

THE RELATIONSHIP BETWEEN PERSONALITY TRAITS AND START-UP MOTIVES IN PRE-OWNED AUTOMOBILE INDUSTRY CONTEXT

Abstract

The personality is actually an individual's reflection of their behavior and thoughts and definitely it has an influence over other aspects. Pre-owned automobile entrepreneurship, with its structure and conduct, is a more responsible business. Entrepreneurs who look forward to such sustainable business have different start-up motives. The purpose of this research is to determine the association between pre-owned automobile sellers' personality qualities (extraversion, agreeableness, conscientiousness, emotional stability, and IQ) and their motivations for starting a business. The sample size consists of 30 pre-owned automobile sellers from the Palakkad district of Kerala. The information was gathered using a survey and analyzed using SPSS software. The results reveal that start-up motives are moderately dependent on the personality traits of pre-owned automobile sellers. Among the personality traits, emotional stability, and intellect of pre-owned automobile dealers were significantly related to start-up motives.

Keywords: Pre-owned automobile entrepreneurship, personality traits, start-up motives, Social entrepreneurship.

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I. INTRODUCTION

The personality is actually an individual's reflection of their behavior and thoughts and definitely it has an influence over other aspects. The mindsets of individuals can differ based on the scenarios of the business they choose. The opportunities and types of businesses are endless; each business has its own scope, character, and trends. Likely the entrepreneurs' motives towards various startups can differ. Apart from other entrepreneurship, social entrepreneurship is more responsible entrepreneurship with its structure and conduct of business (Peter, 2004). This makes the startup motives towards the pre-owned automobile business contrasting. The pre-owned automobile industry serves as a business model which strengthens sustainability, reduces throwaways, and adds value to the business (Beh et al., 2016).

The five personality factors of an individual are Extraversion, Neuroticism, Openness, Conscientious, and Agreeableness (McCrae & Costa, 2008). These personality traits keep the entrepreneurial spirit towards various businesses. Social entrepreneurship emerges to be a solution for sustainability patterns and helps to retain social value. And among the personality traits agreeableness, openness, and conscientiousness have a positive influence on the social entrepreneurship concepts (Koe et al., 2017).

In pre-owned automobile businesses, the automobile which has been purchased and used were sold out. India which constitutes to be the country with a massive population is a fine ground for the automobile industry and markets. The demand for the used-vehicles is based on economic, social, and emotional motives (Hristova, 2019). Customers seek a pre-owned automobile business rather than a fresh automobile in expectation of an automobile with a lower price that satisfies their needs.

Sustainable patterns and models are now gaining momentum. There are specific Sustainable Development Goals (SDGs) that need to be achieved by India within 2030 (Cernev & Fenner, 2020). Pre-owned automobile entrepreneurship can boost it through responsible production and consumption SDG. The entrepreneurs who look forward to such sustainable businesses have different startup motives. Likely, the personality traits of entrepreneurs will also differ. This study is focused on the association between the personality traits of pre-owned automobile businesses and their start-up motives.

II. THEORETICAL BACKGROUND AND HYPOTHESES

1. Big-Five Personality Traits: The Big-Five personality traits belong to the five-factor model of personality (FFM). A personality trait of one person is something that is consistent over a period of time or over a particular scenario. The five personality traits can measure the wideness of one personality which can differ from individual to individual (Soto et al.,). Personality traits of an individual influence their perceptions towards social entrepreneurship. Among the traits extraversion, agreeableness, and conscientiousness contribute more to developing a positive perception of sustainable entrepreneurship. In sustainable entrepreneurship entrepreneurs can generate social value by promoting sustainability. These social entrepreneurs are more creative and innovative; they are moderate risk-takers who seek autonomy. These characteristics make the social entrepreneurs belong to a category other than the traditional one (Smith et al., 2014).

There were researches conducted on the Big-Five personality traits but the previous literature which clearly depict the association between start-up motives and personality traits of pre-owned automobile sellers were really discussed.

