LIFESPAN OF STARTUPS

Master’s Thesis
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ABSTRACT

Recent years have seen a proliferation of nascent ventures, businesses that have been formed recently, while still experiencing a shortage of money and personnel. The unique typology of the so-called startups, revolves around loose structures and informal work-environment, focused in efficiently balancing the lack of funds, with their innovative products and services. Especially, when it comes to software startups, that deal with breakthrough technology, risk is inherent, and the tight budget often means prioritizing financial concerns over any identity building or marketing actions. This paper focuses on those crucial early stages of the venture’s building, giving the opportunity for deeper understanding on what appears to be an under-researched territory.

I conducted a qualitative study that sets out to explore the following research question: “How do the early stages and the branding efforts affect the longevity of the startup?”

Through a Comparative Case study approach, and the undertake of qualitative, semi-structured interviews of three software startups, that are on different operational stages, I seek to understand the experiences of two founders and one employee. Not only to investigate their attempts on creating identity and culture for a firm and subsequently an identity for their products, but also how these processes have affected the startups’ trajectory. I believe that by interviewing an informant that holds a different position inside a nascent organization, it will provide a new critical angle on the research. The primary data will be complemented and triangulated through the subsequent study and contest of secondary data, in the form of examined company websites and a Facebook page.

In the theory part, relevant concepts were unfolded revolving around four subsections that cover the most important theoretical aspects of my research. Some of these concepts steer the analysis of my study, while others provided a necessary context for the reader of a rather complex and of scarce literature topic. From the entrepreneurship that precedes leadership, to the characteristics of startups; the organizational culture and identity to the brand identity itself. Branding and marketing efforts are explored, along with what that means in the context of startups. In addition, the difference between branding and marketing is explained with the first representing the strategy and the latter the tactical efforts of an organization; practices that are often seen as interchangeable but, hold different roles.

At last, the findings are discussed by comparing the cases against each other and an answer to the research question is presented, along with further methodological reflections.
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1. Introduction

In a world where technological devices are on abundance and the Internet is conveniently accessible, it strikes as no surprise the sudden flood of new software startups- “...a startup bubble” (p.29) of entrepreneurs willing to try their luck leveraging the easiness of reaching markets with a click and the affordable service allocation. Regardless the high potentials and the plethora of startups that are built daily, most of them pull the plug within a two years period (Giardino et al.2014). Startups are companies, of limited or not at all operational history, newly formed (Giardino et al. 2014, Rode & Vallaster 2005), usually while still facing limitations on budget, people and lack of internal structures (Bresciani & Eppler 2010).

Considering those obvious constraints of budget and personnel, that most of the nascent ventures experience while trying to establish, it is of wonder how startup stakeholders manage uncertainty and build their brand with such adversities; or even the reason one would undergo the challenges of starting such a business. Nevertheless, there are several advantages that startups share over established companies and explain their proliferation nowadays. First, as young companies in the making, startups are characterized by dexterity, not confined in any strict business model, they can adapt more easily to any abrupt changes in the field, be it competitors or new technology (Alton, 2015). Additionally, they often prove to be more efficient, since they must deal with less bureaucracy, and with limited running costs, their pricing is held competitive most of the times. Lastly, startups’ novelty and underdog status, attract clients that prefer the more laid back, team culture of those nascent businesses (Alton, 2015).

Yet, the startup branding, remains at large, a guessing game and the scarce literature does not elicit much on the first formative years of those formless ventures. Every startup is different, yet some are succeeding in surviving the first years. In those nascent times, the organization revolves around, and depends on the founder’s vision and directions (Lebrasseur et al. 2003). Hence, I focus on those early stages, in order to understand how the range of establishing actions to create a firm from scratch, can possibly even determine and judge its lifespan. So, I wonder:

“How do the early stages and the branding efforts, affect the longevity of the startups?”

To tackle this issue, I undertook a qualitative research. In the next chapter, I argue on my methodological choices. Being interested in how human decisions affect a business venture, I conducted a Comparative Case study investigation of three software startups that are on different operational stages. Curious in how the companies evolved rather
than predetermining on the factors that made it; I embarked on the process of sense-making across stakeholders of startups rather than horizontally discovering the meaning. Through qualitative Interviews and documents, I delve into the cultures and nuances of the startup cases.

In order to provide an extra angle to the research, besides the semi-structured interviews with two CEOs, for my third interview, I turned to an employee of a nascent firm, to better understand the dynamics inside such a complex organization. The gathered primary data were further supported and validated, by the examination of official websites and one Facebook page. Following the Methodology chapter, I present my theoretical framework, where I explain concepts that constitute the set of tools, I employed to analyze the gathered data. There, in the span of four subchapters, theories of entrepreneurship and digital startups, to organizational identity and culture- core ingredients for stable ventures; brand identity and finally, the branding and marketing efforts are explained.

Next, the Analysis chapter unfolds in the form of four subchapters: the purpose, the vision, the branding and the marketing efforts, and lastly the evaluation of those attempts of the cases. In the last subchapter, I integrate my secondary data to further triangulate the primary ones. After that, a discussion of the cases against each other follows, by setting the cases side by side, under the same core questions that structured the previous chapter to ensure consistent findings.

Lastly, I conclude on my research question, and present further methodological reflections, sparked from this study.
2. Methodology

A comprehensive demonstration of my chosen methods and approaches will attempt to outline the general structure of the paper and shed light on how do startups’ establishing decisions and branding efforts enforce or hinder their longevity, on the quest to achieve brand viability in the uncertain startup ecosystem.

In order to obtain insight into the core problem, I view the world through the lenses of constructivism, as my ontological stance, which along with the epistemological stance of interpretivism form my philosophical paradigm (Guba & Lincoln 1994) that resonates best with the problem formulation. Namely, it is the way in which constructivism regards the experience of the world, as a process of different constructed realities (Flick 2009) with perceptions being challenged and rebuild through interactions and socially constructed norms (Guba & Lincoln 1994, Bryman 2016). This resonates with my focus on investigating experiences of people that are interacting within the startup ecosystem as well as, employing the qualitative method as my research approach to the problem in question. Additionally, the study was carried out iteratively. That means, working in a fashion where I am embarking from theory to filter my findings; and those extrapolated data may lead me to new hypotheses—basically a merge of working deductively and inductively (Bryman 2012, 2016). I could have employed the deductive approach, since I need a theoretical framework to touch up my problematic (Bryman 2012). However, it is a topic that is scarcely researched as various authors have mentioned before (Bresciani & Eppler 2010, Kavanagh & Hisrich 2010, Giardino et al. 2014); hence it is interesting, attempting to excavate more and let the interviewee’s realities elicit new potential angles. Moving on, I will account on the methods used to collect the empirical data and relevant considerations.

2.1 Philosophical Foundation

2.1.1 Ontological Considerations

Ontology regards the way, I, as researcher, perceive the world around me and how I essentially give meaning to reality. That is, whether I consider the social entities as objectively abiding onto a reality that has no connection with the social actors (Bryman 2012, 2016). As mentioned before, constructivism is employed, as the most adequate stance to make sense of the startup landscape.
Constructivism

Constructivism views the world, as socially constructed, in contrast with objectivism that acknowledges reality, as measurable and externally allocated from human experience (Bryman 2012). Capturing the world as constructed, and with its contexts constantly changing along with human experiences; filtered through the dialectic interactions of the social actors. Knowledge, then, is being subjectively allocated and interpreted even about what constitutes the consensus view of natural phenomena-thought to be the social constructions that are interpreted and viewed within the social horizons (Berger & Luckmann 1991, Collin & Køppe 2012, Bryman 2016). Moreover, the everyday world is stemming from the subjectively purposeful conduct of the social actors’ lives. Originating from their deeds and thought patterns; It is real because they perceive it as such, and it is temporal and molds through the social fermentation, when the members of society interact and are confronted with each other’s subjective realities to which they will again assign meaning (Berger & Luckmann 1991). Ontology resonates with my research, where I will ‘immerse’ myself in the world of startup stakeholders, putting their perspectives and experiences under the scope.

2.1.2 Epistemological Considerations

According to Bryman (2016), epistemological stances pertain to what is or what should be regarded as agreeable knowledge within a field of study. Since it determines a specific way of perceiving reality (Bryman 2012), requires of being in accord with the ontological stance of choice. Epistemology is the vehicle to one’s ontological foundation; It complements it and helps eliciting the social experiences. My goal is to understand the interpretation of participants’ reality and through their experiences to make sense of the gathered data and how subjective meanings motivate actions. Interpretivism is the approach towards gaining knowledge, because human beings and institutions totally differ from the matters that natural sciences are dealing with (Bryman 2012, 2016). Inclined to grasp how startups’ early stages and branding activities affect their life trajectory, since often they are found ashore. Those whys and hows cannot be grasped through the totally opposing epistemology of positivism which appears to dismiss the human aspect. Interpretivism is the stance that can adequately support my research and ultimately shed light on meanings arisen from a socially constructed world (Bakker 2010).
2.2 Choice of Methods

2.2.1 Qualitative Method

My problem is perplexed, complex in nature and hard to grasp without acknowledging the human factor and the inherent subjectivity which cannot be measured (Collin & Køppe 2014). Language, as socially constructed will be the vehicle, to excavate my data, through the interviews (Creswell 2009). However qualitative method entails more techniques of finding and handling data such as images, which is of my intention to analyze in a later stage, in the form of website documentation (Bryman 2012, Dahler-Larsen 2008).

Often, startups weigh heavily on their founders since they are shorthanded to go forth or fall in market’s limbo. In order to understand this complex system of knowledge and identities, I shall employ what seems the most appropriate method. Considering the different ways of collecting the data as well as, that I focus on a specific cultural population within the startup ecosystem in order to grasp an understanding of this organizational realities (Yin 2009, Creswell 2014), the method of multiple case study was first considered but then dismissed. Nevertheless, being a qualitative researcher, is about embracing the ever-changing of the investigation’s journey. Next, I argue on the employment of a Comparative Case Study research approach, along with what that means for the conduction of my examination and how it serves my research goals.

2.2.2 Research Design: A Comparative Case Study

In order to obtain more compelling evidence, I embark on making comparisons among set cases ultimately widening the scope of the research, as similarities and contradictions are arising among the different cases by the employment of identical methods (Yin 1994, Bryman 2012). Specifically, a Comparative Case study was employed. The reason for this will be explained in the following lines. By examining social behaviors and putting them into perspective, one may grasp, what lies behind the success and failure of initial branding strategies (Baxter & Jack 2008) and how it affects the lifespan of the nascent ventures. A basic theoretical exploration and a framework were thought optimal and were used in the iterative curse of the study to link and compare the finding patterns among the cases. In addition, other methods were used in order to test and validate the findings. Thus, along with the interview driven data, our primary data, official web sites and social media pages were examined to triangulate the expressed opinions. More on this, will follow above.

Let’s first see the whys and how behind the selection of such a method putting it into perspective with my research objectives.
Why Comparative case study?

Looking first, on the research objectives, the emphasis is on explaining how the early stages and branding efforts affect the ability of a software startup to survive; a question of ‘how’ that underlines a need for an iterative process on describing, explaining and making a meaning out of the findings. What I want, is to understand the effects of a whole non-static system of strategies and attitudes, which will synthesize the similarity and differences’ patterns within the cases, as well as across them (Goodrick 2014).

Complexity is at the core of new ventures, lacking structures and floating over budget allocation and establishing trust and credibility as business entity. Especially, software startups that deal with innovative technologies that can be game changers but also shooting stars of unaffordable, inflexible and unwanted products and solutions. What is more, perceiving the social relations as perplexed and surpassing any confines of pre-delineated categorizing or level, the researcher of this study acknowledges that associations and sectors within an organization are not fixed, but also not irrelevant or untouched of the wider connections of power; when even statements of mission echo of multiple knowledge sources (Bartlett& Vavrus 2017).

There is a logic of process and tracing across different units of analysis, levels, groups and periods of time in the Comparative Case Study method, that contrasts what would considered a traditional single case matter; there the logic usually lies in a holistic logic, of two discovered units to compare. In fact, the very definition of what constitutes a single case study, reveals the unfit of the approach for my research. Namely, a case study represents an in-depth examination of a specific situation, narrowing down into one topic than a broader one, a comparative, which would offer a real-world testing of scientific hypotheses by embracing a rounded attitude to research (Shuttleworth, 2008). However, traditional approaches to case studies, suggest an a priori bounded notion of the cultural context and the variables; but taking for granted the context is almost as of strictly following a set of rules, that quite manipulating guides the end results by pre-determining variables and hypothesizing about relationship dynamics- which is not what I seek for, when choosing the CCS approach (Bartlett& Vavrus 2017). In contrast, by embracing the CCS research design, means that I perceive the context of the research’s problem, to be corroborated in spatial and relational terms while mirroring a processual understanding of culture.

Tracing across settings and actors to figure out how the phenomenon evolved rather than pre-deciding on the factors that made it; the process of sense-making across stakeholders of startups rather than horizontally discovering the meaning. Being attentive not only to cultural manifestations and controversies, the scaling of power dynamics within and across one organization or community, but also to the special discourse, the documents, the organizations and their lingo, as actors and units of importance. This unveils the unbounded approach to what the researcher acknowledges as ‘context’ of interest, away of any traditional case study deterministic notion of
context as a place, immune to the larger historical and political influences. In the words of Massey, I look at the place as “articulated moments in networks of social relations and understandings, constructed on a far larger scale than what I happen to define for that moment as the place itself” (as cited in Bartlett& Vavrus 2017). Thus, I perceive my actors’ pursuits as a fluid sense-making and construction of settings through social friction; a response to the uncertainty, in the core of humanness; that shapes identities and cultures to ultimately forward in business and life’s field (Bartlett& Vavrus 2017). Especially, considering this paper’s study, where startups in embryonic stages, heavily rely on power dynamics and concorded drive of internal stakeholders to function; posing a distinct ever-changing structural and cultural identity; it is essential to embrace in an iterative, comparative approach “…that not only contrasts one case with another, but also traces social actors, documents, or other influences across these cases;” (p.14, Bartlett& Vavrus 2017).

Thus, the CCS norm includes the analyzing and synthesizing of the dissimilarities, resemblances and motifs across several cases that have a common intensive and goal. This requires a deep understanding and description of the cases’ features, which will pose as a solid necessary foundation of my analytical framework, employed for the cross-case comparison that will take place on the Discussion chapter. Moreover, laying down the research objectives at the beginning of the study, illuminates the logic for choosing the cases under scope, which are expected and should be directly pointing to the research incentives. The complexity of the CCS is apparent when one considers the wide data collection procedure; theoretically, analytically and in synthesis: while quite like what is leveraged for single case studies, in the comparative approach there is a heightened requirement in all these steps. What distinguishes CCS, is the focus not just in comparing what is similar and what is not but leveraging these detected attributes to confirm or dismiss objectives; for instance, if strong purpose affects the ability and quality of branding in a startup context; investigating the casual attributes. The expected iterative process that lies in such a method-the back and forth between key proposals, collecting data and creating understanding, underlines its demanding and costly type in terms of time and resources (Goodrick 2014).

According to Goodrick (2014), one of the essential stages of a Comparative Case study design, is to unveil the rationale behind the initial research objectives that informed my choice of method as well as, the selection of cases. Thus, drawing from past research and the growing investment, as well as, the proliferation of tech startups, an initial interest was developed. Then, when noticing the short life expectancy of the new ventures and the inability or unwillingness to market themselves (Giardino et al. 2014), the following objective immersed: how do startups overcome the branding roadblocks? However, as with my constructivism-fueled approach, attending the problem, it was expected to embrace change, and whilst looking deeper, my objectives changed. The above question could have enforced a single case study, which would according to Siggelkow (as cited in Gustafsson 2017), thoroughly describe the phenomenon, and produce new theory in a less time-consuming way. Yet, while investigating relevant
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Thus, the question of “how do the early stages and branding efforts affect the longevity of startups?” occurred.

My initial objective assisted in pinpointing cases of interest, which could be examined thoroughly; in this paper the broad marketing hardships of new ventures suggested variations in attitude towards branding from internal stakeholders, as well as non-linear approach to forming business goals mind map and a subsequent life expectancy. Hence, the researcher’s new-shifted attention suggested other dimensions of cases to be explored in a wider exploration of the objectives. Whilst, corporate purpose has been investigated from scholars in accordance to company performance, there was a missing piece detected, regarding-not just the purpose but- the repertoire of intangible, soft dynamics that empower and forcefully drive business entities and stakeholders to branding efforts and how these affect their lifespan, especially when considering the constraints of the new typology of startups. Moving from just detecting, describing a phenomenon, which could be covered by a single case study (the marketing roadblocks) to a specified chasm of attitudes and operational statuses, a network of cultural and power dynamics were lying open, waiting to be tested and put in perspective, unit after unit, within and across.

This process subsequently, informed the purposeful sampling approach of this study even more. Since sampling can occur both initially with the embarking of the research but also, during the case, as to selecting, from informers to relevant documents, and so on. Purposive sampling constitutes of choosing cases opulent in information that, offer the researcher the chance to grasp an understanding about the objective of the research; but also, the phenomena under scope (Fletcher& Plakoyiannaki 2011). In my study, I began with a purposive sampling that evolved -as the case and objectives sharpened in focus- specifically, into a within-case maximum variation sampling.

