

Pivotal Factors Driving Entrepreneurial Success: A study based in Kerala's MSME Landscape

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ABSTRACT:

This study looks at what makes micro, small, and medium enterprises (MSMEs) successful in Kerala. It involved structured interviews with 217 MSMEs that have been registered for at least 5 years. Statistical analyses were done to understand how factors like the owner's demographics, personal traits, entrepreneurial characteristics, environmental factors, and strategic choices influence the success of these enterprises. The study identified five dimensions of success: Economic Success, Marketing Success, Meeting Obligations, Organizational Success, and Psycho-Socio Satisfaction. The research found relationships between these success dimensions and factors like the business's age, location (district), the owner's formal education level, the amount of capital and financial resources available, human capital (employees), employee loyalty, being part of an industrial cluster, innovation, and competitive aggressiveness. Key findings showed that variables like business age, location, education level, capital, financial resources, human capital, employee loyalty, industrial clusters, innovation, and competitive aggressiveness had a significant impact on organizational and marketing success. The study developed a model using key success indicators like net profit, capital growth, and turnover growth. It found complex relationships between innovation, competitive aggressiveness, dynamic business environment, family background, and the different success dimensions. Notably, innovation and competitive aggressiveness positively impacted marketing success, aligning with entrepreneurial orientation theory. Regional factors and financial resources had nuanced connections with organizational and economic success. This research provides valuable insights for aspiring entrepreneurs, developmental agencies, and policymakers, helping them better understand the factors that contribute to the success of MSMEs in Kerala.

Key Words: Entrepreneurial success, Competitive Aggressiveness, Economic Development, Entrepreneurial Success, MSME,

I. Introduction

The intersection of entrepreneurial engagement and economic growth is widely acknowledged in scholarly discourse (Audretsch & Belitski, 2017). Governments, while serving as facilitators for economic development, rely significantly on the entrepreneurial community for job creation, increased production, and GDP augmentation (Bosma, Stam, & Wennekers, 2019; Naudé, & Amorós, 2020). This collaborative effort, as conceptualized by Schumpeter in 1934, manifests through innovation in products and production processes, along with the exploration of new markets, raw materials, and capital streams (Schumpeter, 1934). The establishment of a nurturing entrepreneurial culture is pivotal for fostering entrepreneurship within a community, requiring the identification of individuals with entrepreneurial potential (McClelland, 1961). However, the study of entrepreneurship, enriched by contributions from sociologists, psychologists, economists, and scholars from diverse social

sciences, has encountered challenges in achieving a unified theoretical framework, leading to perceived incongruities in entrepreneurial theories.

Entrepreneurship, defined by Hindle (2004) as the scholarly exploration of opportunities to create future goods and services, involves studying sources, processes, and the individuals engaged in this endeavor. Despite numerous empirical studies, a comprehensive understanding of the entrepreneur's personality remains elusive, contributing to criticisms of an ill-defined paradigm in entrepreneurship studies (Hindle, 2004). The interdisciplinary nature of entrepreneurship studies, drawing from economics, psychology, sociology, and other disciplines, underscores the need for collaborative engagements among scholars to advance research in this field (Covin and Slevin, 1989). While entrepreneurship studies have witnessed various trajectories and theoretical approaches, this study is grounded in Economics, Sociology, and Psychology (Heron et al., 1992). Motivated by the diverse outcomes experienced by

entrepreneurs, ranging from global success to moderate achievement or business failure, the research seeks to explore factors influencing entrepreneurial success. The significant proportion of new business startups facing closure in India compared to global averages highlights the need for a nuanced understanding of success factors, benefiting aspiring entrepreneurs, developmental agencies, and the wider public (GEM Global Report, 2014; Sajeevan, 2012).

In pursuit of this objective, the paper's structure encompasses sections dedicated to exploring factors contributing to entrepreneurial success, reviewing existing literature, defining research objectives, detailing methodology and study scope, analysing data, constructing a model, presenting findings, facilitating discussion, drawing conclusions, acknowledging limitations, and proposing directions for future research. The study aims to contribute insights that enhance the comprehension of entrepreneurial success, offering practical implications for diverse stakeholders in the entrepreneurial ecosystem (Shane & Venkataraman, 2000).