The trait Extraversion shows how a person is interested in new experiences. These persons always exhibit positive attitudes, warm, and social values in their bonds (İrengün & Arıkboğa, 2015). This trait contributes to the ability of a person in choosing complicated things such as initiating a start-up. And the trait is more connected with different angles like the search for excitement, work, and positive attitudes, and is more temperamental (Costa & McCrae, 2012). In this present study the extraversion trait of pre-owned automobile sellers was measured using a scale that includes five statements stating interaction with customers, their open-mindedness, social activeness, idea generation, and a social set.

The other trait which has a remarkable significance is Agreeableness. A person cannot agree to every decision and every scenario, and the sort of agreeableness also can differ from one person to another (Costa & McCrae, 2012). Entrepreneurs with a high quality of agreeableness can only withstand in their field. People with agreeableness trait always exhibit a high amount of social value. The entrepreneurs who have high agreeableness trait always have a concern for themselves and they show sympathy for others too (Khan et al., 2021). For socially motivated entrepreneurs like pre-owned automobile sellers, they need the trust of their customers and also should agree to some points to run their business. And for the study various statements were included in the scale to measure agreeableness which includes empathy, helping mentality, compromising ability, not into a confrontation, and not an adamant in enforcing opinions.

The trait which is rule-bound is conscientiousness. This facet of personality is more related to control and discipline. Entrepreneurs must have conscientiousness with a high score to run their business for the long term (İrengün & Arıkboğa, 2015). High conscientious people always seek an order and structure for everything and moreover, they are productive workers (Soto et al.,). Individuals with an elevated level of this attribute are always determined; they plan and organize everything (Khan et al., 2021). And the absence of this trait can severely affect the entrepreneurs' business by leading to a shutdown. So only a conscientious pre-owned automobile seller can run their business for the long term. The present study helps to know whether the conscientiousness trait has a relation with the start-up motives of their business. And in the Likert scale formed various statements pertaining to the trait such as admitting mistakes, futuristic, timely submissions, showing commitment to activities and avoid task which give up their values.

An individual who has a high neuroticism trait will not be stable with their emotions. These individuals face distressing emotions which affect their interpersonal functioning. They always have an unstable relationship and rely on others efforts (Costa & McCrae, 2012). The level of anxiety is higher in people with high amount of neuroticism and they are afraid of failures and moreover they lack self-confidence and innovations. The entrepreneurs are individuals who have to bear higher responsibilities and they have to take high amount of risk which a highly neurotic people are not into (Khan et al., 2021). So only a person with a high emotional stability can go for

sustainable entrepreneurship. For this study, various statements connected with emotional stability were made in a likert scale. The statements included were can handle complaints, can handle adverse situations, even tempered, no space for tension, and not so concerned about turn of events.

The final facet of Big- Five personality traits is openness to experience or intellect. Individuals with high intellect are well prepared for new challenges and also accept novelty. The entrepreneurs show a high amount of intellect compared to other individuals since they need a creative mind in utilizing the resources (Koe et al., 2017). Openness to experience or intellect trait is the enthusiasm of an individual for unique things, creativity and innovation (Khan et al., 2021). This trait is considered as significant antecedent of social attitudes and these open-minded people always facilitate for an organizational change(Costa & Mccrae, 2012). In the likert scale of intellect various statements pertaining to intelligence, able to forecast adversity, believe in jack of all trades, feel free to talk, always choose a wise decision.

- 2. Start-up motives of Pre-owned Automobile Sellers:** The start-up motives or intentions of entrepreneurs refer to the factors which drive the entrepreneurs into a particular business. Initiating a start-up is a challenging piece of work and the reasons to choose a peculiar business can vary from one person to the other. The entrepreneurial intentions are moreover a plan with intended risks and stock up the essential resources for the venture (Karabulut, 2016). The theory of planned behavior and entrepreneurial event model are the theories which are notable in entrepreneurial intentions. The theory of planned behavior includes the perspectives towards behaviors, subjective norms, assessed behavior controls and the entrepreneurial event model deals with observed expediency, readiness towards activities, assessed practicality (Altinay et al., 2022). Start-ups with sustainability inclinations will generate a better place for the posterity (Khan et al., 2021). The popularity of pre-owned market are because of the factor of low income, multiple choice, trouble free documentation and easy finance options (D. Sankar, 2016). Entrepreneurship is regarded as a driver of prosperity, and social entrepreneurship appears to be an effective means of stimulating economic growth (Katzenstein & Chrispin, 2011). Taking financial risks and having entrepreneurial goals have a good link(Salameh et al., 2022). Since pre-owned automobile entrepreneurship is related to sustainable entrepreneurship it can generate value, it is also seen as a business with social relevance which promotes ecological concerns.

