

The Effect of Innovation Behaviors on Financial Performance of Service Enterprises in China.

- **Author(s):** Binbin Cai ,Shanyue Jin
- **Abstract:** Innovation is the process by which entrepreneurs obtain excess profits by introducing a new combination of production factors and production conditions into the production system. To find out which innovation can improve enterprises' financial performance, This study investigates the effect of innovative behaviors including service innovation, engineering innovation, marketing innovation, organizational innovation and image innovation on financial performance of service enterprises in China. A questionnaire survey is conducted among service enterprises in China and a total of 324 valid questionnaires are collected. AMOS 23.0 is used to perform multiple regression. As a result, all five innovation behaviors have a significant positive impact on the financial performance of service enterprises in China.
- **Keywords:** Innovation, Financial performance, Service enterprises, China