II. Literature Review

Entrepreneurship, tracing its roots throughout history, gained formal recognition as a phenomenon in the 13th century, with the term "entrepreneur" originating in French, combining "entre" and "prendre" to signify those undertaking tasks (Kalantaridis, 2003). Influential economists such as Cantillon, say, and Mill contributed to defining the entrepreneur as an individual assuming risk, innovating, and organizing resources (Grebel et al., 2001; Kalantaridis, 2003). The concept evolved over time, with Max Weber introducing the idea of Protestant entrepreneurs valuing hard work and wealth accumulation (Kalantaridis, 2003). Subsequent contributions from scholars like Schumpeter, McClelland, Kirzner, and Drucker enriched the understanding of entrepreneurship as a multifaceted process involving innovation, opportunity identification, and value creation (McClelland, 1961; Kirzner, 1985; Drucker, 1985). However, the field's interdisciplinary nature and diverse theoretical perspectives have led to challenges in achieving a unified framework for understanding entrepreneurship.

Entrepreneurial intentions categorize individuals into those attracted by entrepreneurial opportunities and those compelled by necessity due to unemployment or dissatisfaction (Bird, 1988). The literature distinguishes between "push" and "pull" motives, where individuals are either compelled by necessity or driven by attractive opportunities (Gilad and Levine, 1986; Watson et

al., 1994). Motivation theory emphasizes the central role of satisfaction in driving entrepreneurial behaviour, with individuals being either pulled or pushed toward entrepreneurship based on their career choices (Katzell and Thompson, 1990; Gartner et al., 1992). Entrepreneurial traits, such as risk propensity, need for achievement, and locus of control, have been focal points in research since the early works of Rotter, 1966 and Schumpeter, 2000. The multitude of traits, including self-confidence, proactiveness, and tolerance for ambiguity, complicates the identification of a core set, but their significance in determining entrepreneurial success remains undeniable (Palich and Bagby, 1995; Baum and Wally, 2003; Hayton and Kelley, 2006).

Opportunity recognition (OR) marks the initiation of the entrepreneurial procedure, involving the detection of opportunities to start new enterprises (Wallas, 1926; Kirzner, 1973). Factors influencing OR include entrepreneurial alertness, prior knowledge, information asymmetry, social networks, and personality traits (Cooper, 1981; Tang et al., 2012). The entrepreneurial process, as outlined by Bygrave and Hisrich, involves opportunity identification, business plan development, resource identification, and management (Bygrave, 1989; Hisrich et al., 2005). Entrepreneurial success is multifaceted, assessed through both objective economic criteria and subjective criteria, such as personal satisfaction (Zahra, 1993; Puhakka, 2007). Indicators of success include sustained business existence, growth metrics, and various personal characteristics such as creativity, persistence, and risk acceptance (Wainer and Rubin, 1969). Entrepreneurial satisfaction, often intertwined with career contentment, is considered a soft indicator of success and is linked to self-esteem, a trait correlated with psychological well-being and positive performance (Krishna, 2003; Judge et al., 2005; Fieger, 2010).

Factors influencing entrepreneurial success span demographic, personal, environmental, and strategic dimensions (Mazarol et al., 1999; Ramana et al., 2009; Hornaday, 1971; Bosma et al., 2000). Demographic factors include age, gender, birth order, childhood experiences, and ethnicity (Olanrewaju, 2013). Environmental factors encompass cultural dimensions, social capital, and human capital (Mcgrath et al., 1992; Baker, 1990; Adam Smith, 1776). Personal factors involve education, experience, family background, and start-up capital (Fairlie and Robb, 2009). Entrepreneurial orientation, both at the firm level and as a psychological concept, plays a pivotal role, with dimensions such as autonomy, innovativeness, risk-taking, and proactiveness shaping entrepreneurial success (Chadwick et al., 2008; Lumpkin and Dess,

1996; Krauss et al., 2005). Psychological traits like locus of control and environmental conditions, including hostility and dynamism, influence entrepreneurial success (Rotter, 1966; Khandwalla, 1977; Goll and Rasheed, 2004). The cultural context, social and human capital, and product differentiation further contribute to shaping the entrepreneurial landscape and determining success (Porter and Michael, 2000). The intricate interplay of these factors highlights the complexity of understanding and achieving entrepreneurial success, necessitating comprehensive investigation and exploration.