A Likert scale prepared to measure the start-up motives scale. The factors which included in the scale were sustainability, higher profits, global market trends, new business opportunity, value creation, ecological concerns, social influence, government policies, product availability, exchange value products, limited key resources, energy savings, easy access to markets, and employment generation. This present study highlights the relationship of personality traits over these start-up motives and the proposed hypotheses were:

- **Hypothesis 1** Extraversion does not have a significant relationship over Startup motives of pre-owned automobile entrepreneurs.
- **Hypothesis 2** Agreeableness does not have a significant relationship over Startup motives of pre-owned automobile entrepreneurs.

- **Hypothesis 3** Conscientiousness does not have a significant relationship over Startup motives of pre-owned automobile entrepreneurs.
- **Hypothesis 4** Emotional stability does not have a significant relationship over Startup motives of pre-owned automobile entrepreneurs.
- **Hypothesis 5** Intellect does not have a significant relationship over Startup motives of pre-owned automobile entrepreneurs.

III. MATERIALS AND METHODS

For this study, a schedule was prepared and was studied among a sample of 30 pre-owned automobile sellers in Palakkad district of Kerala. The schedule includes socio-demographic questions such as name, age, gender, experience in the automobile business, nature of business, the investment made, turnover, type of automobile they deal with, and part of an association or not. The other questions were related to the personality traits of pre-owned automobile sellers and their startup motives. In this study, a Likert scale was used for determining how much the respondents agree with the given statements in the schedule. The scale varies from 1 to 5, with 1 representing severely disagree, 2 representing disagree, 3 representing neutral, 4 representing agree, and 5 representing strongly agree. A schedule was also utilized to gather data from randomly picked used car sellers.

The scales in the schedule was undergone a reliability test. Using the SPSS software, the reliability test was assessed using Cronbach's alpha reliability. The items in the scale have a good internal consistency when Cronbach's alpha is in an acceptable range of $0.7 \leq \alpha \leq 0.8$ (Saidi & Siew, 2019). The startup motives scale comprises 15 items and the obtained alpha score (α) was 0.738 which makes the scale reliable. Likely, the personality traits scale which covers the five traits with 35 items has an alpha score (α) of 0.758 which is reliable **Table 1**.

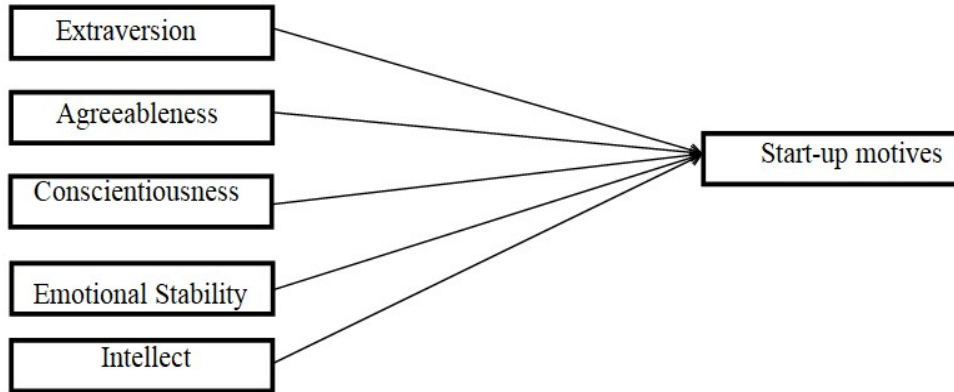
Table1: Reliability Statistics

Scale	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
Startup motives Scale	0.738	0.734	15
Personality Traits Scale	0.758	0.823	35

The data were analyzed using IBM SPSS Statistics Software version 20. Various statistical analysis measures such as frequency, percentage, standard deviation, and correlation were used to measure the socio-demographic indicators and the means of the scales used. A multiple regression analysis technique is performed to find out the significance level of various constructed hypotheses. The startup motives of pre-owned automobile sellers are considered as the variable which is dependent on the personality traits of the respondents.