The logic behind selecting cases on the grounds of maximum variation is to introduce into the study design, a great deal of diversity variables-wise; by widening the insights regarding the outcome of the case and procedure such as selecting -as in my research- three cases that differ significantly in one aspect; either the type of organization or its size, the setting, funding and so on -i.e. different operational stages in this study (Flyvbjerg 2011). Maximum variation sampling is tracing varied disparities and recognizes common motifs apprehended in the situation whilst scholars have linked it with the purposeful examination of cases that are characterized negative (Fletcher& Plakoyiannaki 2011). This appears in line with the repertoire of this study’s cases, were I am going to investigate cases of startups that appeared to have ‘failed’ or struggling; in order to have a diverse sample and unveil as much information about the impact that
initial founding purpose, goals and actions have in the ability to establish brand exposure.

Moreover, it is a matter of generalizability, since this can be heightened by strategically choosing the cases rather than going with a random sample, that could perhaps add in terms of representativeness and delineate possibly, the problem’s indications and their frequency. However, acting with the purpose of attaining as much information on the phenomenon, a single case or a stratified sample might not be the way to go. In contrast, choosing few cases for their cogency serves me by shedding light on the deeper reasons behind the problematic and its significances (Flyvbjerg 2011).

Before moving on, describing the cases, another important dimension to touch upon in the research design, is the methods I used to harvest empirical data. Congruently with the CCS approach, a mixture of qualitative methods was leveraged. Namely, interviews of the selected informants constitute my primary data; then a basic theoretical framework that would iteratively verify or refute the emerging understanding. In order to validate my interview evidence, I employed and investigated supporting secondary evidences in the form of company websites and a Facebook page- when a website was not available. Reflecting on the fact that when there is scarcity of resources -a by definition startup characteristic- surviving and succeeding, is heavily depended on the CEO/ manager who is/are accountable with forming, guiding and executing the firm’s objectives; explains why I choose to interview mainly informants in this position. The testing of websites and what is manifested there will help me verify their expressed views (Giardino et al. 2014).

In addition, through the interview data, an explanation is forming which can be put into perspective and triangulated with the secondary sources of evidence; by checking and hence, strengthening responses; from pinpointing and refuting other explanations or simply, tracing and elucidating omissions to the mainly identified motifs. Yet, what is certain in comparative case studies design, is the iterative play among the range of cases, the research objectives built and their testing (Goodrick 2014). Comparison occurring not only within but also among the cases, is the focal point of the CCS method. What defines the comparing variables, are the research objectives and theory presented; however, the inquiry is open to emerging elements of comparison in the process of the study. Moreover, a pattern matching rationale will be involved as it usually occurs with cross-case analysis studies ; this entails contrasting few motifs among the cases in order to understand if there are similarities or differences and by doing so, pave the way in clarifying the detected processes and behavioral manifestations under scope (Goodrick 2014). Nevertheless, a CCS is formulated with the intention to develop knowledge and formulating or evaluating generalizations that expand through multiple cases (Knight 2001). Specifically, in this study, I will analyze the interview data in accordance to the existing theory ,as well as, the supporting data and then simultaneously compare the expressed opinions with what is manifested/
documented officially in the Branding and Marketing efforts subchapters in the Analysis chapter. The same will follow for every case and then a cross-case comparison will be conducted in an iterative, processual logic (Bartlett & Vavrus 2017, Giardino et al. 2014).

Finally, certain challenges arise with the employment of the Comparative Case Study approach, surpassing the time and resources constraints to that of ethical matters and practical issues. First, the necessary depth in describing the cases and the emerging information might mean that not only the specific organizations, but also the informants within them are recognizable which is not of worry if it is properly and clearly communicated, through discussion and negotiations with the informants. In doing so, information that are not of importance for the research can be altered and adjust, with the inclusion of a side note in the study to signify the action that has been taken for the identity protection of those participating (Goodrick 2014). This happened in my study with the interviewee of the branching-out company, that did not want to be recognized or unveiling too much about the company's strategy.

2.2.3 Description of the Startup Cases

As I have mentioned previously, the firms are on different operational stages, which I find interesting as it can give different in-depth insights relevant to my study. Representing the same type of organization, that of a startup; they are spanning from (a) out-of-operation, to (b) stalling and to (c) branching out. From what is considered failing to the more successful and viable models: the first two companies, have been operating for about a year before the first, Clappy, pulled the plug. The third, has passed what is considered the critical first 3,5 years. This is the way I will present it too. It worth noting, that all the companies are in the software branch and founded in the Netherlands.

Company 1

Clappy – the ‘Dead’ Firm

Clappy was a startup company, founded in January of 2018, from two students, as part of their master’s thesis in Entrepreneurship and Innovation, were they had to come up with a business idea and maybe even launch it, which they did. Later, a third guy joined in. The founders were studying in Belgium, but proceed to start their business in the Netherlands, because one of them was Dutch, but also due to the prosperous startup ecosystem that one finds in the country. They started with a clear mission of disrupting the customer loyalty industry in the Netherlands “…by keeping brick and mortar stores running and that aims at making it attractive for shoppers to shop at these stores by
rewarding them for their purchases” (Clappy, about section on Facebook). The founders argue that they wanted to revitalize local shop experiences and enhance human interaction by giving the opportunity to shoppers to get real rewards, cashback every time and reasons to go back at the small local stores of the city where the program launched, that is Haarlem. The company was identifying as in the category of Software, since the loyalty program was delivered in app format (blockchain powered). I interviewed one of the founders, to get insight, initially on the marketing roadblocks they experienced in those embryonic stages and then mainly on their view on the brand identity and philosophy; namely the establishing purpose and vision in order to evaluate later how the company’s early stages and branding manifestations impacted the startup’s lifespan. Thus, to may be understand the deeper reasons of the failure, in perspective with their driven establishing incentives.

**Company 2**  
Kobra Skin – the ‘Zombie’ Firm

A zombie firm is one that earns barely the amount of money to keep operating but it is in debt and in constant need of loans or cannot spur growth (Kenton, 2018). Kobra Skin, was founded in 2018, by two Industrial Designers, who created a self-healing phone case, aiming to disrupt the market with an innovative product of top-notch design, a fully clear and self-healing solution, that would ease the pain of costly yet bulky phone cases that wear off, thus benefiting the customer. The entrepreneurs are both Dutch and work as freelancers, too. I interviewed one of them, who explained that they gradually lost interest and while they are still taking orders and the company is running, they have stopped any branding efforts to scaling up the business. I investigate their branding and their view on it, in the next chapter.

**Company 3**  
ParkBee – the ‘Branching-out’ Firm

ParkBee is a software startup, that has launched smart technology that makes private parking spots available to the public, calling to action both customers and private spots like shopping centers or office parking spots to join the sharing economy. Founded initially in 2013, by two expatriates in Amsterdam, that saw opportunity of helping the public finding parking. It was in 2015, that they leveled up as a startup -from idea to business- by partnering up with Parkmobile and a year after with RingGo. It is important to note, that it is the only startup case among the other two, that had funds and investors from the very beginning contrary to the bootstrapping of the rest. Another
difference here, is that I interviewed not one of the CEOs, but an employee, an engineer of the company in order to understand how he perceives the dynamics inside the company, his role and the branding from the point of view of a non-customer stakeholder. That is, because the core values of a company are represented both externally, from the product etc. but also internally from the employees, the culture and what ultimately constitutes the identity of the firm (Urde 2013), a view that will be touched upon more in the Theory chapter that follows. I will refer to this internal stakeholder as ‘Insider’, in order to highlight the different viewpoint of a person who has firsthand experience of an organization, but was not behind the conception of the firm, and has not actively taken part in designing its brand and marketing actions as oppose to my two other interviewees.

Following, I explain how I will employ my data, both the primary and secondary in order to adequately approach an understanding, regarding the effects of early stages and branding efforts on the longevity of startups.

2.3 Empirical Data Collection

In order to answer the problem in question, I collected data, primary and secondary which then were analyzed. In the next lines, the process of collecting the data will be described along with how the interviews were contacted always, with respect to the methods. I will conclude, then by looking upon validity and reliability.

2.3.1 Document Study

In the study, virtual documents of the above presented startups, were also analyzed. The employment of several methods from different sources is thought to increasing trustworthiness (Salazar 2011). Resonating also with the problem in quest, collecting and analyzing secondary data is considered qualitative. According to Bryman (2012) “...documents are windows onto social and organizational realities” (p.554) and thus, will add on my research as secondary and not primary data sources. Since, documents bear their own distinctive reality and stand as selected representations, aspects and impressions of those who are created for. It is a ‘documentary reality’ that cannot simply account as clear, substantially transparent displays of the fundamental organizational reality. Hence, I cannot truly understand through those documents alone, the operational daily routine of an organization nor I can treat even authorized documents as definite evidences of what they state (Bryman 2012). Therefore, I will treat them as complimentary sources of information to supplement my data.
Virtual documents, such as those I will use, raise concerns regarding the credibility of the source. However, when originating from private sources such are the companies themselves, then they tend to be reliable and of use for the researcher. Although, at the same time, this in fact does not eliminate the palpable complexity of analyzing them knowing that are conveying deliberate truths. Hence, issues of representativeness are arising (Bryman 2012).

With the theory in mind, I will be searching, identifying and retrieving themes that echo the context within the items that are analyzed; by letting categories to arise out of the data within this specific context (Bryman 2012). This will take place in the Analysis, chapter four, and specifically in the subsections presented in each of the three cases, called ‘Branding and Marketing Efforts’. There, along with the examination of the primary data, selected documents of the ‘About us’ sections of the companies’ websites that are still operating, as well as, the respective Facebook page of the company out of business, Clappy -since its website does not function anymore; will be set in an integrated way, in the form of two screenshots per company. Presented in the form of screenshots, incorporated inside the text, the secondary data can add on investigating how the firms brand themselves, along with their sense of identity. The branding initiatives and initial stages are expected to be encountered through the interviews. Hence, the supplementary nature of the secondary data comes in hand, completing in a way the project and its iterative process.

Thus, the Interview Guide, was formulated having in mind the iterative logic of triangulating the data through the secondary data.

2.3.2 The Interview Guide

The semi-structured questions were formed to excavating relevant data that would resonate to crucial elements of my study. Namely: Purpose, Vision, Branding/Marketing: its visual and verbal aspect. This breaking into relevant notion-brackets, would keep the interview on track and, would add on the assessment and analysis by filtering the data accordingly. Noteworthy, true to the essence of the Comparative Case Study, the employment of secondary data would validate further the gathered perspectives, whereas the questions formed within the above notions, ensure the attainment of additional insight from the documents under the scope.

Purpose:

*Why founded? / When did you start the company? / What was the idea behind the firm? / Did your objectives change along the way? / Why in the Netherlands?* (sometimes the
cause resonates with other factors, as in the case of the C1 startup that would stress on the fact of helping the local against the multinational, hence working the idea in a small town)/ Who is your customer?

**Vision:**

Did you share the same vision of the brand with the cofounder(s)/stakeholders? / Do you have a defined mission? What was the focus of your brand? (cause, audience etc.)/ What is your story/pitch? /Have you stuck with your mission? / Firm’s future goals/ Tell me about the company’s culture

**Branding/Marketing:**

Describe your branding/Tell me about the idea behind the logo/slogan/color palette/name. /Has the essence of the brand changed along the way, and if so how? / What would you differently? /Boundaries you faced/ Value system/ Did branding actions pay off?

2.3.3 The Primary Data

The study’s primary data consist of qualitative in-depth, semi-structured interviews; a method employed to answer my problem statement, by interviewing three software startup stakeholders: two founders and one Insider, an employee. The choice of semi-structured interviews, gave me a certain flexibility in accommodating my questions in such a fashion, that would follow the thought pattern of the interviewees but also, giving me the opportunity to ask additional questions when needed, or steer back on track the interview, not to lose focus. Sometimes, specifying questions is needed to encourage the interviewee to give more clear or elaborated answers and thus, give an insight of his reality (Bryman 2012). With the intention to understand how the startups’ early stages and branding efforts affect their longevity, I delved into the constructed realities of the interviewees and their firms, to gain knowledge and interpret the role, initial stages and decisions play, in making viable strategic moves that showcase business identity while reflecting with a critical eye on the existing scarce literature.

2.3.4 The Interviews

Three semi-structured interviews were employed, as described in the above lines, to elicit primary data.
The interviewees, all internal stakeholders of the brands, two CEOs and one employee, are expected to shed light into the way initial stages and branding actions hinder or fuel a successful trajectory. As I have mentioned before, internal stakeholders are of importance as they themselves, constitute elements of the identity of the organization, which in fact validates the choice of the specific informers as of relevance and a credible population under the scope (Ritchie & Lewis 2003).

The selection of the interviewees occurred by leveraging my personal network. Although, this in fact entails certain limitations, I followed a merge of convenience/purposive and theoretical sampling within the spectrum of a non-probability sample. This was mainly, because of time constraints but also it was thought optimal for the research purposes, to sample cases and informants strategically, for relevance and due to its accessibility to the researcher. The theoretical sampling allowed me to specifically choose startups-cases, that would elucidate and add on the theoretical interpretations which would build up a foundation for my analysis even with a smaller sample of informants, saving ultimately in time and energy for adequate, clear data (Bryman 2012, 2016).

The interviews were conducted in different ways, depending on practical reasons such as geographic and resource restrictions. Namely, the founders of the two first-presented companies, Clappy (from now on referred as C1) and Kobra Skin (from now on referred as C2), they do not reside in Amsterdam; the C1 founder lives in Lebanon, whereas the C2 founder in Eindhoven, a city circa 120 km from Amsterdam, where the researcher is based. Thus, the interviews were conducted over the phone and were also recorded. On the other hand, for the case of ParkBee (from now on referred as C3), I conducted it face-to-face and recorded it too, since the circumstances allowed it. Both methods entail advantages and disadvantages.

Telephone interviews are cost and time effective, compared to the face-to-face ones. In addition, they can generate rich data, since interviewees may be more comfortable, responding freely, without the physical presence of the interviewer. However, for qualitative researchers, who strive for in-depth answers being able to observe the body and gestural language, it offers an extra layer of understanding and often helps the researcher understand reactions or feelings aroused by the questions (Kvale & Brinkmann 2009, Bryman 2012). Nevertheless, even in the in-person interviews, drawbacks may occur, as it is not rare for interviewees to respond in one-word sentences or just by nodding (Bryman 2012).

In my two telephone interviews, of the C1 and C2’s stakeholders, I found the informants to be fairly expansive in their answers and thorough replies were generated. Yet, in the in-person one, of the C3 stakeholder, the personal aspect and the fact that the informant was from my personal network, appears to have helped him: to expand and give.
comprehensive answers in a casual, opened up way- in accordance with Henderson and Bialeschki’s (2004) remark regarding the very essence of semi-structured interviews’ conversational easiness-due to its flexibility- to generate emotions and perhaps richer data.

The interviews for the C1, C2 and C3 case were conducted in English, for practical reasons since it was the only language, both the interviewer and the informants were familiar with. Especially in the C3’s case, for whom English is his mother-tongue; this allowed him to be more expansive giving lengthy answers, although he would regularly go off track.

The three semi-structured interviews were conducted, following an interview guide of set questions, that derived from the theory. The flexibility of the semi-structured model enabled me to modify questions, for the sake of clarity during the interviews or use follow-up ones, not to lose control and focus of the interview. The interviews were carried out in a period of 10 days, namely from the 17th to the 27th of May 2019 and spanned from 24 to 60 minutes. The conversations were recorded, which enabled the researcher to put attention on the answers and the questions rather than taking notes. In addition, meant that analysis would be more effective, since I could play back the data material. It must be noted that the interviews were partially transcribed and incorporated as quotes in the Analysis section. Because of time constraints, I decided to note down only answers, that were relevant rather than transcribe the conversations completely-taking into consideration the casual context in which they occurred, irrelevant answers and off-track responses were in abundance.

This poses as another limitation of the study affecting reliability of the data collection as notes pertain subjectivity, since I have not the same level of primary data as the interviews themselves. The notes become subjective due to the very action itself of handling them, tainting them with linguistic manifestations and ascribing several aspects of meaning (Kvale & Brinkmann, 2009). However, according to Bryman (2012), transcribing only the useful parts of an interview can be an option when encountered with uninspired or introvert or simply off-track participants.

Kvale and Brinkmann (2009), argue on the ethical conduction of interviews, not to harm the respondents in any way during the collection of data. Thus, certain measures have been taken as I have informed beforehand, the participants on the purpose of the research as well as, ensuring them on the confidential nature of the interviews and reassuring for their privacy.

2.3.5  Reliability and Validity

Having acknowledged earlier, the limitation of the data collection approach, it is my effort to be critical along the course of the study, presenting limitations when needed
and thus, help the reader filter the information accordingly. Reliability and validity represent the integrity of the findings; the aspect of whether the research could be repeated, which points out to an overall consistent employment of methods for the conduction of the project. Those issues of trustworthiness are at the core of qualitative research, which deals with subjective human constructs, data that are receivable to prejudices from the moment they are uttered, generated and even collected. Because they entail human embroilment and clash of perceptions can occur (Kvale & Brinkmann, 2009, Bryman 2012).