III. Measurements:

The study adopts a meticulous approach to measuring and defining entrepreneurial success within the MSMEs of Kerala. Recognizing the multidimensional nature of entrepreneurial success, the dependent variable is delineated into five distinct

dimensions, including Economic Success, Marketing Success, Organisational Success, Meeting Obligations, and Social and Psychological Achievements. Each dimension is assessed through a comprehensive set of variables, encompassing financial indicators, market performance, organizational growth, and subjective measures like social image. The use of a Likert scale for both dependent and independent variables ensure a detailed and nuanced capture of the entrepreneurial landscape. This measurement method aligns with the subjective nature of entrepreneurial success assessment, acknowledging the potential reluctance of entrepreneurs to disclose precise financial figures. The research instrument's reliability is validated through a pilot study, and its validity is ensured through a rigorous alignment with theoretical concepts derived from the literature (Miller, 1983; Wiklund, 1999; Yli-Renko, 1999).

Success groups	Indicators of success
Economic Success	Net Profit Capital Growth Credit Realization
Marketing Success	Turnover Growth Market Size Growth Customer Base Growth Market Share Growth
Organisational Success	Organization Size Growth
Success in Meeting Obligations	Debt Servicing Settlement of Creditors dues Labour Based Obligations Statutory Obligations
Social and Psychological Achievement	Social Image Entrepreneur's Satisfaction Goal Achievements

Table1: Table: Dependent Variables of the Study

Factors	Items
Demographic Factors 9 items	Data collected using objective questions (8 items) Gender, Age of the entrepreneur, Age of the business, Age of an entrepreneur when the business was started, Birth Order, Formal Education, District where the business is situated, Data collected using likert scale (2 items) Ethnic Community, Migration
Personal Factors 10 items	Data collected using likert scale (9 items) Parental Occupation, Deprived Childhood, Family Concerned Father, Protective Mother, Dominant Mother, Childhood Sibling Rivalry, Bright High School, Experience, Adequacy of capital and Opportunity/Need motivated Entrepreneurship. Data collected using objective questions (2 items) Capital Adequacy, Opportunity/ Need Motivated Entrepreneurship
Entrepreneurial Orientation 19 items	Data collected using likert scale (19 items) Learning, Innovation, Risk Taking, Proactiveness, Autonomy, Delegation, Competitive Aggressiveness, Personal Initiative, Locus of Control, Need for Achievement, Cognition, Heuristics, Motivation for Wealth Creation, Leadership, Customer Orientation, Opportunity Recognition, Self Esteem,Hard Work, and Quality Orientation,
Environmental Factors 11 items	Data collected using likert scale (11 items) Competition, Entrepreneurial Culture, Environmental Dynamism, Abundance of Opportunity, Financial Resources, Human Capital, Social Capital, Industrial Clusters, Agglomeration, Entrepreneurial Group, Employees Loyalty
Competitive Strategies 3 items	Data collected using likert scale (3 items) Product Differentiation, Market Segmentation, Price Differentiation

Table 2: Independent Variables of the Study

IV. Hypotheses:

Hypothesis testing in this study involves a systematic examination of the proposed relationships between independent variables and entrepreneurial success within Micro, Small, and Medium Enterprises (MSMEs) in Kerala. Offering a thorough framework for study, the hypotheses are divided into five categories: entrepreneurial orientation, environmental factors, competitive strategies, personal aspects, and demographic considerations.

H1: Demographic Factors Influence Entrepreneurial Success

This hypothesis explores the impact of demographic factors on Micro, Small, and Medium Enterprises (MSMEs) success in Kerala. Factors such as gender, age, education, and location are examined. Notable findings include the significance of gender, the age of the entrepreneur, birth order, formal education, geographical location, ethnic communities, and migration in influencing entrepreneurial success (Justo et al., 2006; Fairlie,

2009; Stangler, 2009; Wadhwa et al., 2009; Bordean et al., 2010; Fritsch and Wyrwich, 2012; Greene and Owen, 2004).