1. Research Model

The research model of the current study is as follows:



In the above research model extraversion, agreeableness, conscientiousness, emotional stability, and intellect (personality traits) were considered as independent variables, and start-up motives were considered as dependent variables.

2. **Results:** The sample size of the study is 30 and the respondents' socio-demographic profile was depicted in the **Table 2**.

Table 2: Socio-demographic profile of pre-owned automobile sellers

	Total	Percentage
Gender		
Male	30	100
Female	-	-
Age		
Below 25	-	-
25- 35	3	10
35- 45	14	46.67
45- 55	6	20
55- 65	7	23.33
Above 65	-	-
Experience		
Below 5	9	30
5 - 10	7	23.33
10 – 15	8	26.66
15 – 20	2	6.67
20 – 25	2	6.67
Above 25	2	6.67
Pre-owned automobile category		
Two wheeler	4	13
Three wheeler- cargo	2	6.67

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Three wheeler- passenger	1	3.33
Light Commercial Vehicle	6	20
Heavy Commercial Vehicle	-	-
Four wheeler- car	23	76.67
Investment		
Less than 5 L	5	16.67
5 L – 10 L	7	23.33
10 L – 15 L	4	13.33
Above 15 L	14	46.67
Turnover		
Less than 10 L	-	-
10 L – 20 L	6	20
20 L – 30 L	8	26.67
30 L – 40 L	6	20
40 L – 50 L	9	30
Above 50 L	1	3.33
Association membership (KSUVDBA)		
Yes	20	66.67
No	10	33.33

Source: primary data

According to the table, there are no females in this business sector, and the majority is between the ages of 35 and 45. Most of them are newly entered businesses since they have below 5 years of experience in their business. Four-wheeler- cars are considered to be the most fast-moving pre-owned automobile since 76.67% of the respondents do business in pre-owned cars. Among the respondents, the majority invested 15 lakhs and above in their businesses, with a turnover range between 40 lakhs and 50 lakhs. And most of them are members of the association for pre-owned automobiles i.e., KSUVDBA.

From the **Table.3** it is very clear that the respondents score (4.3200) relatively high on EXT (Extraversion) personality trait, while the respondents have relatively moderate start-up motives (3.2333). The standard deviation scores of the pre-owned automobile sellers range from a lower SD of 0.25452 (conscientiousness) to a high SD of 0.44469 (emotional stability)

Table 3: Descriptive statistics

	Mean	SD
STMT	3.2333	.33711
EXT	4.3200	.34681
AG	4.0733	.32582
CON	3.8733	.25452
EMS	3.8467	.44469
IN	4.2733	.31724

Note: STMT- Start-up Motives; EXT- Extraversion; AG- Agreeableness; CON- Conscientiousness; EMS- Emotional Stability; IN- Intellect

The correlation was performed using SPSS software to assess the relation between start-up motives and personality traits. **Table 4** highlights that the personality traits, agreeableness ($r = -0.521$, $p < 0.01$) and emotional stability ($r = -0.505$, $p < 0.01$), and intellect ($r = 0.350$, $p < 0.01$) have an association with start-up motives of pre-owned automobile sellers. Among that agreeableness and emotional stability shows a negative correlation which indicates that as agreeableness and emotional stability increase, start-up motives tend to decrease, and vice versa. Apart from that extraversion and emotional stability, agreeableness and emotional stability, conscientiousness and intellect have a significantly positive relation.