By explaining the methodological foundation of the study, I am now ready to proceed with the theoretical framework of my research that will help me later move on analyzing the gathered information, in order to make sense of my informants’ experiences, decisions and consequences on the life cycles of startups.

3. Theory

Theory represents the set of tools that will be used to analyze the study’s collected data. As a toolbox, it needs to be thorough and well equipped and therefore the chapter includes four subsections that cover the most important theoretical aspects of my research. Exploring the quite complex and broad field of branding and software startups in their nascent stages, the subsections begin by touching upon entrepreneurship, explaining the mechanism and the conditions under which certain people exploit opportunities- a concept that appears to precede leadership since it is what sparks the very formation of new ventures. Thus, in the same subchapter, startups are explained.

Following, Schein’s (2004) perception of Organization Culture lying on different degrees/levels of common assumptions, more or less visible to an observer, is unfolded. After that, in the same subchapter, Hatch and Schultz’s (2002) model of Organization Identity dynamics puts the culture (the cultural self-manifestations as the clothing, the official statements etc.) as one of the two ingredients along with image that constitute an eternal dialectical interplay that constructs identity; how ‘I’ (in this case, the company) see and express myself through artifacts such as ads and statements and rituals, as opposed to the image that the consumers form, through the impressions they make from interactions with the organization. Through the societal exchange, the organization decides, modifies and expresses their brand identity, those tangible and intangible characteristics that make the company regardless of its services; such as the principles of sticking with quality work, to a color palette that emanates meanings that the founder or the managers want to convey (i.e. prowess, ethics etc.). The brand identity is explored in the third subsection. In the last one, branding and marketing efforts are elucidated, along with what that means in the context of startups. In addition,
the difference between branding and marketing is explained with the first representing the strategy and the latter the tactical efforts of an organization; practices that are often seen as interchangeable but, have different uses and roles.

3.1 Entrepreneurship & Digital Startups

Entrepreneurship stems from the exploration and exploitation of lucrative opportunities (Shane & Venkataraman 2000). Functioning as a mechanism for society to turn technical knowledge into commodities and services, entrepreneurship is a catalyst of change, through which economical inefficiencies of specific time and space conditions are detected and modified innovatively into goods (Shane & Venkataraman 2000). The authors, Shane and Venkataraman (2000), argue that for entrepreneurship to occur, certain prerequisites must be present; a joining of factors with first and foremost the very existence of opportunities of entrepreneurial nature that fall under the following categories: Firstly, situations where new information has emerged through the breakthrough of new technological inventions. Second, the utilization of market opportunities by taking advantage of information not equally distributed, meaning that not everyone can and will acquire it at the same time. Lastly, as an entrepreneurial opportunity is considered, the response to changes in the value and advantages of alternatively usage of resources after shifts in the political, demographical and the regulations field (Shane & Venkataraman 2000).

However, according to Shane and Venkataraman (2000), discovering an opportunity - though an essential condition for entrepreneurship - is inefficient without the decision to be actually exploited, since of course not all detected opportunities are brought to completion. Ultimately, the execution of an entrepreneurial idea depends on the characteristics of the individual’s nature along with the characteristics of the specific opportunity. That is, by estimating the value of the pursuit alongside the cost to produce that value and the effort of generating the value alternatively (Shane & Venkataraman 2000). In addition, Shane and Venkataraman (2000), detect individual variations in optimism, that influence greatly the exercise of entrepreneurial ideas: normally, people who take advantage of opportunities regard their odds of successfully achieving as higher than what the reality shows. Being overly optimistic, although it motivates on the one hand the usage of emerged opportunities, on the other hand it drives individuals into acting first and analyzing later, since upbeat as they are, they will search for less information, led by rosy predictions about the future (Shane & Venkataraman 2000). Entrepreneurship is namely a collective creation, resulting from various resources that must be mobilized for the new product or service to work (Shane & Venkataraman 2000). Shane and Venkataraman (2000), suggest that entrepreneurship does not entail but can result in the birth of new ventures. “Entrepreneurship can also occur within an
existing organization” (p.219), since it is a phenomenon of many factors that can be continuously generated.

Yet, for the majority of industries, most of the time, most of the newly emergent ventures fail, and only few ventures take measures such as relocating internal stakeholders. A fact that according to Shane and Venkataraman (2000), suggests once more the overoptimism that on average is manifested through the individual entrepreneurs, regarding the worth of their discovered opportunities to ultimately exploit them.

Close to entrepreneurship, is the concept of purpose, again a manifestation of the individual’s nature that appears to be an important ingredient in a business entity. While purpose as a concept has been and is researched usually linked with business performance; here, I am interested in the general establishing mission, incentives and articulated/manifested goals that constitute, follow and complete it. A concept of a pervasive nature, purpose stands as the guiding beacon, giving a gist of direction to the firm by representing the business’s objectives, and the ethical backbone that fuels the attainments (Gartenberg et al. 2016). In line with the managerial role, which is to infuse and cultivate a shared drive for purpose, the actual pursuit of it, is enabled by and encourages the attainment of the firm’s goals. Purpose will not be found explicitly articulated in any official document; rather it is the implied ethical code and the attitude towards the broadly outlined business incentives; only real if realized and embraced by the employees. Thus, the purpose is more the core meaning of a company’s job/endeavor, beyond sterile, calculated measurements of fiscal performance (Gartenberg et al. 2016).

In addition, purpose functions as the mitigating mechanism of short-term incentives in the firm, minimizing in this way the short sighting of the managers, who in order to achieve pressing objectives, often sacrifice long-term functioning. In other words, purpose helps the alignment of the various stakeholders’ investments in the company, for the company, through the creation of binding relational contracts. These contracts are the unspoken promise between the firm and the worker of solid trust and cooperation, during time and has been found to have an influence on the actual productivity of the employee, when altered (Gartenberg et al.2016). However, for this, yet again, intangible quality to function, purpose needs clarity for the creation and sustainment of these implicit relational contracts. It is the coherence that fuels and facilitates the interpretation of purpose, from this general idea of direction to a set of strategic actions that employees can comprehend and follow confidently, certain that they are in line with the managerial intention and will be appraised (Gartenberg et al.2016).

From the entrepreneurial spirit, to the fuel that purpose brings into realizing business goals, the human aspect appears to be crucial for business entities from their beginning. Authors such as Olin (as cited in Balmer 2001), advocate that in the first developmental
years, a business entity reflects the founder’s personality, who ultimately imposes attributes such as originality in the brand. Being skillfully strategic is an attribute that actually corresponds with Kavanagh and Hisrich’s (2010) findings, in the way that enables entrepreneurs to discern the opportunity and proceed with turning the idea into a business; which acquires a great deal of mobilizing resources and having an insight on the marketplace as the entrepreneurship theory suggests. By the same token, Giardino et al. (2014) pinpoint that the novelty of software nascent ventures “… often requires them to develop or operate with disruptive technologies to enter into a high-potential target market” (p. 29), illustrating that way the category of entrepreneurial opportunities which digital startups deal with.

Startups are companies which have little or no operational history and have been formed recently (Giardino et al. 2014, Rode & Vallaster 2005), usually while still experiencing a shortage of financial or human resources and lacking inner structures (Bresciani& Eppler 2010). Establishing those structures, poses a paradox that elevates, at the same time, branding of startups, in such an exciting and of heightened importance field: because structure is about identity which is an element that plays a pervasive role as the keystone of any company that wants to differentiate itself by showing its roots and dynamics in order to make a connection with its customers (Bresciani& Eppler 2010, Balmer 2001, Urde 2013). During the creation of a company, time constraints often lead the decision makers into putting aside any branding activities, as it is not a prerequisite for one to start a business (Bresciani& Eppler 2010); yet as Boyle (2003 in Bresciani & Eppler 2010) underlies, it is still “…of paramount importance for customer acquisition” (p. 2).

Complexity appears to characterize startups. The confusion starts first due to the difficulty and the ambiguity with which the term brand is perceived (Urde 2013) or thought to be of use from the different stakeholders. It appears that inside those flexible structures, every single member of the startup team, is of value in defining the brand identity - a process that nevertheless must be seen holistically, due to the particularity of corporate brand’s nature. That is, firstly, the variety of stakeholders and the arising obligations to meet their needs. Then, the plethora of products and solutions that these companies usually offer, working as R&D. Lastly, the very culture of each of these organizations (Urde 2013, Ruzzier & Ruzzier 2015) which echoes an amalgamation of thought patterns and perceptions of brand essences that form a unique identity.

Determining brand identity and then aligning to those constituents, is what makes the managerial task of corporate brands complex, yet necessary (Urde 2013). This is in line with Balmer’s view (2001), who also underlines the significance of considering the organizational culture and the personnel.

Nevertheless, this general anarchy in the development process and in managing the scarce resources, while juggling a multitude of stakeholders (Giardino et al. 2014), illustrates another significant element that characterizes new ventures: the multiplicity
of target audiences and the importance of not only external stakeholders, but also internal non-costumer ones, in the forming of its identity (Balmer 2001, Urde 2013). With organizational norms in constant change, the organization, a human construct, carries different perspectives of its core values among the stakeholders. Startups are evolving in uncertain settings and as they do, there are criteria and thresholds, they must surpass in order, first to claim viability and eventually, brand awareness. These issues will be discussed in more depth, as I turn to theories of organizational culture and identity in the next section.

3.2 Organizational Culture and Identity

a. The Culture Inside

Edgar Schein defines culture as “....shared learning experiences that lead, in turn, to shared, taken for-granted basic assumptions held by the members of the group or organization.” (p.22, 2004). According to the author, usually any group that experiences a stable workspace (in regards of maintaining the same employees) and having been through a series of joint learning experiences is expected to have cultivated a level of shared culture (Schein 2004). In Schein’s view, the concept of culture offers a better insight into what’s going on below the surface, in the hidden, perplexing sides of life inside groups, professions and organizations (2004). He is making an analogy between culture in groups with what personality is to a person: culture guides and limits the conduct of an organization’s members through the common behavioral patterns held by them; in the same way that character determines one’s life (Schein 2004).

Nevertheless, not every gathering of people will be developing culture, as it requires enough mutual history for a level of cultural formation to happen. Culture as a phenomenon comes in levels, degrees of varying visibility to the observers and the deeper one goes, the better insight (s)he gets of the essence of an organization’s culture: those shared assumptions. When a set of joint assumptions reach a point that become presumed, unspoken and well-establish, it dictates the group’s attitudes while the behavioral standards are imbued to the newcomers through socializing, which also manifests culture (Schein 2004). Schein suggests that culture can be identified in different levels; beginning from the more visible ones - the artifacts - then the espoused beliefs to ultimately the very essence of an organization’s culture; the basic unspoken assumptions.

The first level of artifacts, signifies the observable organizational structures and procedures, which - although they are easy to detect - are hard to interpret; phenomena that can be seen, heard or felt once a newcomer encounters a group of uncommon culture (Schein 2004). This level of artifacts ranges from the premises of the organization, its expertise and products, the group’s clothing to any visible rituals,
vision statements or official accounts regarding the way the organization functions (Schein 2004). For instance, according to Dermol’s (2012) definition, vision statements, usually present an enticing future state of the business, as the setting of the company’s strategic game visions often present long-term goals. Indeed, artifacts (such as vision declarations) leave only a hint of the group’s culture, and although an observer can describe what they see and sense, (s)he cannot reassemble from the artifacts only, what they mean for the specific group or whether they indicate any fundamental assumptions.

The next level that constitutes the culture in an organization, can be found in the adopted beliefs and values of the members; namely a set of strategies, objectives and viewpoints that can be verified in an empirical way and that offer in a reliable and constant way solutions to the group’s issues (Schein 2004). Those beliefs and values that have become part of a philosophy of the organization and serve as a beacon (meaning pointing to the right direction) in times of uncertainty. Techniques and solutions that once worked, for example strategies when sales were down suggested by the manager and proved to be of worth, then are formed into assumptions espoused by the members of the group. For an outsider, those adopted philosophies reveal a level of the culture leaving many times greater behavioral motifs unresolved and the greater culture out of sight (Schein 2004). In the end, Schein (2004) believes that the essence of a group’s culture can be found in the basic assumptions; the presumptions that are held so strongly by the group, unspoken and almost unconsciously acted upon that a foreigner who does not share them, will be considered abnormal and will be rejected.

As a final note, Schein argues that leaders are the ones who first establish culture by creating groups and companies, determining at the same time beliefs and strategies that help a group in encountering internal and outside issues; “...what once were only leader’s assumptions gradually come to be shared assumptions” (p.36) and if tested, it forms those basic assumptions that have hardened and now will function for the members, as mental justification mechanisms of denial, projections and explanations against any new distortive information that could bring imbalance (Schein 2004). According to Schein (2004), cultural change means altering basic assumptions; and when considering the human nature’s perpetual seeking of stability, this usually signifies -for the leader who attempts it- a tedious, hard and very stress-provoking situation amongst an organization’s members.
b. The Identity of the Organization

Somewhat in contrast to Schein, Hatch and Schultz (2002) argue for the dynamical nature of Organizational Identity, meaning that it is more a process than a static aggregation of understandings regarding an organization, lying in people’s minds. According to the authors, it is a relational social construct, constantly built and moving through the interchanging between inner and outside definitions of all the stakeholders of an organization that embark in a dance concerning the organization’s various self-interpretations and uses of them (Hatch & Schultz 2002). In Hatch and Schultz’s opinion (2002), Organizational Identity must be considered regarding not only culture but also image, for the interplay of external and internal identity interpretations to be understood. That is, because the authors are drawing from the theory of individual identity; of the ‘I’ and the ‘me’, making an analogy connecting the concept with the organizational counterparts. The ‘I’ is how one reacts to the behaviors of others, while the ‘me’ represents the formulated set of beliefs of others which the organism itself presumes that they hold. With the behaviors of the others constituting the standardized ‘me’, the organism responses to that, consists of the ‘I’ (Mujib 2017).

To better illustrate how Organizational Identity is constituted by both the culture and the image’s constant dialogue, Hatch and Schultz (2002) conceived a model of four procedures that connect identity with image and culture: through mirroring, reflecting, expressing and impressing; inner and outer interpretations of identity interrelate. Specifically, because the authors believe that it is the organization’s members that influence the inner focus - the ‘I’ – and so they reflect the culture of the organization. In addition, the members’ way of interacting with significant outside stakeholders (i.e. consumers, investors, the community) shapes the firm’s outer focus; the organized ‘me’ meaning the way that others see them, thus offering a reflection of the organization’s image (Mujib 2017).

The cycle of processes that Hatch and Schultz (2002) suggest, although it perceives identity as the direct outcome of a dialogue among cultural self-manifestations and mirrored images of stakeholders; at the same time, recognizes that any identity claim made from members or external stakeholders about the organization’s self, feeds automatically the process of impression and reflection which contribute back to the mirroring and expressing procedures. In fact, even manifestations of an organization’s culture that surpass the intended imprints that result from determined efforts to transmit a business sense of organizational identity (i.e. corporate statements) are considered important expressions of organized culture; feeding back and forth into the dialectical external and internal dialect of identity impressions.

Moreover, according to Hatch and Schultz (2002) images of the organization are conveyed through the organization’s members of all levels through artifacts such as the business dress code, or rituals, ceremonies and routines that reflect the organizational sense of self into self-expressions. Organizational images result in part from the
projections of others’ identity claims onto the firm, in a sense that although the organization takes up impression efforts towards stakeholders, such as investors and the general community by targeted advertising or positioning; those attempts will be inevitably saturated by the perceptions that the investors form, from external sources such as the media or activists (Hatch & Schultz 2002). Then, external influence as such will be considered and/or dismissed by the organization, when selecting to respond with self-identification manifestations to the projected images during the mirror and reflection procedure.

Hatch and Schultz (2002) pinpoint the way the power affects the dynamics of the organization’s identity, in the sense that those who hold more power (i.e. a manager, the founder etc.) can disturb and influence the processes of mirroring and reflection by exercising their right to decide regarding contradictory views of what external stakeholders’ views indicate for the organization’s reflected identity. Simple issues, such as the founder deciding on the final logo or campaign, to managers being unwilling to pay attention to statistics and reports coming from employees with less power, reveal the disruptive effects towards the dynamics that synthesize the organizational identity. By the same token, powerful internal stakeholders that enhance and encourage the constant interaction of all the processes, can enhance an abrupt identity formation (Hatch & Schultz 2002).

Nevertheless, when organizations tend to focus solely internally, ignoring externally mirrored perceptions of stakeholders, they can end up functioning in a narcissistic manner and resort to self-absorbed identity motions (Hatch & Schultz 2002). An example is when firms do not take into consideration activists supported by media; thus, making a clear assessment of the impact that those external images can have on their identity less clear, and possibly putting at stake the organizational culture as it is. An organization’s unwillingness or inability to react to outer images, being focused on their navel-gazing cultural expressions, reveal a dissociation among image and culture that occurs at the time (Hatch & Schultz 2002).