H2: Personal Factors Influence Entrepreneurial Success

This hypothesis delves into the role of personal factors in entrepreneurial success. It considers aspects such as parental background, childhood experiences, academic performance, prior entrepreneurial experience, capital availability, and motivation. The findings highlight the influence of parental background, childhood adversity, parental roles, academic excellence, entrepreneurial experience, capital, and opportunity-driven motivation on entrepreneurial success (Hisrich and Peters, 1995; Kets De Vries, 1977; Wadhwa et al., 2009; Robb and Fairlie, 2008; Shane and Venkataraman, 2000; GEM 2001).

H3: Entrepreneurial Orientation Influence Entrepreneurial Success

This hypothesis investigates the connection between entrepreneurial orientation and success. It examines learning orientation, innovation focus, risk-taking, proactiveness, autonomy, delegation, competitive aggressiveness, and personal initiative. The findings suggest that a strong learning orientation, innovation focus, risk-taking propensity, proactiveness, autonomy, delegation, and competitive aggressiveness positively impact entrepreneurial success (Rotter, 1966; Chandler and Hanks 1998; Lumpkin and Dess, 1996; Venkataraman, 1989; Frese et al., 1997).

H4: Environmental Factors Influence Entrepreneurial Success

This hypothesis explores the impact of environmental factors on entrepreneurial success. Market competition, cultural environment, environmental dynamism, opportunity abundance, financial resources, human capital, social capital, industrial clusters, agglomeration environments, and entrepreneurial group support are considered. The findings indicate that market competition, entrepreneurial cultural environments, environmental dynamism, opportunity abundance, financial funds, human capital, social capital, strong clusters, agglomeration environments, and entrepreneurial group support are linked to higher entrepreneurial success (Hansen, 2002; Liñán and Chen, 2009; Venkataraman, 1997; Yli-Renko et al., 2012; Acemoglu and Autor, 2011; Bourdieu, 1986; Marshall, 1920; Foss et al., 2008; Antoncic and Antoncic, 2011).

H5: Competitive Strategies Influence Entrepreneurial Success

This hypothesis examines the impact of competitive strategies on entrepreneurial success. Product variation, market core, and competitive pricing are considered. The findings suggest that entrepreneurs employing product differentiation, market focus, and competitive pricing strategies tend to achieve higher success levels (Lowder, 2009; Hills and La Forge, 1992; Barney and Hesterley, 2006).

V. Methodology

The methodology employed in this study reflects a meticulous approach to investigating entrepreneurial success within the specific context of Micro, Small, and Medium Enterprises (MSMEs) in Kerala, India. A multi-stage sampling strategy is implemented, with four strategically chosen districts selected through purposive sampling. The sampling frame, drawn from the District Industries Centres' database, ensures the inclusion of MSMEs with a minimum of five years of entrepreneurial experience, contributing to the study's precision. The research instrument, a structured interview schedule, is utilized for data collection from approximately 217 MSME units. This sampling methodology aligns with the study's focus on experienced entrepreneurs, providing insights into the factors influencing entrepreneurial success in a targeted and relevant manner. The reliability of the sample is validated through a pilot study, ensuring the robustness of the data collected (Zahra, 1993). Additionally, the statistical tool chosen for analysis, Warp PLS, is selected for its powerful capabilities in Structural Equation Modelling, offering a comprehensive and nuanced understanding of the studied dynamics.

VI. Analysis:

The quantitative analysis in this study is conducted using Warp PLS, a robust tool chosen for its capabilities in Structural Equation Modelling. The report offers a thorough look at the variables affecting MSMEs in Kerala's entrepreneurial performance. The study formulates hypotheses to systematically test the relationships between independent variables and entrepreneurial success in MSMEs in Kerala. The hypotheses are categorized into demographic factors, personal factors, entrepreneurial orientation, environmental factors, and competitive strategies. For example, Hypothesis 1 investigates the influence of demographic variable on entrepreneurial success, exploring dimensions such as gender, age, ethnicity, and education. Sub-hypotheses within each category provide a detailed framework for analysis. The results of the hypotheses testing reveal important relationships between various factors and entrepreneurial success. The chosen statistical tool, Warp PLS, allows for a

rigorous examination of these relationships, providing a nuanced understanding of the factors contributing to entrepreneurial success in the

context of MSMEs in Kerala (Hair et al., 2017; Ringle et al., 2022). The fit of the model is given below table 3.

