping online startups	731.0	86.0
amily support	704.0	88.0
otivation for creating online startups	657.0	96.0
eer support	673.0	88.0

Model Structure

This article employs the launch function in SmartPLS 2.0 to apply t-statistical test results for analyzing the pathway's significance. As Table 7 demonstrates, all hypotheses presented in this study are supported, as the t-statistic results are significantly higher than 1.96 and the P-values are less than 0.05.

Regarding the data analysis in Table 3, peer support has a negative impact on the conservative thinking of young entrepreneurs towards online startups (β = 0.48, t = 11.5, p < 0.001) and positively influences their motivation to promote online startups (β = 0.401, t = 811.13, p < 0.001). Family support negatively affects the conservative thinking of young entrepreneurs (β = 0.345, t = 361.2, p < 0.001) and positively influences their motivation for online entrepreneurship (β = 0.381, t = 411.9, p < 0.001).

Furthermore, conservative thinking negatively affects the motivation for young entrepreneurs' entrepreneurship (β = 0.054, t = 81.3, p < 0.001), while peer support for young entrepreneurs' online entrepreneurship plays a positive role in their online entrepreneurship behavior (β = 0.884, t = 71.55, p < 0.001). All hypothesis results are summarized in Figure 2.

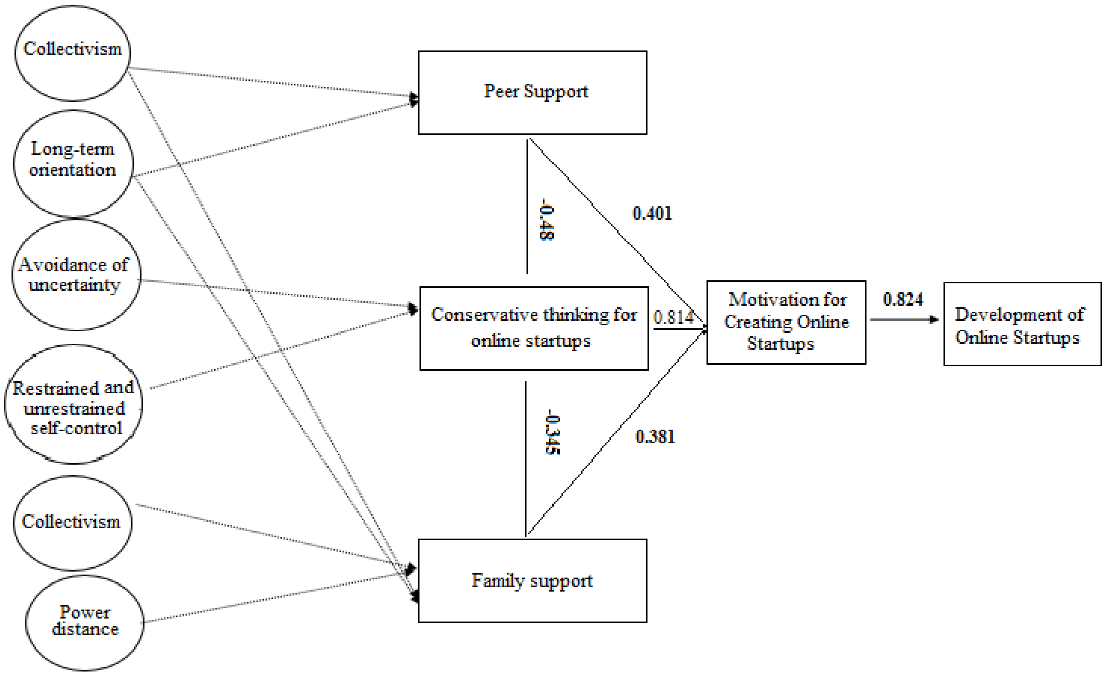

Figure 2: Research Model

The effective loads are obtained by calculating the correlation of the indices of a structure with the structure itself, usually a criterion value of 0.5 is considered for the appropriateness of the factor loads. Considering the loads obtained from the model execution in Table 3, the suitability of this criterion can be confirmed. In addition, all the significant coefficients are also higher than 0.96, indicating the significance of the structures at the 0.05 level (Table 3).

Table 3: Summary of Hypotheses

irect Hypotheses	ıth Coefficient	Value	ɛsult
ɒnservative thinking for online startups -> Motivation to create online startups	401.0	11.5	ypothesis confirmed
ɒnservative thinking for online startups -> Development of online startups	48.-0	811.13	ypothesis confirmed
ımily support -> Conservative thinking for online startups	345.-0	361.2	ypothesis confirmed
ımily support -> Motivation to create online startups	381 .0	411.9	ypothesis confirmed
ɒnservative thinking -> Motivation for young entrepreneurs	0504.0	81.3	ypothesis confirmed
ɛer support -> Motivation for young entrepreneurs	884.0	71.55	ypothesis confirmed

4. Discussion and Conclusion

Based on the social and cultural influence, peer support and family support have a positive role in promoting young entrepreneurs for the promotion of online startups. Various material and emotional supports from peers and family members, such as entrepreneurial skills, workforce resources, and financial resources, can strengthen the confidence of young entrepreneurs and effectively reduce their conservative thinking towards online startups.

Considering the positive influence of family support on the scope of entrepreneurial activities, our results are consistent with the findings of Aldrich and Cliff [17] and Dyer et al. [18]. In fact, some families may not support the new efforts of their family members to make investments, especially in cultures that value stability and credibility associated with working for a high-status employer or the government [19]. This lack of support may discourage young entrepreneurs as they try to avoid relational conflicts, especially in cohesive families with a high level of mutual ethical commitments. Even if families generally support the aspirations of young entrepreneurs, on the contrary, close-knit families may have drawbacks in the startup process.

Unlike other entrepreneurs in the age group, most young entrepreneurs lack entrepreneurial experience and are not familiar with launching new ventures online. This requires the support of peer talents and the encouragement of family members. Most young entrepreneurs still do not have a lot of financial capital, so they need to consider financial pressure and entrepreneurial issues, which causes them to distance themselves from uncertain situations and maintain a conservative mindset in challenging businesses. Through data analysis, the conservative mindset of young entrepreneurs plays a negative role in their motivation for launching online ventures. Future studies should pay more attention to young entrepreneurs and focus on this particular emotional factor.

The influential factors in this study are based on Hofstede's cultural dimension, but lack further breakdowns regarding the extent of cultural influence. Specifically, young entrepreneurs may pay more attention to peer support and focus on the social and cultural impact of family control. Therefore, in future studies, researchers will collect data from different countries. Then, by comparing their differences, more specific research results will be provided. Meanwhile, the definition of peer and family support in this article is extensive and lacks precise classification. Therefore, future research needs to classify the types of supportive methods for a more precise analysis of influential factors.

Unlike individuals in the main group, young entrepreneurs with unique cultural backgrounds have different opinions about online startups. To examine the impact of social and cultural control, this article uses Hofstede's cultural dimensions and analyzes influential factors. All hypotheses can be supported by testing the research model, such as peer support and family support, which positively influence the motivation of young people to start online ventures and reduce their conservative mindset towards online startups. In light of this, to boost the motivation of young entrepreneurs to start online ventures, relevant sectors should encourage peer and family support and focus on combating the conservative mindset of young entrepreneurs.

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