On the other hand, if a company is focused solely on the external stakeholders’ opinions, it can suffer from hyper-adaptation. According to Hatch and Schultz (2002), giving more power to stakeholder images as oppose to the organizational self-identification, replaces the cultural inheritance with market alterations, exaggerated to respond to changing consumer needs. By obsessing over the image, the substance of the organization a.k.a. the culture ends up in detachment; a phenomenon that is a product of mental or spatial distance, showcased by the organization and the management itself, and exacerbated by the usage of mass communication, the innovative technologies and the complex of the growing globalized service sector (Hatch & Schultz 2002). In the end, Hatch and Schultz (2002) claim that investors and consumers would reject not only a self-absorbed organization, but also would not trust an organization that bases its identity on a market-friendly image only.
Balmer’s (2001) argument about how common and detrimental to the brand is “a failure to make a distinction between the actual, communicated, conceived, ideal and desired identities” (p.275) mirrors the idea of organizational identity being a result of a dynamic interplay of processes that all should be taken into account and be balanced for the organization to last (Hatch& Schultz 2002). Because managers may have an idea of what their brand would like to reflect, however, this image will be infiltrated by external validations, by consumers, media, investors and will be mirrored back to the organization; positively or negatively - if ignored it will affect the impression of others.

Organizational culture representing the organizational ‘I’, along with the perceptions of others - how the stakeholders outside the company, such as the government, the community, consumers, investors, see the organization, that form the organizational image and the organizational ‘me’, construct together the organizational identity; a dynamic concept that cycles around internal and external identity definitions and artifacts (Hatch& Schultz 2002).

These considerations about organizational culture and identity will be carried forward in the analysis, where I critically analyze the efforts displayed by my case companies in attempting to create culture and identity for their startups. However, I am not only interested in their organizational identity, but also in how far they succeeded (or not) in creating brand-identity for their products. Theories of brand identity are therefore the subject of the following section.

### 3.3 Brand Identity

The word ‘brand’ comes from the old Norse ‘brandr’ (p.13) that means to burn; a reference to the practice of burning stamps on animals that helped discerning farmers’ livestock during the early centuries of trade and manhood, one sees how brands are utilized as a landmark guide helping purchase decisions, a role that has not been much changed throughout the ages (Clifton et al., 2003). This is because brands are valuable for minimizing the risk and indecision inherent in a buying situation – you know what you can expect to get, because you know the source (Leek& Christodoulides, 2011).

Besides the brands’ longstanding commercial utility, the word’s terminology always pinpointed also, the impression that an object leaves on people, the idea they construct about it as well as the active formation, the procedure of shaping this idea (Clifton et al., 2003). This burning imprint is what marketers strive to form and distill, first internally and then to the buyers. Yet in the case of startups, it is often in the hands of not one but of all the company’s stakeholders, those internal audiences (i.e. managers, employees) (Clifton et all, 2003), due to the lack of structures in the startups’ early stages - to embrace and lead branding efforts.
The unconventional nature of the startups and them operating in the field of innovation, asks for engaging in budget-friendly unorthodox branding activities. Yet, it is the case that most of these ventures are struggling to adopt a more creative route or even to embrace a narrative, a brand image and identity (Giardino et al. 2014). Innovation and disruption characterize startups and so do resource constraints, which in fact lead to prioritizing financial concerns over branding and marketing (Bresciani & Eppler 2010); the “...grueling task of creating a brand” (p.45, Kapferer 2008) echoes the navel-gazing of the usually reluctant technical management to embrace creativity (Giardino et al. 2014, Clifton et al. 2003, Kapferer 2008).

Brand identity is an umbrella concept, involving the brand’s personality, the positioning and the relationship between consumers’ and the company. This esoteric and impalpable narrative can be traced (or not) in the establishing mission and goals of a business venture: what drives the brand forward is the entrepreneur’s long-term dream that ultimately shapes the services and production into the foresighted needs of the consumers as determined by specific marketing efforts (Kapferer 2008). For Kapferer (2008), organizational identity is the genetic code of the business entity, whereas brand functions as a genetic plan and “What is done at birth exerts a long-lasting influence on market perceptions” (p.36). Therefore, the initial stages of the new venture are of importance along with those first decisions that are hard to break through in a later stage of growth. Hence, for any re-branding actions, one must begin by determining the establishing actions of the entity. This means from the production to communication, and the earliest and most important operations since the birth of the company (Kapferer 2008).

It must be noted that often consumer and non-consumer stakeholders, as well as managers, remain unaware of the brand’s focal core values, not having analyzed the brand’s genetic code (the initial acts and missions, from selecting the brand’s name to investing, advertising etc.). Interestingly, according to Kapferer, the same applies for the brand’s founder, however, he/she appears to bear it within, in a latent way; mirrored and conveyed through his/her deeds and decision patterns (Kapferer 2008).

Brand identity is a concoction of key brand dimensions, such as:

- **Positioning** - which is what the firm wants stakeholders to perceive about the brand. According to Keller et al. (2012 as cited in Urde 2013) the positioning represents exactly how the management wishes the brand to be perceived inside and outside the organization; in the market’s field and “....in the hearts and minds” (p.753) of significant stakeholders.

- **Core beliefs/values** - that is from supporting environmental causes to the dress code inside the company.

- **Behaviors** - meaning the way the firm interacts with internal and external stakeholders. That is the level of professionalism, the CSR policies, the formal or more approaching tone when interacting.

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These all culminate in brand identity, which is manifested both visually and verbally, for example in names, symbols, visual patterns and verbal descriptions (Clifton et al. 2003).

Specifically, visual identity represents an additional essence of corporate identity, which in the ‘80s was tangled with the ‘brand’ term, but since then represents the combination of tangible and imperceptible characteristics, promises and advantages for consumer and non-consumer stakeholders. So, in the visual identity, we find trademarks, emblems, specific color palette and fonts. However, what elevated brand identity was its other dimension, the verbal identity, which is manifesting the added importance of the words and languages, that portray the firm’s essence - or is trying to do so (Clifton et al. 2003).

Interesting for our research, as a comment is that, although many types of organizations have altered their language towards customers, to a friendlier one; some firms such as IT ones, are found to bewildering their audiences with heavy technical language, jargons and even poor use of the English language (Clifton et al. 2003). To sum it up, verbal identity is displayed through a specific language use, sometimes naming system for a product line, the usage of storyline and catchphrases (Clifton et al. 2003).

“Brand identity must be built from within, across geographies, levels and functions” (p.144, Clifton et al. 2003). That means, not simply comprising the visual and verbal dimensions but, essentially, having a backbone of purpose behind the construction: its visual and verbal essences to both vibrate on the same wavelength and express the same narrative. Because story is important: the brand identity should display through its means, its reason for existence as a firm and the difference it makes. This implies a reference to the notion of purpose, the actual drive that holds together the company and should be evident behind the creation of names and slogans as well as, the choice of specific fonts, colors and the language style (Clifton et al. 2003).

When the firm’s culture is truly tight-knit, rooted and apparent behind every element, it results in brand-built values, which are stronger and an asset, in contrast to any hollow catchphrases. Values and mission statements that are transmitted through recruitment, training, and resonate with the internal stakeholder’s behaviors, is what builds, over consistency and time, loyal customers and heightened reputation (Clifton et al. 2003). This is very relevant to startups, which need a solid foundation to survive, yet often CEOs are myopically viewing the potential of any brand investment beyond just one-sided investing in the visuals (Clifton et al. 2003).

In the end, Balmer (2001) argues that the idea of ‘corporate brand’ represents the distillation of all the identity characteristics that the decision maker wants to pertain
and to display through a clear brand declaration; an effort that necessitates the synergy and support of every level of the workforce. Then, once communicated, this brand, will be forging a similar or more mature and memorable mental mark on the customers and non-customer shareholders such as investors or market analysts (Urde 2013).

3.4 Branding and Marketing Efforts

Following the brand identity chapter, it is thought optimal to clarify the difference between branding and marketing. Branding is concerned with strategy, whereas marketing incorporates the tactical goals of the business entity. Essentially, branding delineates who one is as a firm, hence it precedes and indicates its marketing efforts long-term (Shuttleworth, 2008). Questions that illustrate the branding and help determine it, include the values and core principles of the firm (for example, any environmental code of ethics, the material they use, the criteria with which they choose contractors), its mission statement, the firm’s culture, the difference it makes to its target audience by the goods and services it wants to offer (Shuttleworth, 2008). So, while marketing concerns the means one uses to convey the brand’s message, and as such will be constantly evolving and altering; the branding must remain intact as the core and foundation of the firm that leads the marketing strategy and builds brand loyalty. Essential as it appears, branding must lead even when it comes to startup firms - clearly defining who the firm is as a brand, and then planning the exact marketing techniques which can be broad: any combination of keywords, catchphrases, textual, graphics and visuals (Shuttleworth, 2008) to achieve brand awareness (Shuttleworth, 2008).

Still, besides their differences, branding and marketing meet at a certain point which is of interest for my study: as much as a startup needs to consider and build its branding from the start - what represents the firm even when products change (values, ethics, signature etc.), it is at the point when choosing the imagery that will constitute the brand’s aesthetic and trademark that branding meets marketing. Selecting the firm’s color palette, its logo and the visuals in such a way that they will emanate the brand’s essence since they will play a considerable part in the marketing efforts (Shuttleworth, 2008).

Brand serves as “...both a prism and a magnifying glass through which products can be decoded” (p.43, Kapferer 2008). Seen as a matchmaking of the ideals (i.e. quality, innovation etc.) and the products of the company, under a common mission that fuels the brand, embodies and unites its products. However, in an era of constant changes and temporal chances, one thing abides and that is the tangible and intangible characteristics that make the brand when products come and go (Balmer 2001, Kapferer
2008). Nevertheless, consistency is the way for developing brands’ identity and this in fact elucidate the quirkiness of the concept: because it is not one element, one product or a mighty detail that creates it; only when it is complying with the formative core values of the company (who they were when they started the business? What were the principles under which they conducted business?) or when voicing its character (Kapferer 2008).

However, after it is chosen, it constitutes the starting point, the basis for brand equity, in Kapferer’s words (2008) ‘a brand contract’ that binds companies to continuously strive to meet and surpass what they have promised. Namely, compliance and harmony in each of the tasks - from marketing to production to practices and so on. This arises, also, responsibilities which are regularly overseen by the management; Often, what has been set as the corporate’s promise, is neglected along with the core beliefs (for example sticking to use only the finest materials). After some time, such promises are perhaps perceived as just marketing fancy jabbers that have nothing to do with business strategy. In this case, Urde (2013) argues that those promises will have a serious effect on internal and external stakeholders (from the employees to the investors and community), plumping sometimes the credibility with ‘hollow’ empty words that do not correlate with the venture’s vision or actions at all, but are telltales of the brand’s weakness.

Moreover, it is worth noting that from a theoretical perspective, both the slogan and signature of a corporate brand are embodiments and beacons of the brand’s sealed promises, which means that they represent the commitment of the firm to the beliefs it declares (e.g. fast results, top notch quality etc.). Thus, the matter of responsibilities and hesitation arises, with managers often dismissing what would be considered a strong potential slogan in fear of heightened commitments that may not live up to the trust already created towards what the brand represents (Kapferer 2008). Then, it is often the case that brands are treated as plain names rather than a whole complex system of culture and subcultures. In the end, appreciating the brand in its whole spectrum and as a serious commitment may be challenging, but will pay off in the long run (Kapferer 2008). After all, viability is what startups strive for. In addition, it is worth noting the crucial overlap of branding and marketing in those initial stages. Although they must by necessity be dealt as significantly different, one affects the other, and for this reason there must be a clear strategic connection between the two (for example the colors of the marketing campaign to be in harmony with the brand’s trademark, and to cultivate the connection between the consumers and the firm etc.).

One aspect of marketing efforts is mission, which represents the firm’s vision of its prospect state and how this will be attained (Strong 1997 as cited in Daura & Pers 2012). Basically, a mission is a managerial tool that guides the internal stakeholders towards the business incentives (Dermol 2012, Daura & Pers 2012). According to the Ashridge Model by Campbell and Yeung (1991 as cited in Daura & Pers 2012), there are four
essential elements that substantial mission statements should contain and outline. Namely, purpose, the strategy, a standard of manner and values. With these pillars in mind, mission could then be defined as a concept that comprises both the organization’s cultural and the strategic aspect; that requires dedication and drive amongst the internal stakeholders, an engagement that mirrors an initial one to the values under which the company functions (Daura & Pers 2012).

The scholars insist on the creation of thorough mission statements, as opposed to poor-defined ones that include only some of the elements, resulting in weak outlines of the business goals, a frail corporate image and other risks. As stated in the Ashridge Mission Model (as cited in Daura & Pers 2012), the pillar of purpose/intention must answer the reason behind the very existence of the company (why was the company founded? Who is benefitted by its existence?). Next, we have the essential element of strategy that must be reflected in a proper mission statement. Thus, certain questions should be answered through the declarations, such as what is the identification and differentiation point that the company brings? Is there a defined competitive edge or essential skills? The values echo the core beliefs of the company, the philosophy and moral code that fuels and drives the business.

Lastly, the standards of behavior should reflect and present the way the company not only acts but adds in the community; meaning from the level of professionalism to ethical patterns of behavioral manifestation; whether or not the firm engages in innovation, is aggressive or showcases its empathy through policies etc. (Daura & Pers 2012). All in all, a mission delineates the operational scope of the company while simultaneously, differentiating it from other comparable ones; a manifestation of the firm’s philosophy and a predecessor of coherent and accurate business goals (Dermol 2012).

The above theories will function as the tools, to analyze the words and worlds of my interviewees, their take on the attempts of creating brand identity on the early stages of the startups. By critically relating my criticism with the theories, I focus on four core questions which I go through with each case. These are 1) the purpose, 2) the vision, 3) the branding and the marketing and 4) an evaluation of those efforts- whether they were successful gaining awareness.

In summary, my theoretical toolbox covers theories of entrepreneurship to organizational culture and identity, and brand’s identity formation. Nevertheless, my conceptual kit contains two categories of theories. First, those which function as a basis to explain the ones that will be mainly employed on my analysis. Because of my study’s subject, certain topics and definitions had to be presented to support more complex notions that are of more usage for the analysis itself. Namely, the broader theories of the characteristics of software startups by Giardino et al. (2014) set a frame and along
with Bresciani and Eppler’s (2010) explanation of the firms’ hardships to brand, construct a basis on which concepts such as the variation in optimism (Shane and Venkataraman 2000) for the subchapter of purpose; and organizational culture (Schein 2004) and identity (Hatch and Schultz 2002) in the vision’s subsection, can better unfold and be contested with the data. Interestingly, there are also concepts of a more pervasive role throughout the study and the analysis since they operate as both a basis and a constant prerequisite behind each of the core questions. For example, Gartenberg et al. (2016) elucidate the importance of a solid purpose that surpass plain monetary drives, which must also be the constant question behind every deed, when deciding on the branding of a startup.

From the imperceptible concept of brand, unfolded with the help of Kapferer’s (2008) perception of brand contract, to Clifton et al. (2003) urges on having a coherence behind every visual and verbal element, the explaining of branding and marketing’s difference was crucial for these more focused concepts to be explained, and then ultimately used, for the branding and marketing efforts’ subchapter. In the end, my decision to interview not only decision makers but also an employee provides a breeding ground to Balmer’s (2001) and Urde’s (2013) positions, on the significance of internal stakeholders of every level, and connects the theoretical tools giving a nod back to the Hatch and Schultz’s (2002) belief on the influence that the members of an organization have on its identity; and them being culture bearers through their acts.

During the realization of the brand, the moments when the strategic nature of branding meets the tactical one of marketing, Clifton et al.’s (2003) position comes forward, as brand identity lies on the hands of all the members that constitute the firms under research. However, the degree of internal communication, and the balance between inside and outside identity beliefs that result into specific tactics of exposure, along with the subsequent failures and wins, will be processed and carried forward in the last subchapters of evaluation of efforts, for each of the startups.

4. Analysis

In the previous chapter, the theories of the study were presented. The four core questions that will steer the analysis of each of the cases, will unfold in the form of four subchapters: the purpose, the vision, the branding and the marketing and lastly the evaluation of the branding and marketing efforts of the cases. Specifically, by asking whether the company or the founder had a clear purpose, or if there is a company vision, I will discuss the interview data up against the theories. The critical analysis of the cases’ attempts to develop culture and identity in the startup context in the first two subsections, will be followed by the analysis of their efforts in creating brand-identity for their products and subsequent marketing efforts. To find out whether those efforts
were consistent or even adequately developed, I will rely for the branding and the marketing subchapter, on both interview and secondary data in an integrated way. In the last subchapter, an evaluation of all the efforts of each case will be presented, by taking into account again both primary and secondary data, in order to find out if there was a strategic connection between branding and marketing and whether (or not) the efforts for gaining exposure were successful.

Following my analysis of each of my three cases, I will address a discussion of the cases against each other in chapter 5. This is done in order to ultimately discover, if and for which cases, a strategic connection was present in the first stages of their firm’s creation, along with an alignment of culture and identity that must be reflected in branding and finally echoed in their marketing efforts.