Average path coefficient (APC)=0.225, P<0.001
Average R-squared (ARS)=0.543, P<0.001
Average adjusted R-squared (AARS)=0.528, P<0.001
Average block VIF (AVIF)=1.254, acceptable if <= 5, ideally <= 3.3
Average full collinearity VIF (AFVIF)=2.901, acceptable if <= 5, ideally <= 3.3
Tenenhaus GoF (GoF)=0.713, small >= 0.1, medium >= 0.25, large >= 0.36
Sympson's paradox ratio (SPR)=0.952, acceptable if >= 0.7, ideally = 1
R-squared contribution ratio (RSCR)=0.967, acceptable if >= 0.9, ideally = 1
Statistical suppression ratio (SSR)=1.000, acceptable if >= 0.7
Nonlinear bivariate causality direction ratio (NLBCDR)=0.952, acceptable if >= 0.7

Source: Authors

Table 3: Model Fit

Entrepreneurial success was determined through the initial development of all 15 items for the study, as each item yielded a p-value of less than 0.05. Eight items were subsequently eliminated due to loadings below 0.5. The influence of entrepreneurial success was found to be significant, with Economic Success ($\beta=0.38$, $p<0.01$), Marketing Success ($\beta=0.60$, $p<0.01$), and Organizational Success ($\beta=0.12$, $p=0.02$) being key

factors. The model achieved an R2 value of .92, indicating that it explains 92 percent of the phenomenon. Following the development of individual models for Marketing Success, Economic Success, and Organizational Success, a Combined Model incorporating all these factors was created. The β values, p values of each item, and R2 values for each group are provided in Table 4.

Dependent Variables	Economic Success R ² =0.52		Marketing Success R ² =0.48		Organisational Success R ² =0.25	
	0.38	p<0.01	0.60	p<0.01	0.12	P=0.02
Parameters → Independent Variable ↓	β Value	P Value	β value	P-value	β Value	P-value
Entrepreneurial Success R²=0.92						
Demographic Factors						
Birth Order	β=0.11	p=0.03				
District of Family	β=0.21	p<0.01				
Age of Business					β=-0.14	p<0.01
District of Business					β=0.20	p<0.01
Formal Education					β=0.14	p<0.01
Personal Factors						
Family Concerned Father			β=-0.16	p<0.01		
Capital Investment					β=0.13	p=0.02
Entrepreneurial Orientation						
Innovation			β=0.22	p<0.01	β=0.19	p<0.01
Competitive Aggressiveness			β=0.14	p=0.01		
Environmental Factors						
Environmental dynamism			β=0.23	p<0.01		
Employee Loyalty					β=0.20	p<0.01
Human Capital					β=0.19	p<0.01
Financial Resources					β=-0.22	p<0.01
Industrial Clusters					β=-0.16	p<0.01

Sources: Authors Calculation

Table 4: Values P Values of independent variables and R2

Demographic Factors (H1):

The study explores the impact of demographic factors on entrepreneurial success, including gender, age, ethnicity, education, and migration. Sub-hypotheses within this category provide specific dimensions for analysis. For instance, H1.1 investigates the significance of gender, revealing varying entrepreneurial activities between female and male entrepreneurs. The results show a gender distribution skewed heavily towards males (93%), yet interestingly, the high success group among female's accounts for 35.7%. Similarly, the non-linear relationship between age and entrepreneurial activity, with entrepreneurs in the 40–50 age group exhibiting the highest success rates across districts. These findings align with existing research that suggests age is a crucial determinant of entrepreneurship activity (Stangler, 2009).

The data reveals intricate relationships and dependencies among variables. For instance, Economic Success is found to be influenced by individual variables such as Birth Order and District of Family, as well as latent variables like Organisational Success and Marketing Success. The analysis generates an R² value of .52 for Economic Success, indicating that 52 percent of the phenomenon is explained by the model. Marketing Success, influenced by factors like Innovation and Environmental Dynamism, exhibits an R² of .48, explaining 48 percent of the phenomenon. The interplay of various variables in influencing Organisational Success, along with the overall Entrepreneurial Success, is systematically explored, providing a comprehensive understanding of the dynamics at play (Wiklund, 1999; Headd, 2003; Bouchikhi, 1993).