Table 4: Correlation Matrix

	1	2	3	4	5	6
1. STMT	1.000					
2. EXT	-.028	1.000				
3. AG	-.521**	.322	1.000			
4. CON	.040	.022	.116	1.000		
5. EMS	-.505**	.463**	.709**	.164	1.000	
6. IN	.350	.030	-.014	.563**	.131	1.000

Note: **. Correlation is significant at the 0.01 level (2-tailed).

The multiple analysis model overviews of the personality traits and start-up motives were given in the **Table.5**. It indicates that 53% of change in start-up motives can be accounted by personality traits.

Table 5: Multiple Regression Analysis Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.728a	.530	.432	.25397

Note: a. Predictors: (Constant), IN_M, AG_M, EXT_M, CON_M, EMS_M
b. Dependent Variable: STMT_M

The multiple regression analysis coefficients of start-up motives and personality traits were shown in the **Table 6**.

Table 6: Multiple Regression Analysis Coefficients of Start-up Motives and Personality Traits

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Co linearity Statistics		
	B	Std. Error	Beta			Tolerance	VIF	
1	(Constant)	3.008	1.074		2.800	.010	.782	1.278
	EXT	.263	.154	.271	1.713	.100	.481	2.078
	AG	-.231	.209	-.223	-1.106	.280	.666	1.502
	CON	-.164	.227	-.124	-.724	.476	.419	2.389
	EMS	-.390	.164	-.514	-2.378	.026	.658	1.519
	IN	.506	.183	.477	2.764	.011	.782	1.278

Note: Dependent Variable: STMT

From the **Table.6** it is clear that extraversion ($p = 0.100 > 0.05$), agreeableness ($p = 0.280 > 0.05$) and ($p = 0.476 > 0.05$) conscientious does not have a statistical significance with start-up motives since $p > 0.05$. But emotional stability ($p = 0.026 < 0.05$) and intellect ($p = 0.011 < 0.05$) of pre-owned automobile dealers were significantly related to start-up motives since the $p < 0.05$. But for emotional stability the unstandardized coefficient is negative i.e. $B = -0.390$, the negative coefficient suggests that the higher levels of emotional stability are associated with lower start-up motives. But intellect have a positive unstandardized coefficient i.e. $B = 0.506$, and it indicates that a respondent with higher intellect have a higher start-up motives. The VIF values show that there is some evidence of Multicollinearity in the model and it is not said to be extreme. The predictors are said to be moderately correlated since $1 < VIF \leq 5$ and it is acceptable (Daoud, 2018).

IV. DISCUSSIONS AND CONCLUSIONS

The study demonstrates the association between pre-owned automotive dealers' personality qualities and their initial motivations. Our results reveal that the start-up motives or the reasons to enter into their pre-owned automobile business other than fresh automobile business are influenced by their personality traits. Pre-owned automobiles are important since it promote a social value. People with more intellect or openness to experience personality trait is said to start business in pre-owned automobile business. Emotional stability trait has an association with start-up motives in such a way that, an increase in levels of emotional stability will lead to lower start-up motives.

Emotional stability trait and start-up motives can have a negative correlation because emotionally stable people are said to be less inclined to take risks but a start-up involves a lot of risks. For successful start-ups long-term commitment is required and highly emotionally stable people are more likely to give up their business when they face challenges. The agreeableness trait doesn't have a significance relationship with start-up motives because agreeable people always find difficulty in saying no to their potential clients, partners,

projects, etc. which lack focus. Agreeable people often lack competitiveness as others and also find it difficult to engage in tough negotiations. Likely entrepreneurship involves potential conflicts and extraverts will find it tough to manage it.

The study can be further developed by adding various other variables to the model. The statistical power to detect a significant relationship is limited since the sample size is small. In conclusion, the start-up motives are moderately dependent on the personality traits of pre-owned automobile sellers.

V. LIMITATIONS

The study contains few limitations. The study's sample size is limited, which limits the generalizability of the findings. This study only looks at the association between the big five personality qualities and startup motivations. There were similar studies which studied personality traits and business intentions, but the results from them are quite different. And there is a moderate correlation between the predictor variables. Even with these limitations this study can contribute more to the personality traits; start-up motives and various other new researches in pre-owned automobile context.

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