4.1 Company 1

C1’s CEO was contacted and interviewed, initially, for his experience as a founder of a startup in the Netherlands. However, it was this interview that changed the direction of the research once the inactive state of his firm was discovered. This, in fact, connects with the qualitative nature of the investigation, especially the comparative case study; being open to emerging knowledge and the iterative approach, too. I found C1’s former CEO through my network. The interview lasted 52:14 minutes and was conducted via phone. The interviewee was talkative and eager to share his experiences and only slightly directed back to relevant subjects through the semi-structured questions, not to lose focus of the interview. There was no order followed in the way the questions were posed, but in the end, all the important matters and themes were covered. Following the theoretical framework outlined in chapter 3, the analysis will be presented starting with the reasons behind the conception of the firm, why it falls in the startup category, the establishing goals and purpose.

4.1.1 The Purpose

First, C1 interviewee explained that he conceived the business idea, which started as part of his masters in Innovation and Entrepreneurship in 2016-2017, in Belgium. It started as a master’s project idea and “…the idea just kept changing and after doing research we changed some stuff, we kept doing different things” [06:10]. He continues, by setting a time frame, when the founders immersed fulltime in work to concretize the idea: “…June or July 2017. And we stopped to …. pull the plug November 2018” [06:29]. The above information correlates and outlines the C1 firm as a startup, since according to Giardino et al. (2014) and Rode & Vallaster (2005) that type of firm has little (sometimes none at all) operational activity and is under constant evolution in
an anarchic non-fixated structural form. At first, the C1 company was constituted only by two members, co-founders who were cooperating for what started as a master thesis, George the interviewee and a Dutch classmate and colleague; then another classmate came on board, of Italian origin, whereas the father of the Dutch co-founder participated as a silent investor. In line with Shane and Venkataraman’s (2000) suggestions, entrepreneurship in the C1 case is collectively pursued and mobilizes a series of sources in order to concretize its ideas. In addition, the founders make use of information they gather on the inefficiency of a service and a lack of adequate loyalty programs. This correlates with Shane and Venkataraman’s idea on what constitutes an entrepreneurial idea:

“So initially the idea started from; we noticed that the loyalty programs that were available weren’t offering any value to users of loyalty programs” [00:28], “So basically we did a lot of research and we figured out like why” [00:42]. The initial purpose of the company appears to guide the founders’ objectives, in line with Gartenberg et al. (2016) idea, it gives a sense of direction to the firm in its early steps. The founder explains:

“so we decided to develop this app for retailers and what it did is that every time a shopper goes to one of these stores and they spend money they get a percentage of cash back in the wallet on this app”[01:37], “...it speeds up the process of accumulating rewards because every time you shop you can do it too”[02:01].

Thus, a purpose was shaping from an early start, pinpointing the target audience regarding who would be benefited. In addition to the shopper, the C1 startup’s purpose was also targeted towards retailers, referring to them as their main customers: “…to save offline retailers by giving them the tools to kind of compete in an online world” [12:13], “…it wasn’t just offline retailers it was smaller chains” [12:44], “…those mom and pop stores you know just the random kind of stores owned by some local.” [12:32]. His statements echo Gartenberg et al.’s (2016) idea of purpose as the driving ethical code, an attitude concerning the broader business goals and the essential job of the enterprise beyond plain fiscal measures. Founders emotionally invested and motivated by a cause:

“We wanted to kind of adopt an altruistic goal with the company, that our goal is to help offline retailers even shoppers” [25:27].

This reveals, among other characteristics, an assertiveness and innovative attitude well-encountered in the entrepreneurship literature; as we saw in the theoretical framework, it is about being able to discern the opportunity and move on to turn the idea into business (Shane and Venkataraman 2000), which necessitates a market insight beforehand. “…with the stores what we notice is that their main problem is marketing” [02:59], “They usually go through offline marketing and print marketing and it’s not really getting them the results they want” [03:10].
Embarking from a simple idea—saving the offline retailers to compete in a virtual world—the founders strengthened their broad business incentives through research market insights, validating their cause and better forming a purpose that could be not only implied through their actions but also turned into specified actions and a more concrete concept. From the customers’ nuisance to actual business goals that could pave the way for a mission statement (as will be seen further in the marketing subsection). Reaching a certain level of clarity regarding their goals, enabled the founders to not only get to know their audience but being certain and confident behind the establishing purposive actions and target groups. This drive and underlying optimism that kept the founders going from the moment of the conception of the idea till the months spent on actualizing it, appears to have led to crucial oversights. Specifically, the interviewee declares:

“...the concept was there, and we did sales and we had some stores join the program. But the thing is the software was very complicated and none of us were developers. So, [...] we partnered up with a somewhat big company, a growing company based in the Philippines. And this program was being built on block chain; [...] to do this app in the Netherlands would cost us 200,000 $. And that was the way we went around the regulations” [08:06].

Nevertheless, in fine tune with Giardino et al.’s (2014) remark, the C1 firm’s novel idea necessitated the development and functioning of innovative technology. This somewhat miscalculation on proceeding with a software business without hiring and/or including to their team a technical member but assigning it to external associates elucidates certain mishaps. First, the hardship and risk of solely depending core ingredient of your company to others that are out of the C1’s watch and influence. Then, the Shane and Venkataraman’s point of overoptimism (2000) correlates, because clearly the founders have proceeded without considering special aspects of the business beforehand. The interviewee explains what went wrong:

“...because we had all our eggs in one basket. Which was our technical partner company. And if they didn’t deliver, we were screwed. We didn’t have any way for a Plan B even though we knew this in advance but it’s the type of business we were doing and the type of opportunities available in the market. No one else could do it, except of that tech partner” [43:44].

Ending up on a crossroad, and worse even at dead-end, it is not rare when outsourcing significant parts of the operations. Even more, as we saw, when running a new venture of limited personnel and funds in tune with Bresciani and Eppler’s (2010) remarks, the firm’s shortages in addition with over-optimistic predictions can lead to oversights. In the end, the fate of the C1’s short life span corresponds with Shane and Venkataraman’s (2000) forecast that most of the emergent companies die on the altar of over-optimism and as fast as an entrepreneurial idea can give birth to such a venture, it can also end it when not thoroughly and grounded planned.

“I wouldn’t go into this kind of startup for this line of business without someone on the team who could develop and do it himself” [46:59] the founder concluded.
entrepreneurial idea, I see a purpose not wholly or adequately conceived with crucial details being overlooked. The next step necessitates a delve into the startups’ vision, as mirrored on the culture and identity of an organization. Relying again on the interview data, I will attempt to find if those concepts were present and dense in the C1 case.

4.1.2 The Vision

In this section of the analysis, we move from Gartenberg et al.’s (2016) purpose that represents and establishes the short-term incentives of a new venture, to Dermol’s (2012) vision statements that signify an enticing future for the company, complementing in this sense the purposive action. In the C1 case, with the company never being officially launched, along with the scarce mentions of the interviewee regarding the long-term goals, highlight the hectic and agonizing first months of mobilizing resources and reaching potential clients that is common ground among startups according to Bresciani and Eppler (2010). In the founder’s words:

“...so, we had some partnerships planned for once we launch with some big apps in the Netherlands and we had some agreements, but we never officially launched so we never utilized them” [26:11].

“...we had plans to sell stuff through the app too, so people can use their rewards to buy, whether it’s online ticket through subscriptions or different kinds of things and a lot of the parties that were potential clients of ours where we could sell their products on the thing” [29:33].

Here, the vision statements correlate with what Schein (2004) describes as the first level artifacts that an observer can easily detect in an organization. In addition, the firm’s structures and way of functioning with the founders actively working on their venture, correspond with Bresciani and Eppler’s (2010) argument on the lack of structures and the struggles of gathering resources. The founder says:

“I was doing the sales too and I would go to the stores and a lot of the time the way I’d structure it as a stress on the fact that we’re there to help the offline” [18:00].

“So, it was really time consuming. The last few weeks or even months I would spend mostly just going every day I’ll just go to the city center with a few stores on my list” [50:06].

Although, according to Schein (2004), vision statements can be indicators of a level of an organizational culture, this does not determine necessarily the development of a culture. In the end, the founders had a vision of a desired future, but the imagery was not attained. “We had the plan. We didn’t execute as we didn’t have the opportunity to launch or get close to the launch” [49:31].
Nevertheless, Schein (2004) pinpoints that the development of culture among any certain group of people, necessitates enough shared history for even a cultural level to form and that is not always the case (for example, not every company has dense bonds between its employees, or the CEOs have not spent long time working together on common tasks, thus their visions or belief system do not align). Questioning the interviewee about how they (the founders) would classify the startup, he disclosed that the founders were somewhat sharing the same vision about the venture:

“More or less yes and that’s what kept this going. But obviously there’s always going to be slight […] disagreements; […] just different visions of how we should go. But overall, we were all in the same boat to some extent. We had a shared vision” [15:53].

When looking back to Kapferer’s (2008) suggestion on how brands serve as both a prism and a lens for the decoding of products, one cannot but wonder, if certain anomalies, thought to be and perceived as of no great importance, small details can maybe influence the way and the success of the subsequent building and communication of a brand. According to the interviewee, the founders shared a vision, and yet they would disagree on a core identity issue that was granted as a “technicality”; that of the startup’s nature:

“This is something we actually had a lot of debate about. I would say it is a tech startup” [43:03].

“…one of the co-founders, he didn’t see us as a tech company because we weren’t developing the app, but it is a tech company it’s just the tech is outsourced but the whole value of the product is based on technology and […] we did have an input in the final product” [44:31].

The shared learning experiences, which according to Schein (2004), lead to mutual assumptions held by the members, is a situation that requires for the founders to agree on such basic issues. No solid culture was detected in the C1 case, besides fragments of a cultural early level built on feeble visions of what the app would and could offer along with the work ethic of the founders working together on their goal until the plug was pulled.

Yet, to find out whether there was organizational identity present on the C1 startup, culture poses as the one of the two core ingredients. This along with image must - according to Hatch and Schultz’s (2002) theory- be considered for what they describe as the interplay of external and internal identity understandings that are constantly built within an organization’s members. In accordance with the theory presented, the members influence the internal focus of the company, the ‘I’, reflecting the culture of the organization. In the C1 case, the internal focus appears to be fragmented and thus not solid – wavering between presenting themselves as a tech company that has no app
developed but outsourced and on pending mode and, on the other hand, as a service company for one of the founders.

Moreover, the way the founders and only members of the C1 startup interact with investors and consumers imbibes the firm’s external focus, the ‘me’ in the Hatch and Schultz’s (2002) concept of organization identity. Embarking from a weak ‘I’ cannot sustain a solid ‘me’, affecting ultimately the impressions of the outer stakeholders and subsequently the mirroring and reflection of the company’s self-manifestations and future. Specifically, the founder explains their effort on expressing and creating impressions to the consumers and investors, of a Robin Hood kind of startup. He declares:

“...if you look at it like on the Facebook page, we tried to say it was kind of the cause that we’re helping offline retailers” [25:17].

This feeling of being rewarded and acknowledged as shoppers and small retailers, was what they tried, according to the interviewee, to present through their scarce posts on their Facebook page, which soon fell into inertia.

“Everything we told them is it’s a reward and we had some ideas for campaigns. We didn’t run any of this” [22:45].

They would consider different ways to surpass the tight budget, by creating connections and enforcing synergies with bigger apps in the Netherlands:

“...they were interested, and they were willing to kind of advertise for us at the beginning and they promised that once we have traction, we use their services” [29:52].

This altruistic image would be used, when approaching the small retailer shops- actively communicating the moral code of the firm to potential customers:

“I’d always talk about how the online kind of destroying the offline and they all recognize that, so that’s how we branded the product to them” [18:11].

In addition, the founders strategically thought of running their business in the small town of Haarlem, since they were to help the small businesses survive the big chains. They would present themselves as foreigners (2 of the 3 were) who value the local element of the community by supporting it through giving the tools to both the retailers and shoppers of a loyalty program that enforces trust:

“...we also would always start off given the fact that we are foreigners that maybe they won’t be receptive we’d always say; one of the first few lines that we say when we talk
So, the impression efforts of the founders on building a certain image, sparked initially a mirroring of investors and consumers who responded, but the different culture and image interpretations of the founders would ultimately disturb the process. That means, a confusion around the firm’s identity that can only be detrimental (Balmer 2001); Is it an altruistic software startup? Or a service startup that works as a middleman between the target audiences with an indifferent external technical partner who did not deliver the idea at the end?

I conclude that there was no strong organizational identity created in the C1 case, perhaps only a scarce, narrow fragment of an ideal one that could not be attained. I believe there was a vision for the startup, but somewhat weak, tainted from over-optimism and lacking the backbone of culture. Moreover, Hatch and Schultz (2002) insist that for the dynamic interplay of processes to result in a robust identity, all the procedures should be acknowledged and balanced for the organization to survive. This was not the case for the C1 startup. Next, to analyze the founders’ efforts of creating brand-identity for their products, I will rely on both interview data and secondary ones to excavate the attempts of C1 transmitting a hollow organization identity into a solid brand.

4.1.3 Branding and Marketing Efforts

Embarking from a problematic vision and a culture in absence, it is interesting to observe how it is to build and trying to expand on sand. In the case of C1, the ‘dead’ startup of my study, its fate is known, and the lifespan was short- in fact the company never launched and neither did any marketing campaign. Because of this, and the fact that there is a certain point where branding and marketing meet, as presented in the theory chapter section 3.4, when the imagery of the brand is built, I will exam those efforts in the same subsection relying on both interview and secondary data.

Mission is an aspect of importance for both branding and marketing that represents the company’s vision of its future and the actual ways in which this will be accomplished. Therefore, I will further the analysis of the interview through an evaluation of C1’s mission statement based on the elements of purpose, strategy, standard of manner and values. These elements are thought to comprise a strong mission according to the Ashridge Model as presented in the theory part 3.4.

- Element of purpose: Why founded? Who is benefited?

“…for shoppers our mission was kind of just to create real value for them and give them programs that actually work and that they actually want, but the main brand thing
would kind of be to help offline to retailers and that’s how we were. That’s how we created our campaigns” [13:47], and “…the messages we wanted to give out to the public” [14:11].

The founders had clearly defined their two target groups, as well as the reason behind their business initiative, helping the offline retailers to survive the proliferation of big chain shops, as well as giving the shoppers the opportunity for real reward feeling, all these through an app. Looking at the secondary data, namely the Facebook page of the C1 and the ‘Our Story’ post (Clappy June, 2018), C1 was indeed tailored towards shoppers, using capital letters to highlight what would be offered: REAL VALUE, EVERY (before the word purchase), Cashback, ANY (before the word item); making it clear for the customer what to expect once launched.

- Element of strategy: What’s the identification/differentiation point?

  “…one of the things we offered is that we’re going to give them a more loyal user base, so users will be in the app, they are going to go to your store, they are going to find the stores that are on the program and purposely go into them and spend and get these rewards” [04:42]

  “So, we always focused on the pains that they [retail owners] had and how we would solve those things. And that’s the structure of most of our sales which is interesting” [38:46]

Strategical thinking is evident, through the initial focus on structuring and forming not only their business idea, but also their sale pitch when approaching their main customers. Thus, they focus on the notion of authentic working two-way reward, both for the shops that would get a customer base and ways to track its preferences etc., but also for the shoppers, the users of the app where all the stores would be featured, saving them time and giving them the opportunity to build relations of value with the smaller independent stores.

- Element of standard of manner: How the firm acts and adds in the community (in terms of innovation, ethical behavior etc.)?

  “…to save offline retailers by giving them the tools to kind of compete in an online world” [12:13], selling their business idea of an app under the vehicle of a cause: helping the local stores as the backbone of their mission, by giving them all the tools and empowering them and subsequently contributing to the broader social fabric of the city of Haarlem.

- Element of values (core beliefs, moral code etc.)
The two-fold focus of the audiences pertains the mission statement and transmits a concrete, moral code and beliefs against the destructive to the social fabric abundance of big chain stores, harming the local business ventures as well as to protect the consumers of entering loyalty programs of hollow promises. Specifically, through the C1 CEO’s words, we notice how the cause behind the business is structured around and molds the statements reaching the external stakeholders:

“So, a lot of these offline stores were suffering from like, I don’t know […] all those big online stores that are taking over and another thing is that […] this program is meant to be also a loyalty program” [04:21].

“…we noticed that the loyalty programs that were available weren’t offering any value to users of loyalty programs” [00:32].

The values behind the words specifically addressed the two audiences

1. “…to help offline to retailers” [14:01].
2. “…for shoppers our mission was kind of just to create real value for them” [13:47].

Then we see, how the founder would strategically leverage the firm’s core beliefs:

“I was doing the sales too, and I would go to the stores and a lot of the time the way I’d structure it as a stress on the fact that we’re there to help the offline” [18:00].

The founder was actively communicating the moral code of the firm to potential customers. In addition, he would take the stance of supporting the local against the multinational big chain firms; a sense of cause and belief that appeared to be gaining the hearts and trust of the customers. Several posts and notes on the Facebook page corroborate with the founder’s narrative. A note that advocated against the sterile online shopping and another one on the reasons the traditional loyalty programs fail, aim to outline the difference C1 would make.