Personal Factors (H2):

The personal factors category delves into the impact of individual experiences and characteristics on entrepreneurial success. Sub-hypotheses within this category cover aspects such as ethnic entrepreneurship, emigrant entrepreneurship, parental occupation, and childhood experiences. The impact of ethnic entrepreneurship on success, and the results show that Syrian Christians and Keshava are the dominant ethnic groups, mirroring similar trends in success rates. Additionally, the study finds a positive correlation between capital investment and entrepreneurial success, indicating that larger units demonstrate higher success rates. These results provide insights into the significance of personal factors in shaping entrepreneurial outcomes and highlight the diverse backgrounds of successful entrepreneurs in the MSME sector in Kerala.

Entrepreneurial Orientation (H3):

The entrepreneurial orientation category investigates the psychological perspective of entrepreneurs, encompassing factors like innovation, risk-taking, proactiveness, autonomy, and competitive aggressiveness. Sub-hypotheses within this category offer detailed dimensions for analysis. The relationship between innovation orientation and success, emphasizing the close association between entrepreneurship and innovation. The results reveal that entrepreneurs with a strong innovation orientation indeed achieve higher success, emphasizing the critical role of innovation in entrepreneurial endeavours. The study systematically examines various dimensions of entrepreneurial orientation, providing a nuanced understanding of how the psychological attributes of entrepreneurs contribute to their success in the MSME sector in Kerala.

Environmental Factors (H4):

The environmental factors category recognizes the external influences on entrepreneurial success, including competition, cultural elements, customer satisfaction, environmental dynamism, opportunity abundance, financial resources, human and social capital, industrial clusters, agglomeration, entrepreneurial groups, and employee loyalty. Sub-hypotheses within this category offer specific aspects for analysis. The impact of market competition on success, and the results indicate that market competition indeed significantly influences success. The study systematically examines various environmental factors, shedding light on the complex interplay between external influences and entrepreneurial outcomes in the specific context of MSMEs in Kerala.

Competitive Strategies (H5):

The competitive strategies category posits that the strategic choices made by entrepreneurs, as conceptualized by Porter (1996), significantly influence entrepreneurial success. Entrepreneurs opting for product differentiation have higher success levels. The analysis shows that this strategic choice indeed impacts success, emphasizing the importance of differentiation in creating distinct and valuable positions in the market. The study systematically examines various competitive strategies, providing insights into how entrepreneurs strategically position themselves to achieve success in the competitive landscape of the MSME sector in Kerala.

According to Table 5, Above market share, market size, customer base, capital, net profit, and organization size, turnover is the most important success metric. This shows that market size is

closely followed by turnover as the most important indicator of entrepreneurial success within the entrepreneurial community. Remarkably, out of the seven success factors, Organization Size is given the least weight. In Table 6, the analysis reveals that

innovation holds the utmost significance as a factor influencing entrepreneurial success, evidenced by a substantial beta coefficient of 0.29 at a significance level of $p < .01$.

Success Indicators	β Value	P Value
Net Profit	$\beta=0.16$	$p < .01$
Capital Growth	$\beta=0.17$	$p < .01$
Organisation Size Growth	$\beta=0.17$	$p < .01$
Customer Base Growth	$\beta=0.19$	$p < .01$
Turnover Growth	$\beta=0.20$	$p < .01$
Market Size Growth	$\beta=0.20$	$p < .01$
Market Share Growth	$\beta=0.20$	$p < .01$

Sources: Authors Calculation

Table 5: β Values and P Values of Indicators of Entrepreneurial Success

Variables	β value	P value
Age Group	$\beta=0.10$	$p=0.04$
Family Concerned Father	$\beta=-0.16$	$p < .01$
Entrepreneurial Strength	$\beta=0.10$	$p < .01$
Competitive Aggressiveness	$\beta=0.14$	$p=0.01$
Innovation	$\beta=0.29$	$p < .01$
Employee Loyalty	$\beta=0.17$	$p < .01$
Environmental dynamism	$\beta=0.27$	$p < .01$