Moreover, a series of informative posts about the merits of collaborating, and supporting local businesses echoes the attempts of communicating the values of the company, mainly towards potential users of the app, as the founder claims. In addition, an altruistic attitude is detected through the use of statements such as: “At Clappy we believe in supporting local stores and in turn supporting creativity and innovation” (Clappy August, 2018).
The latest post, in October of 2018, depicts a pink ribbon for the breast Cancer Awareness Month. This appears to be in sync with the core elements of the mission statement of the company as one that wants to be perceived as ethical and adding to the community through strong morale. Following what is considered a thorough mission, lies another important aspect for both branding and marketing, the making of the visual and verbal identity of the brand. Since none of the founders were marketeers, they leveraged their network and assigned the important part of core dimensions of the brand to external parties. Consistent in part with Giardino et al.’s (2014) suggestion that startups should seek for unorthodox budget friendly branding.

“...we had this exchange program in Milan polytechnico design, and it was the strategic design masters there; So, we met two people there, and they worked with us on this startup not as employees, we just pay them for these smaller tasks and what they did is the kind of the branding design, the colors, the logo. They did it all” [19:35].

Ignoring Kapferer’s (2008) urge on the importance of those establishing decisions, and in line with Clifton et al.’s (2003) remark that startups often prioritize financial concerns over branding and marketing investments, they cooperated with two external designers. Assigning them with “smaller tasks” as the founder states, which actually happened to be both the logo and the slogan, as we will see further; “they did all” the C1 CEO discloses. A position in total contrast with Kapferer’s (2008) indication that the slogan and signature/logo are considered as the beacons of a brand’s promises to its various stakeholders, one understands the arising concern when handing the company’s identity manifestations to ‘strangers’.

On the visual identity, the CEO of C1 says that the designing team chose the logo to be green.
“They picked it to make it seem like money to users” [20:21].

“...then clapping hands were just for the clappy board, and the way that we wanted to do it with the app [...] is every time [...] a user pays and gets a reward. It’s like the clap symbol, and then shows up on the app it’s encouraging. So basically, the clap just came out with the name which was somewhat random” [24:28].

Not much thought seems to have been put on those identity facets. Regarding the name, which they came up with “randomly”, as he mentioned above, he further states:

“...we were just going through all these names and then he thought (the co-founder) about this. Is this like customer loyalty app – clap” [24:04].

“It’s simple. It’s like it can be catchy” [24:16]. “We just googled the copy rights and the trademark” [24:19].

However, the conception of the slogan reveals the hardships and communication mishaps when not actively involved in the process of designing it. Bellow, we notice the discrepancy between ideal and communicated brand facets:

“We just wanted to write just get rewarded. We wanted to stress on the term reward. And we wanted it to feel like kind of magic to users [...] It’s a reward for doing something they won’t get (normally) rewarded for, they just shop: They get rewarded. You know it’s kind of like magically too good to be true. Every time you shop, you’re getting rewarded. So, we really wanted to throw that word out there.

The term reward, reward, everything was a reward” [21:42]

Kapferer (2008) as well as Clifton et al. (2003), stress on consistency; the fact that purpose, reason for existance, the differentiation point should be evident, from the creation of names and slogans to the choice of words, colors and fonts. The initial idea of the founder appears to be in sync with the above perspective as well as, showcasing what would be a coherent brand identity. However,

“...on the Facebook page I just noticed we were still fixing the logo. That was the old logo. It’s «loyalty pays» That’s the initial one they (the designing team) came up with. But I don’t like it. [...] I didn’t want the pay thing [...]. I wanted the whole app to be tailored around the term reward. Everything we told them is, it’s a reward and we had some ideas for campaigns. We didn’t run any of this” [22:18]. Indeed, looking at the Facebook page, we see the slogan still standing there, and we cannot but think of Kapferer’s (2008) quote that what is set at birth applies a long-standing effect on perceptions and determines in a way the fate or the flexibility in which the startup will operate.
What stands out on the Facebook page is the categorization of the company as Software. As quoted previously from the founder, this is because the whole brand was based on an app. An innovative service that they could not deliver after all, due to miscommunications and increasing chasm between them; and a tech company that failed to deliver what was promised. Besides the scarce Facebook posts, the interviewee explains that due to their lack of resources, they looked for creative and budget friendly ways to do the marketing, in fine tune with what Giardino et al. (2014) declare when it comes to startups:

“So, we just had to try and think of creative low budget ways that we can do the marketing. So yeah, a lot of the time that led to either partnerships. We had plans for a launch in advance; different, just different ways that we could do stuff, some guerilla marketing campaigns, that wouldn’t cost too much” [27:44].

Specifically, for the partnerships with big apps they approached, he mentions:

“...we just think about brands or apps or whatever that we can have a kind of synergy with, where they can help us - obviously they have the user base - and where we can help in the long run. So, a lot of them, after we approached them, even though we didn’t have a user base, it’s kind of like an investment from their part you know” [28:42].

However, they did not leverage these partnerships that were willing to push their customer base to them or advertise them, because they never launched. In the end, the feisty ‘About Clappy’ section with the title ‘Our story’ on Facebook, stands as a narrative of good intentions that fell short in transmitting what was desired through its
4.1.4 Evaluation

Despite the seemingly strong mission statement, the lack of culture and the disagreement on categorizing the startup as software or service, appears to have shattered the C1’s brand identity creation right from the start. Contrary to Clifton et al.’s (2003) urges on the need for a solid foundation and consistency, the branding being first assigned to outsiders, and then based on the idea of an app that could not be delivered, could not be in link with marketing, as it is supposed to. Because the initial decision of classifying the business as software, although a “technicality” in the eyes of the interviewee, determined strategies and tactics that were out of the founders’ reach and the firm’s budget. Being a dead company, indicates a negative evaluation of the processes that took place during the first stages of C1. Balmer’s (2001) warning that “…a failure to make a distinction between the actual, communicated, conceived, ideal and desired identities” (p.275) pinpoints on the difficulty to align the decided with the communicated perceptions of the brand and determined the firm’s future as I examined. A startup-shooting star, the birth and death of C1, pinpoints the disconnect between the logo, the signature which signifies the brand promise, and the actual service and way of operating, that fell short in the end.

4.2 Company 2

Following C1’s analysis, the examination of the C2 case is presented. C2’s founder is a Dutch industrial designer and entrepreneur, an acquaintance of the researcher through her work environment. The interview, which lasted 24:56, revolved around his business, which he co-founded in 2018. A nascent venture, unique in structure and offering an innovative product, also being in a stage of branding inertia, it fits this study. Next the interview and secondary data will be analyzed, put into perspective with the theoretical backbone of the study.

4.2.1 The Purpose

According to Gartenberg et al. (2016) views on the purpose, it is found in the intangible core meanings of a business such as the broad incentives. Put simply, for a substantial purpose one must look for business motives that surpass plain fiscal goals, and are
rather fueled by social causes, activism or technological development. Nevertheless, in the C2’s case, it was simpler than that, a ‘why not’ case:

“There were like a couple of friends at school, (they) were having their own, like, e-commerce business and they said it went pretty okay for them. And then I thought okay if they can do it; I should be able to do it as well. So that’s kind of how we started. It always seemed cool to start something on our own” [01:25]. “I started with a friend […] so we’re the two of us actually” [00:38].

Interestingly, the interviewee, honest and direct right from the beginning, he discloses the lack of purpose behind C2, in sharp contrast to what Gartenberg et al. (2016) consider the heart, the core meaning of an endeavor beyond calculated reasons; the purpose is found probably, in the assertiveness of two young entrepreneurs to start something just for the fun of it and the profit. Thus, seeking of purpose rather than embarking from it, the interviewee is explaining the steps taken:

“...first we’re kind of looking for like a cool product” [02:18].

“...it took a while and after we got the product in mind, we started experimenting with designs. We started making a few possible identities with the stylescapes” [02:25]

“...(it) took a couple of months and, like, quite a few more revisions to get where we are right now in the brand. [...] It started after we, we kinda knew what product to sell” [02:59].

Here, the purpose appears to be simply finding the right identity to go with and the right product. The whole process is a work in progress, with a starting point the need for finding that drive behind a unique, original product that would initiate an e-commerce venture; a business accommodated to the needs of its freelancing, flexible workwise, founders.

“We offer protection for people who don’t want to, protect their phones on bulky cases. So, it’s like ultra slim solution for protecting your phone” [03:50]. This short description of the C2’s endeavor, offers insight in certain dimensions of first the entrepreneurial spirit of the founders in leveraging technology and mobilizing sources, in line with Shane and Venkataraman’s (2000) theory. Secondly, the fact that the C2 startup appears active in the development of an innovative product, correlates with what Giardino et al. 2014 describe as a typical software new venture. That is, one which requires the founders to operate with breakthrough knowledge and the risk of dealing with the unknown, as it is with technology that is in its infancy.

“if I would start a new business, I would really try to validate the product before you actually buy a lot of it. We kinda went with a gut feeling. And after a few months once we bought the products and built the website and stuff, we noticed that there were still
"a lot of problems with the product” [21:53]. The innovation lies in the fact that the C2’s solution offers a phone case made of a product that self-heals. Rushing into buying innovative material and launching the product without adequately testing it, reveals the overoptimistic attitude, condemned by Shane and Venkataraman “...leading people to act first and analyze later” (p.223, 2008).

The interviewee further, states: “We always try to deliver high quality [...] I think quality is really important. And then being time efficient. So, I really like it when there is a clear process with written out steps. I think for two reasons: it really helps to clear my mind and that it saves a lot of time for us and other values ...I don’t think there are like other values right now” [23:35].

Here, a contradiction is detected, as the strive and intention for high quality was hindered by the rushed launch of an untested product. Nevertheless, the founders’ designing background is obvious on the careful and meticulous steps they initially took, drawing from scratch brand identities and products; perhaps only lacking in connecting them with a more substantial purpose. Because, C2 reveals no solid purpose, rather than making profit which translated into rush decisions and a weak foundation. Next, I will attempt to excavate whether this rashness translated into the Vision of the company, its culture and identity.

4.2.2 The Vision

“So, we didn’t really have; we didn’t have a mission or vision just seemed cool to start something. That’s it” [01:52]. Undoubtedly, it can be considered a vision, this future state of the business entity, perhaps just the imagery of building and running one, even when core characteristics, such as the very product or service are not found yet. A blurry vision, but still a vision of an “…e-commerce business” [01:31] of a “…cool product” [02:21].

“...the audience that we had in mind were kind of the like tech savvy people, the young people and we wanted to create like really powerful brands around it” [07:52].

Again, it seems as it is not about the product or “…a social objective for the firm” as Gartenberg et al. (p.4, 2016) detect the pursuit of purpose in successful companies.

With the company being founded in the year of 2017, it is interesting that the limited vision does not appear to have any culture cultivated during the one year of operations when the interview was conducted. For instance, when the interviewee is asked whether they had a strategy, he discloses:

“...we did think about it but yeah, we do have it, in the back of our minds, when we create something new. But we don’t have like a fixed checklist or anything” [17:22].
Going back to Schein’s (2004) theory on culture, and with the mind on the founder’s statement that they do not have really any vision or mission, I do not see an organization that shares any strong organizational culture. Nevertheless, culture comes in levels, and the founder explicitly states that they do not have the company as a priority and that they soon lost interest:

“The guy and I (that) started the business are noticing that we’re more and more focusing on other stuff like, like the freelance design stuff and that works much better for us” [18:58].

In addition, organizational identity cannot be fully detected in an organization that lacks culture. Having no story and no mission deprives the researcher of a glimpse of the founders’ identity definition as a company. However, since according to Hatch and Schultz (2002), identity is found on the interplay between outside and inside identity claims, identity expressions can be traced in the secondary data, specifically the examination of the C2’s official website in the subchapter that follows. Moreover, the interviewee’s last quote works as a fine bridge, a preview of explaining the branding inertia that the C2 has fallen into, the efforts to build a brand identity and communicate it while lacking a solid vision, culture and identity.

4.2.3 Branding and Marketing Efforts

Regarding the very central element of purpose, that along with the above, determines the strength of a mission statement, the whys and whos behind the establishment of a business and the ones who benefit, the founder’s statements are enlightening: “And then story... Yeah. It’s kinda... kinda made up I guess, it’s not really from the heart. It’s more marketing” [04:26].

“I think it’s like every time you start a business, I think it’s important to have like a mission or maybe not a mission but kind of a vision of where you want to go. And like a story why you started it; because it really resonates with the people” [05:03]. “If it’s a good story, at least it will also give you some direction” [05:21]. Evidently, the C2s founder acknowledges the employment of the story and the mission element for the communication of the brand, but it appears as if he dissociates it from the founding of the business, as it is an extra, a façade instead of a crucial ingredient and an asset as argued by Clifton et al. (2003). “Brand identity must be built from within, across geographies, levels and functions” (p.144), declare Clifton et al. (2003). But the founder of C2 appears to approach the building of a story as another box to check, in total contrast with Kapferer (2008) who talks about an esoteric narrative, a backbone that should be traced in the establishing mission and business incentives.
“There’s also this thing, it’s called Mantra, So it’s like three or four words description of what your company is and does” [05:39]. “And I think that like, if you have that in mind while you’re working on your business and trying to present you: present yourself to the customers, I think that really helps” [06:06]. For the founder, it is as doing a project, with the driving force being to sell, or be presentable, fabricating or constructing a dynamic façade with no other beliefs or values behind it. Even the product came after the idea of making an e-commerce business to make money, and no great attention has been given to testing the prototype as disclosed in an earlier quote.

As examined in the 4.2.2 subchapter, there is no clear element of purpose traced in the C2’s case, although we could say that from such an innovative product, the customer is clearly benefiting. However what purpose represents, is the rooted, actual drive behind that holds together the company; and here it is not strong or coherent, rather it reveals and follows the highs and lows of the founders’ interest in running a company and making profit. Can this pose as a purpose? Is it enough?

“...we get a lot of more joy out of it, and we make much more money, so we kind of decided to put Kobra Skin in the backgrounds” [19:18].

“...like if there is some order, we will still take it of course. When we find like interesting partners still try to make a deal, but we're not spending any more money on like ads or social media” [19:28]. I argue that the lack of the purpose element can in part explain the ‘zombie’ state of this entity. After all, the founder early on during the interview declares that there is not any special mission behind it all.

I turn to the website, in order to excavate more about the identity and the ‘corpus’, the essence behind this brand and firm, and I enter the ‘About us’ section. What is striking, is that before the ‘Our Story’ block of text, what welcomes the viewer of the page, are two small paragraphs of presenting in a likeable language, the product, with ‘marketing’ wordplays and reference to the spectrum of essences that such a product awakens. The text is characterized by a usage of ‘active’ verbs: feeling, holding, slowly peeling etc., that culminates in the reason that ‘sparked’ the idea behind the product: “we want to conserve this magical feeling that brand new, fresh design brings us” (Kobraskin.com,2018), followed by a photo of the product’s sleek package.

Scrolling further, I encounter the ‘Our Story’ text. The story describes in a direct and coherent way, the founders’ background “...two industrial designer(s) from Eindhoven University of Technology”(Kobraskin.com, 2018), as well as, the simple reason of creating this innovative product: “to protect and preserve the top-notch design of everyday products in the broadest sense of the word” (Kobraskin.com, 2018). This correlates with what the founder enclosed, about the ‘Mantra’ technique of building the story around a few words and facts about what your business is and does. This argument is enhanced, since right above this short background presentation, on the same section, there is again a ‘promoting’ text about the product, under the title “First product
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launch”. This, along with the earlier presented quote of the founder, about their initial intention to build more brands around their desired audience, reveals that this could be the mother product of others to follow; a glimpse of vision and long-term goals that are on ice for now.

Considering the founder’s earlier statement: “And then (the) story... Yeah. It’s kinda... kinda made up I guess, it’s not really from the heart. It’s more marketing” [04:26], it appears to be referring to the copy that is presented before the actual ‘Our Story’, the one that demonstrates the story behind how the product idea was conceived. This would explain the usage of marketing jargons, and the playful yet a bit sale-oriented tone. In retrospect, contemplating the founder’s statements, he was explicit on the way the product idea conception entailed:

“...first we’re kind of looking for like a cool product” [02:18]. “Actually, it started after we, we kinda knew what product to sell” [02:59]. Thus, his statements of being a “made-up” “marketing” story are valid, since considering the above statements, what sparked the idea was not: “...the smell of new products and the feeling of holding a brand new product in your hands” (Kobraskin.com, 2018). However, this is the positioning that the firm wants the consumers to perceive: protection and preservation of high-end products that the smartphones are. It is questionable though, and in consistency with Urde’s (2013) comment on how these hollow promises that positionings often are, can affect the credibility of the brand for both consumers and inside stakeholders when actions do not correlate with the result oftentimes.

Continuing with examining the verbal identity, when asked about the company’s logo, the interviewee states:

“I think we removed it from the website but we kind of had a monogram in the beginning and a monogram is like a logo in which you combine multiple letters. And combined the letter like K and S, from Kobra skin. Like later we found out that many people read it as J K like Just kidding, so we kind of removed it” [06:39].

Their reaction, of actively listening to feedback from the audience, reveals an alert spirit of heightened reflexes and is consistent with Hatch and Schultz’s (2002) concept of organizational identity and specifically the ingredient of image inside it and being overly market friendly. With the luck of culture inside the organization, as detected earlier, the image identity claims appear as mainly focused on the consumers’ opinion, the C2 appears to be suffering from hyper-adaptation. The phenomenon explained by Hatch and Schultz (2002) is further observed in the way of choosing the visual identity to go along with an ideal audience, as well as the chosen language that did not follow up with appropriate marketing actions. Specifically, the founder discloses that the choice of colors on the website revolved around their desired target audience:

“...the audience that we had in mind were kind of the like tech savvy people, the young people and we wanted to create like really powerful brands around it. And usually when
when you think of powerful and techie you end up with the colors black, red, and white. So that was kind of like (the) thought behind the colors” [07:52].

A screenshot from the official website of the C2, showcases the color palette and choice of background photo that according to the interviewee would spark neural connotations of power to the consumers.

The founder is explicit, about the initial branding approach: “I would say in the beginning, just to get like brand awareness, to let people know that we exist” [12:43].

A blurry vision, a not quite defined purpose and a story “not from the heart” as well as the very startup context, all indicate a moderate start, a careful approach of testing the waters and of course, the element of surprise, for a company that in other respects, is of measured and sterile taken steps:

“...we did notice that a lot of women bought the product, actually it’s kind of a surprise. We thought only men would buy it” [10:21]. “... in general, what we found is that are a few different groups. I think the one group is like teenagers; [...] Boys who like to show off their stuff let’s say. We also found that a lot of like kind of people around 35 - 40 bought it and they’re usually, people with a higher education and they have a little bit more money” [11:15].

This stark and robust essence that the choice of colors entails, along with projecting ‘power’, can be seen behind the choice of name, a rather important element, the signature, since it sticks and defines a brand for a long time. C2’s founder states:

“And then for the name [...] we just brainstormed a bunch of different names, then we were trying to find something solid, and yeah mostly solid” [08:25].
“...we choose this one is because it kind of gave you the image of cobra and in my mind, cobra is kind of strong and it also has skin. So, that’s how we made that connection” [08:50].

Solid, strength, powerful, a word play that reminds of a fearful snake that can change skin and a protective, self-healing innovative phone case. However, what can seem a good idea, and again calculated to adhere to the desired or ideal first audience, can always entail mishaps:

“It’s always a guess. You never know if it’s a good or bad name. Like most people when they search for us, they write cobra with a c; of course, and it makes sense. But yeah, the thing is you know...it’s not really preventable” [09:15]. Yet, in line with Kapferer’s (2008) remark, the C2’s signature reflects its brand promises of durability and strength.

As in the case of the company’s monogram, even the most well-measured factor can entail alterations. Concerning the choice of language, as it is a company founded in the Netherlands by two Dutch entrepreneurs, the founder’s answer is enlightening on the general moderation and measured essence of the company; since, as stated by Clifton et al (2003), the verbal aspect of the brand represents the essence of the firm.

“...we did everything in English” [14:19], “We wanted to be perceived internationally” [14:34].

These statements can perhaps explain the sense of an indifferent brand manifestation, one that does not manifest a distinctive core; since, it must fit right from the start, a universal box of just tech savvy, young cool individuals. Echoing Hatch and Schultz’s (2002) comment on hyper-adaptation; attentiveness to fulfill ideal concepts of stilted originality rather than the pure essence of the organization itself, C2 manifests a detachment of its identity.

“Only the international touch [...] that’s how we made the decision. Of course, it has also benefits later on. Because if it really works in Dutch, let’s say, let’s say your site really works well in Dutch and you want to expand to other countries, [...] you have to make the switch from Dutch to English on your Facebook accounts and social media and stuff” [15:38].

What can be considered as practical spirit falls through next, due to the inconsistency manifested between the articulated ideal wants and the manifested actual marketing actions. Specifically: “...we did restrict the ads and the countries where we sold; we restricted it to Belgium and the Netherland. [...] But not, not beyond that actually” [16:36].

Recalling Kapferer (2008): “The brand is built through the coherence it imposes on everything it does, and which will be therefore lived experientially by the client”
(p.274), I stumbled on a small yet indicative spelling mistake on the company webpage: the Dutch “transpar-ant” instead of the English “transpar-ent”. This could be seen as a sign of the inconsistency detected in the founder’s statements regarding the ideal and the communicated brand identity: on the one hand, the desire for a universal, international identity by employing the English as the brand’s manifested language (on the official website). On the other hand, restricting the Facebook ads to just the Netherlands and Belgium’s range. Another mistake is found and presented in the ‘Our Story’ copy, introducing themselves as two designer, the singular form of the word on the crucial part where the founders present themselves.

A screenshot from the official website of the C2 startup, where inconsistencies of spelling errors were detected. Retrieved, May 2019.
With the website being in English, so far, one could not tell where this company is founded, who are the people behind it. The style and the usage of understandable, yet playful, language adheres to a multitude of brands, evidently targeting a young audience. This is obvious through C2’s website and consistent with one of their few initial goals of targeting the young and the savvy, as the interviewer stated above at [07:52], when asked about their ideal audience. Interestingly, the plain manner in which C2 presents what it offers and the practicality of its product, perhaps is what, attracted an abundance of an older audience (as pinpointed by the interviewer) that maybe sees beyond the colors and the word plays, right to the features presented in the central of the page. Again, the founders’ expectations fell short, and the lack of enough research on studying their market, is revealed. In tune with Kapferer’s (2008) conclusion: “All brands do not always have this identity basis. Some of them have only communication codes, or a style” (p.292), C2’s brand identity comes off as disordered and basically a style-scape to fit a standard hype market more stylized and superficial than original and carefully planned.

Examining the website, the general aesthetics transmits the ‘millennial’ essence that the founder mentions implicitly; this young, intense, techie vibe. A cobra snake, in the background, enhances the neural association that the name intentionally creates; a reference again to the strength and sleekness of the product offered, exemplified with the usage of phrases such as, “Thin as skin” (http://www.kobraskin.com, 2018), or “Original, Clean, Natural” (Kobraskin.com, 2018) and “Self-healing Coating” (Kobraskin.com, 2018). In a clean lay-out, the website appears to inform about the basics, the features of the product and its point of differentiation presented in simple graphics. In addition, the communicated identity of starkness and robust essence is evident not only in the color palette, which brings to mind the case of the Coke Zero being targeted to young male adults and having the exact color combination (“Diet Coke vs.”, 2012). Yet also, in the graphics, the image of the snake and the simple yet coherent text and language.

Despite the procedural essence of all their actions, when it comes to brand strategy, they do not follow a defined one, which would be nevertheless pointless, as the founder states: “...brand strategy documents with guidelines, it’s more important when you’re dealing with a large organization and there are a lot of people, who are not the Founders for example; for us [...]since we were, like, the founders and we started the company ourselves. We kind of know how to, let’s say, work with it and stick to our story and mission and vision and brand identity and stuff” [17:41].
In the interviewee’s mind, it is of no use having a defined brand strategy, considering the size of the company, and of course, it add, its incentives. Being inconsistent and undefined, while based in a simple yet vague to-fit-all kind of story does not appear to necessitate a clearly delineated approach. Looking more closely into specific branding actions, the founder describes how they leverage mainly social media, especially Facebook to get exposure, and he delineates the approach from the start until today:

“...initial(ly) like a few posts on Facebook, to announce that we were alive” [12:55].

“Later on, we tried a few more specific campaigns on Facebook; like yeah, like really trying to sell the products to have like clear call to action, on the image. And, [...] really describe the features and the benefits of it; try to make it sell, let’s say” [13:28]. From the initial broad approach, they proceeded with more measured, strategical actions such as pictures of the product with description of its features, promoting the brand. However, he reveals the hardships that were encountered.

“You don’t really know your audience; you don’t know really what kind of value proposition they will respond to. So in the beginning, it’s all very broad, and yeah there’s not a lot of money so [...] you can’t really experiment, so at the beginning you just spend a lot of random, or you spend a lot of money on random stuff, let’s say, without knowing if it works” [20:13].

The above statement echoes scholars’ advice for software startups to surpass expectations of competing or resembling big corporations’ exposure ways and embrace novel and budget-friendly ones (Giardino et al. 2014). One of the detected roadblocks the founder encountered, is that in the beginning, they did not know how to leverage Facebook ads for instance. Marketing in a startup context often necessitates mobilizing members of the organization that may not have the knowledge. In C2’s case, the two founders and only members of the firm had to make it happen; in accordance with Shane and Venkataraman’s (2000) theory, entrepreneurship is a collective action that highly depends on the founders’ persona. In fact: “So, it was a lot of guessing and trying out, and sometimes through objects. Some ads worked really well, and a lot of ads didn’t really work at all” [21:19].

However, there were no further marketing actions, and as he mentions, the two co-founders, soon moved on with different projects not further investing in the C2. Explicitly: “...we’re not spending any more money on like ads or social media” [19:40], which adds to the branding inertia status quo of C2.

In the end, the interviewee acknowledges the merit of calculating all the basic factors before embarking on such a business venture:

“So you always try to first talk to your potential audience; try to see what they think of it, whether they like it, what they would improve. Also check what kind of like messages
they respond to, or what they come up with themselves. I think that would really help in both getting the product right, and like getting the messaging and the target audience a bit more right, when you try to advertise” [22:21]. His statement goes back to an earlier response when asked about who the C2 customer is: “That’s a good question. If we knew that, then things would go much better, I think” [11:07].

4.2.4 Evaluation

All in all, C2 demonstrates a startup that was built for the sole purpose of making profit, a fact that contradicts the advice of scholars on having a basis of values and beliefs and consistently working and expanding around them to achieve endurance (Kapferer 2008, Gartenberg et al. 2016, Clifton et al. 2003). In addition, C2 manifests a hyper-adapted identity to the market, and no solid organizational identity at the period that the interview was made. This is because it is more of what the target audience must want and less of a dynamic essence of the founders’ values and the consumers’ demands. Reflecting Hatch and Schultz’s (2002) remarks, C2’s detected discrepancy between image and culture may be explained by the psychological distance between the founders and their business. Although, meticulously chosen, the verbal and visual brand identity show a superficial and hasty strategy of communicating some qualities that the ideal target group would want, such as strength, prestige etc. However, with no culture to back it up, besides the uncertainty of market trends, no strong strategic connection was detected between the branding and the marketing of C2. Having a strategy and consistency, in the way Kapferer (2008) and Clifton et al. (2003) discuss it, would mean that when one decides for instance on an international profile, one is very careful with the right usage of the English language or going all the way with advertising worldwide; something that is achievable even for the tight-budget of a startup by leveraging the whole spectrum of social media benefits as Bresciani and Eppler (2010) suggest. In the end, the lack of a more active status on promoting the product may be explained by the absence of a solid purpose that would function as the mechanism that aligns the stakeholders on continuously working towards the business incentives (Gartenberg et al.2016).
4.3 Company 3

The researcher knew the interviewee beforehand, with the interview being held in person at a setting familiar to the Insider; thus, the interviewee displayed an easiness to be open and share more. The interview lasted 43:43. In interviews conducted under such conditions, and having been relaxed, the informants can appear to be carried away. Such was the case with the Insider, and the researcher had to re-direct the interview several times. C3, identifying as a tech company, offers the technology for making the parking experience easier for people; having surpassed the first 3,5 years, since 2015, after partnering up with a big app provider in the Netherlands (ParkBee.com, n.d.). As the interviewee states about the firm:

“I would say it’s probably in that in-between area. It’s coming out of a startup moving to a scale up” [00:25].

However, even beyond those crucial first years, scaling up firms such as this one, are still facing hardships and are far from the secured phase; hardships that have a lot to do with what is introduced in the theory, those intangible elements often dismissed.

4.3.1 The Purpose

Regarding the idea behind the firm, the Insider reveals: “They thought (the founders) [...] the parking industry was basically not [...] caught up to technology yet. So, you know, you’d be using an app on your phone to do all sorts of complicated things” [04:09], “…but for parking you still had to take a ticket and actually go to a physical machine that was inside a parking garage. And so, I think that the initial mission for them was to try and get it so that you could park using an app” [04:28].

The Insider’s view on the initial purpose echoes Shane and Venkataraman’s (2000) arguments on the way realization of market opportunities results in the establishment of new ventures. The interviewee was hired as a development and operations engineer (DevOps): “Jay (the founder) actually contacted me on LinkedIn directly, so I didn’t apply for the position, he just sent me a message and saying hey this is kind of what we’re trying to do” [05:30].

Here the significance of having a clear purpose beyond fiscal motives, as Gartenberg et al. (2016) advice, is shown, as it aligns not only external stakeholders (i.e. into investing or buying), but also internal ones such as employees that get motivated to work for a cause (Urde 2013). Leaders’ long-term objectives can be traced on the setting of the firm’s strategy as reflected in recruitment and establishment of resources, a view
presented by Dermol (2012), and evident in the way the C3’s founder approached the Insider.

“The reason I was hired was because... If you’re a tech company and you’re anticipating that you, you have to scale you have [...] to have somebody that kind of oversees the infrastructure” [00:58], “…like a developer for the infrastructure if that makes sense. So, you handle kind of the, let’s say, like the base of everything” [01:06].

The founder’s attitude manifests the kind of strategic skills mentioned by Kavanagh and Hisrich (2010) in mobilizing resources and having an idea of the market. In addition, the multiplicity of target audiences in the software startups is a point highlighted by Giardino et al. (2014), and is manifested through the interviewee’s experience:

“...here you’re hired with your title, but like the title really it only means so much. I think at the end of the day, it’s a startup and you’re kind of expected to take on roles that are, let’s say, not your core focus but need to be done, and you’re the closest thing that the person who could do it” [26:23].

“I kind of anticipated that we would be as the tech team, we’d be working day and night, you know, just like a traditional startup in the States. But what I found was that maybe that time had already passed at ParkBee; they really were kind of getting into the scale up stage” [08:11]. Having a glimpse of the C3’s vision, and thus according to Schein (2004) an evidence of the organization’s culture through its leadership, the interviewee came on board. Culture is inherent in organizational identity, and an indicator of where the company is heading, hence it’s vision. With this in mind and since, according to Hatch and Schultz (2002), organizational members of all levels convey images of the organization, I move to the next subchapter to examine my Insider’s understanding on the C3’s system of being.

4.3.2 The Vision

Cultural artifacts – such as the premises of the company or the product and vision for it, are telltales of the firm’s identity, and as Hatch and Schultz (2002) put it: “…when stakeholders are in sympathy with expressions of organizational identity, their sympathy connects them with the organizational culture that is carried in the traces of identity claims” (p.1002). These artifacts were the first identity expressions that the Insider came across when approached by the founder. The leader in the case of the C3, actively engaged in forming the groups inside the firm, hence establishing culture, and as stated by Schein (2004), leadership and culture are very closely related.

“I mean things were pretty relaxed to be honest, I was surprised by that. I knew in general that Europeans kind of are not as so engrossed in their work as Americans are” [08:38]. From the first cultural level of simple observable elements, such as the
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vision of the firm, the newcomer -in line with Schein’s theory (2004) - comes across the basic adopted value and belief system of the internal stakeholders; in this case the general philosophy of a non-demanding (in the eyes of the Insider) work environment that indeed contradicts the reality of a typical software startup (Giardino et al. 2014) were overwork is the norm. The interviewee got hired in 2018 and found himself across big changes. First, a marketing shift and then a branching out to a different country.

According to the Insider, the C3 firm, while it started as a B2C company, later on made a shift to a B2B one:

“So, we started as a B2C type of business, but I think what they found was marketing directly to customers kind of didn’t make sense” [10:33]. This shift could mean that various factors had to be reconsidered - from marketing expenses, to personnel and business incentives, right to the core of the company, hence its culture and identity. He further explains what the transition meant in response to what the company actually offers and deals with:

“...well ParkBee what essentially does is they provide kind of the garage infrastructure. So, it’s like a middle layer between the app providers and the consumer” [10:47].

“...our management team is composed of Jay and Tom; Jay is Chinese, Tom is British” [22:54], “They brought on the third guy, and this was I think the result of the investors; the investors wanted somebody who was Dutch” [22:45]. “Jay and Tom, both expats, both not Dutch. [...] They’re both hedge fund guys. [...] They had the product, but they just didn’t know how to, like really, to sell the vision. And I think that’s where hiring Wouter really came in” [23:02].

The interviewee having presented the management team, goes further into details about the distorted visions inside the C3: “...Jay, who is our CTO, I think he really wants to turn ParkBee into a tech company. But you have this other arm of the company [...] the salespeople, their interpretation of ParkBee is that we’re like a property management to real estate operators [...] and that we use technology. Yes, but it’s not our core product. And this is like the thing that drove me crazy, [...] I’m the lowest level of the chain. So, sales is at the top” [34:28].

“At the very base level, we are essentially having these kinds of remote installations of networking equipment that are loosely connected to our cloud infrastructure. I mean that’s kind of the definition of Internet of Things” [36:46]. “And so, from my perspective, I really tried to push that vision in the company, but it really flew up against the real estate people, who just didn’t understand it or just didn’t buy into it” [37:14].