Sources: Authors Calculation

Table 6: Significant relationships between Dependent & Independent Variables

VII. Findings and Discussions

This study on factors influencing entrepreneurial success among MSMEs in Kerala revealed noteworthy findings through quantitative analysis and structural equation modelling. Entrepreneurs in the MSME sector prioritized marketing success indicators, such as Turnover, Market Size, Market Share, and Customer Base, over economic or organizational success. This emphasis on marketing success aligns with the importance attributed to market share and customer base in entrepreneurial success, as supported by previous research. Demographic factors, personal factors, entrepreneurial orientation, and environmental factors were thoroughly investigated to understand their influence on entrepreneurial success. Among these, the age of the entrepreneur emerged as a significant demographic factor, indicating a moderate influence on entrepreneurial success. Additionally, personal factors such as family-concerned father, level of capital investment, and critical entrepreneurial strength were found to

significantly influence entrepreneurial success, shedding light on the importance of individual experiences and characteristics. The findings contribute to a nuanced understanding of the dynamics at play in the entrepreneurial landscape of the MSME sector in Kerala.

The analysis delved into the impact of entrepreneurial orientation, represented by innovation and competitive aggressiveness, on success. Innovation was found to be a crucial aspect influencing all models of success, including marketing, organizational, and economic success. Competitive aggressiveness emerged as a quality necessary for meeting and overcoming market competition, particularly influencing marketing success. The study's findings contribute to the understanding of psychological attributes that contribute to entrepreneurial success. The relationships between different factors and success models were explored, revealing that Age Group, District of Family, Birth Order, and Age of Business influence various dimensions of success. The

interconnectedness and distinctions among entrepreneurial success dimensions were highlighted, with the Simplified Model of Entrepreneurial Success and Marketing Success sharing significant variables, emphasizing a close relationship between these two success models. These findings provide valuable insights for entrepreneurs in the MSME sector in Kerala, aiding in the development of strategies that align with the specific factors influencing success.

Comparative analyses were conducted between the current study on entrepreneurial success in Kerala and two contemporary studies by Solymossy (1998) and Sefiani (2013). The variations in study units, components of success, and independent variables underscore the diverse approaches and contextual nuances in studying entrepreneurial success. While the current study focused on MSMEs in Kerala, Solymossy (1998) examined individuals and firms in North-East Ohio, and Sefiani (2013) studied owner-managers of MSMEs in Tangier, Morocco. The components of success and independent variables considered in each study differed, reflecting the multifaceted nature of entrepreneurship and the importance of considering local contexts and specific industry characteristics. These comparative analyses contribute to a broader understanding of the factors influencing entrepreneurial success, emphasizing the need for tailored approaches based on the unique characteristics of each entrepreneurial ecosystem.

VIII. Implications, Limitations and Scope

The study's implications are significant for entrepreneurs and academics, offering insights into key indicators and factors influencing entrepreneurial success. The developed models, including the Simplified, Marketing, Economic, Organisational, and Combined Models of Entrepreneurial Success, contribute to understanding the intricate relationships between dependent and independent variables. Notably, this research fills a gap as no similar study has been conducted among MSMEs in Kerala. However, certain limitations, such as a restricted sampling frame and potential biases, should be considered. The study suggests opportunities for further research, including exploring critical strength factors in-depth, investigating regional influences on entrepreneurial success, and delving into the nuanced impact of financial resources on organizational success.

IX. Conclusions

In conclusion, this study on "Factors Leading to Entrepreneurial Success Study Based on MSMEs of Kerala" contributes valuable insights into the complex dynamics of entrepreneurial

success. By identifying and analysing numerous variables, both dependent and independent, the research offers a comprehensive understanding of the factors influencing success in the context of Micro, Small, and Medium Enterprises (MSMEs) in Kerala. The developed models, including the Simplified Model of Entrepreneurial Success, Marketing Success, Economic Success, Organisational Success, and the Integrated Model of Entrepreneurial Success, provide a structured framework for comprehending the intricate relationships among these variables. The implications of these findings are significant for entrepreneurs, academicians, and those involved in entrepreneurship development, offering practical insights that can enhance the understanding of the entrepreneurial phenomenon. While the study is a pioneering effort in the context of MSMEs in Kerala, acknowledging its limitations, it suggests avenues for further research, emphasizing the need for validation of tools, focused industry-specific studies, and exploration of homogenous populations to enhance the robustness of future investigations.

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