Looking back to Hatch and Schultz’s (2002) model of organizational identity, I detect an internal identity dysfunction in the mirroring and impressing processes of C3. There is a dissociation amongst the inside and outer definitions of the C3, and these dynamics must be in balance for a firm to manifest a healthy identity. On the one hand, the core product of C3, is a hardware, technology that simply put, connects a smartphone with a remote available parking spot. On the other hand, non-technical people of the
company push a real estate operator agenda of parking spots. The sales department in this case appears to have great influence, and that is logical since C3 depends on investors as a startup, hence the images that those outer stakeholders want to see: a product that sells. This correlates with the phenomenon of an organization that is hyper-adapted, and:

“...ignoring cultural heritage leaves organization members unable to reflect on their identity in relation to their assumptions and values, and thereby renders the organization a vacuum of meaning to be filled by the [...] images that the organization continuously exchanges with its stakeholders” (Hatch & Schultz 2002, p.1010). The Insider reflects on this internal conflict and how it affected him: “I felt like part of the tech team for a time [...] in some ways I didn’t, because the lead developer and I didn’t get along” [31:57].

“I think a lot of that comes down to the management team. I think probably it’s they’re not communicating with each other, and therefore that communication doesn’t trickle down to the teams that they manage, because you know for example Jay; he manages the tech team. [...] And then I think our other boss Wouter, I think he manages more marketing operations and sales. So, if I had to answer that question as a guess, I would say it will probably, it’s because Jay and Wouter not communicating” [40:03].

“My kind of stance on it is that most of the company culture comes from the top. [...] You know, if there’s miscommunication at the top, there’s going to be miscommunication at the bottom” [42:18]. These statements highlight the significant role that power plays in influencing the process of mirroring and reflection, a privilege that according to Hatch and Schultz (2002) is held by the founders. They ultimately can use their right to resolve inconsistent images of what the outside stakeholders perceive as the firm’s considered identity. However, in the C3 case and in the opinion of the Insider, there is conflicted views even between the founders, and no common ground to be found, which affects the prevailing culture, too. Is it a service provider company, between garage operators and app providers, or a software company that works on and sells a technological product?

Immersed on fulfilling conflicted visions, the C3 branched out in London:

“I think for the first one or two years, ParkBee had this really big vision of wanting to really change the way that parking infrastructure works; what they made and ,what I consider a misstep; I think a lot of people in the company consider that a misstep by opening an office in the UK, without really considering how the market was different” [21:21]. The contradictory internal opinions on C3’s expansion, echo Schein’s (2004) remark on how changes in culture, usually led by leaders, by attempting to alter basic beliefs entail great effort, time and provoke anxiety among the stakeholders. Evidently, the Insider shares:

“ParkBee, their model in the Netherlands, while it’s successful and it has steady linear growth, it doesn’t have that exponential hockey stick growth which startups tend to want to achieve [...] they have very flat growth” [15:06].
“I think they hired me because they anticipated scale, and they didn’t get that scale. And I think that this made a lot of challenges for me, because if your core product that you developed as a startup at the startup phase, is not something that’s going to get you exponential growth, then you kind of need to re-evaluate what your business is about” [17:52].

In order to better outline his bewilderment, the Insider clarifies that his job “…is not like a product driven type of job” [18:24], rather “…is there to support the infrastructure layer” [18:24].

Then, he comments, that instead of the necessary reconfiguration of objectives for branching out, C3’s management “…thought that they could essentially carbon copy the model that they’d use in Netherlands in the UK, and what they found was that it’s completely different like in the UK […] really doesn’t have a strong private garage market like the Netherlands does”[19:33]. In his opinion, seeking for fast brand awareness was the motive behind the immature investment of branching out in a new market:

“…we ended up losing money because we made that choice, because I think it was like we’d rather get name recognition first” [20:08]. This loss essentially would cost the company, taking a few steps back and instead of growth going to what the interviewee refers to as a “survival mode”:

“…the mission was to rethink how you do parking. But now the actions that they’re taking right now pretty much say, well it’s more about keeping the company alive at this point. So, the mission I think is kind of on hold, let’s say” [22:08].

The misstep of branching out, along with re-targeting audience, without re-considering the corporate identity and its purpose, is manifesting in the discrepancy of actions versus words in the way Balmer (2001) warns, complicating an already complex startup routine, by scaling up. Next, I examine the branding and marketing efforts of C3 by integrating data excavated from the official website of the C3, entered in May 2019, along with the Insider’s views on the topic.

4.3.3 Branding and Marketing Efforts

Embarking from a dysfunctional organization identity, is it possible for a firm to build and communicate a solid brand identity? According to Balmer (2001): “A corporate brand proposition requires total corporate commitment to the corporate body from all levels of personnel” (p.281). Besides the internally conflicting views as presented in the previous subchapter, C3 does not manifest the consistency that is required for the development of a brand identity, contradicting what Kapferer (2008) suggests. Even more, the next quote of the Insider highlights the growing distrust and detachment between words and actions in the C3:
“...I think their marketing probably tells a story that is different from what they’re actually doing. And that’s usually the case; I mean marketing, I think, is intended to really promote something that is ordinary and make it seem kind of special. And I think a lot of the integrity of a company comes from, like how closely the marketing is related to what they’re actually doing [...] I think what ParkBee promotes and what they actually do is quite different” [09:05].

Explicitly, the Insider shares two conversations with colleagues that enhanced his distrust towards the firm’s brand promises, echoing Kapferer’s (2008) belief that brand strategy is basically the distillation of the firm’s personality, its positioning and beliefs towards consumers, employees, investors and stands as a contract that should not be breached. Because as Urde (2013) urges: “‘hollow values’ that are only weakly rooted internally, or not at all, and lack credibility among customers and non-customer stakeholders demand review and revision.” (p. 757).

For the interviewee, there is not a strategic connection between branding and marketing, and this inconsistency affected him greatly. He first recalls a conversation with a fellow colleague that was handling the data of the C3: “...he was very vocal about the fact that [...] for promoting, we’re saying these things in our marketing, but if you actually look at the numbers, we’re not really doing that. [...] I mean that was very sobering; because I think it is easy to kind of get lost in the marketing of it, and at some point you have to come back down to earth and say, does the marketing align with what we’re actually doing?” [27:36].

The shifts in multiple dimensions of the company, along with the distance from the initial mission drove him to the decision of quitting the month that the interview took place. He explains: “...it changed (the mission) along the way, because of the decisions that the company took and the fact that we didn’t scale as we anticipated. So again, DevOps is not a product focused job. So, one of my reasons for leaving was [...] there’s clearly not yet a need for me, if that makes sense” [31:19].

Another conversation, however, ended up being one of the last nails in the coffin. He recalls a discussion with a lead salesman after a meeting: “...he said we shouldn’t have any hardware. It was something along those lines, and I’m like What. And he goes ‘yeah, we shouldn’t be getting involved in hardware’ and I’m like ‘Okay wait a minute, what is it you think that you’re selling?’” [38:02].

“...we’re selling a service’. I’m like: ‘But how do you make that service work’? So, this is where I think the connection broke down” [38:22]; “I think what it was, it was interesting because we had just had a strategy day where they wanted to do all of these things” [38:36]; “...the head salesperson, who’s in charge of all the other salespersons, for him to say we shouldn’t have any hardware, it was a complete disconnect. And at the end of the conversation, I just left” [39:13].
The first conversation was with a colleague that is in the technical field, whereas the second was with a head of the department of sales, with which the discrepancy between image and culture is detected, since those employees communicate the brand. This evidence deductively correlates with Clifton et al.’s (2003) remark about the need of employee alignment for a solid brand identity. Moreover, the Insider adds: “...ParkBee at its peak was about 40 or 50 people which actually for startups is a very tricky area, because a lot of startups fail at around 40 or 50 people. And the reason is because you now start to have like factions’ groups or cliques start to develop within the company and miscues and miscommunication [...] like the Amsterdam office” [39:53].

With the company experiencing a significant shift, from B2C to B2B, no essential branding is detected through the experience of the Insider, who talks more about a company on survival mode at the time of the interview. Branding is who one is as a company (outbrain.com, n.d.), but the perplexment and split between the internal stakeholders does not leave space for the construction of a consistent brand or the marketing (the communication) of it.

“...we made in the last year like a B2C to B2B pivot. So essentially, what’s happened is that now we’re not really spending a ton of marketing money directly; our budget for marketing used to be much higher, but now it’s shrunk to almost nothing. I think we still technically do like promotions, but for the most part, a lot of that cost is shifted to Parkmobile, because they’re the app provider, and most of that cost has now been absorbed by them” [11:54]. It is to be expected there will be a shortage of funds, in line with the remarks of Bresciani and Eppler’s (2010) regarding startups. What stands as problematic is building on a weak foundation by not adequately investing or prioritizing branding besides any partial funding of the CEOs on visuals, as warned by Clifton et al. (2003).

Since for the C3’s case, I focus on the perceptions of an Insider, an internal stakeholder, who has neither business nor marketing background; when he was hired, he found the company on the verge of scaling up. Thus, there were no questions regarding the reasons behind the choice of logo, or other visual manifestations about the website. We were more focusing on the establishing purposes and the manifested mission; thus, I have been looking on sections such as ‘About us’, ‘History’ and ‘Who are we’ to further investigate branding efforts.

Beginning the research, I first entered the C3’s official website on the 29th of May 2019. Revisiting it in September, I was encountered with several changes. First and foremost, a section has been added, targeting ‘Real Estate Owner’ directly: A call to action, for collaboration and contribution to the city. Then, a strategy shift; instead of just being a hardware provider, giving the technology, C3 appears as expanding its capabilities and reach onto ultimately operating spaces. It appears that the firm has
stayed true to the branching or die philosophy, the one that they tap into when, according to the Insider, opened a new office without evaluating the competition and the circumstances on the parking business field in the UK.

Undoubtedly, a significant re-branding has taken place, very evident in the ‘About us’ copy. Having saved a screenshot of the previous copy, detects how the initial was flat in tone and impersonally presenting the general job and mission of the company and referring to it in the third person. This initial outlining of the purposes the company serves, begins with the phrase “Most major cities have parking issues; it is usually difficult and unaffordable to find a decent parking spot”. On the other hand, on the new ‘About us’ section, the purpose and the mission are manifested in big bold black fonts, as a title “We are ParkBee We develop smart tech” (http://parkbee.com, 2019), and also as the paragraph’s first sentence. A well-knitted copy, that employs a series of active verbs that directly pinpoint mission and strategic intentions:

“Our mobility Management Solution helps us utilize underused parking locations efficiently, minimizing the need to build new ones. We optimize the use of space and alleviate pressure on cities. We provide innovative access control and allow millions of registered RingGo and Parkmobile users to start using the locations with a tap of an app. With data and analytics, we turn them into thriving mobility hubs, where we can provide additional services like (e-)bike sharing, EV charging or parcel pick-up” (parkbee.com, 2019).

As oppose to the uninspiring initial ‘About us’ section, where only at the very last of the three small paragraphs, at the end, the technology is referred to, the identification and differentiation point of the brand, with the words: “ParkBee has developed smart technology that opens up these private car parks to the public, making the parking experience seamless and more affordable” (parkbee.com, May 2019). Obviously, they spin it around, they put tech at the core, and it looks as if the visions and intentions of the one founder, responsible for the tech team, were heard.

However, it can also be just for marketing purposes, maybe they are not investing in improving the hardware, but it is simply an example of sale speech, as the interviewee remarked, it gets the attention. Nevertheless, it projects a sense of an innovative company, a well-oiled machine. A family, as the new copy is now following, a group photo of the internal stakeholders: the two initial founders and the one that joined later, are standing smiling in front of what seems to be the company’s building and behind them, slightly blurry, the employees as a team. The team approach is now more enhanced and the latest upgrade on their website and branding, as of April 2020, the ‘family-type’ photograph is replaced by all the personnel’s portraits and job titles in a more “we are equal” way. This last change maybe indicates even a change of the company’s board and is telltale of a firm still in transition.
A screenshot taken in May 2019. The founders in the front of employees, few of them cropped out of the picture.

Below, the newest version of the section, retrieved in April 2019, it showcases the transition to a more friendly looking and all-inclusive work- environment of team spirit.
This feature was not on the previous ‘About us’ section. Scrolling down in the new section, ‘The ParkBee Story’ follows, with the subtitle: “Where do we come from”. On the previous page though, the copy had the – heavy - title ‘History’, and was describing, again in an impersonal tone the birth of the company’s idea. How the two founders “…cofounded ParkBee after realizing that there was (and still is) an opportunity to open up private car parks to the public”. Significantly, on the re- made section, the important years for the company are presented in a Timeline, having set as the year of 2014, the time when the two co-founders “…set out on what was to become our mobility revolution” (parnkbee.com, 2019). In the old section no big words are found (as with the revolution), and the founding year is stated as 2013. The short History section back then, concluded with referring to “a highly successful year in the Netherlands” and the opening of the new office in London in 2016. Interestingly, in the new revised version, the branching out decision is justified as “…proving that ParkBee is a scalable business model with a city-first approach” (parkbee.com, 2019).

Then, the timeline ends, with announcing a €5 million funding the firm got in 2017, in further developing the product and scaling up. The page ends with a call to action: “Let’s grow together”, the title and then explaining that “We have the validated technology to do so, now it is up to exceptional people to ensure we achieve this” (parkbee.com, 2019). It seems as if the company really puts forward its tech side now; at the same time, transmits a sense of urgency, with the call to action statements. So, the sense of teamwork is strong, the feeling of having a drive and a purpose behind all these; a mission that the company communicates how it proves its scaling up nature; along with attracting funding, it appears as if they want to reassure stakeholders about the company’s credibility and its capabilities. The question of course is whether these observed changes on the company website are due to hitting the survival mode, which the Insider mentioned?

Noteworthy, in the old post, under the title ‘Who are we?’, there is no mention on the technologically innovative nature of the firm, just incentives of “making private car parks accessible to the public” and making parking affordable. Not a single word on the technology that constitutes the central identity of the brand was in the old version of the webpage. Looking at the two versions, a lot has changed these few months. Whether or not the change is substantial, it remains to be seen; nevertheless, startups function within unpredictable terms, and in that sense the trajectory of C3 is in fine line with what Giardino et al.’s argue on the nature of software startups. Maybe C3 embraced indeed its tech side, not just “hollow” words through the visual and verbal parts of its re-branding, a phenomenon that Urde (2013) and Clifton et al. (2003) have pinpointed.
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However, if we want to test the validity of the interview’s data, looking back to the old section (and why not putting the new version in perspective), we cannot but see the Insider’s bewilderment, having found a company still refiguring itself, yet distancing from its technical objectives. A website, back then, that did not exactly convey the teamwork spirit, or the significance that its technology could make. There were statements of the changes the company could and would bring, but on the most part, these were not linked with the technology differentiation that the company had developed and was the actual reason behind its existence.

4.3.4 Evaluation

By Interviewing an Insider, an employee at the time at C3, I wanted to obtain insight into how an internal stakeholder experiences the culture and identity inside an organization undergoing change. Nevertheless, Balmer (2001) and Urde (2013) suggest the significance of reappraising the internal stakeholders. In my case, the interviewee, although excited to work for a startup that was growing and applying his knowledge, he gradually lost his trust and felt disconnected from the values and the turn C3 had made. His journey proved once more that building a brand indeed comes from within, as maintained by Clifton et al. (2003), in order to reach later the outside stakeholders, (i.e. investors, consumers). It appears that the miscommunication of the managerial team was imbued into the other departments of the company. Coupled with the change of culture that the branching out of the firm along with the marketing pivot brought, C3 was not steered successfully from the managers leading to the anxiety provoking work-environment, Schein (2004) cautions about.

With a distorted culture and a firm in split, organization identity grew into a hyper-adapted tumor that accordingly led the actions of the company on branching out too early, infused into promoting but not bettering the product, as confessed by the Insider. Meanwhile contradictory identity expressions were held inside the firm about even the expertise of the C3. By examining the official website of the company, first at the time of the interview, at a crucial stage for the firm and the interviewee, and then four months later, I saw changes. In May, the visual and verbal identity reflected a software startup that did not promote the tech part or the IoT aspect as much. In addition, the friendly environment of the firm was not evident, but rather focusing on the founders. Nevertheless, the purpose was evident, and the mission was to make the parking experience easier. So far, the Insider’s experience was not contradicted by the gathered data: a company run by founders that are not technical, a team of employees that come and go, and a purpose beyond fiscal motives that at first got the interviewee onboard - but proved to not being supported by a coherent strategy.

Then, in September 2019, a significant rebranding had taken place with the change of language being more active and friendly, the company portrayed as a family, and a shift
towards identifying as an IoT firm. By then, the interviewee had resigned, and I cannot safely say if the C3’s rebranding has been made on a solid ground of employees in alignment and an organizational identity in balance. In the end, this case completed my research by giving voice to an internal stakeholder and proving the point that even startups must prioritize and invest in creating a brand that tells a coherent story.

Next, I will cross-examine my cases against each other, through a discussion that will follow the structure of my Analysis; in order to understand the startups’ struggles and trajectories in building their brands.

5. Discussion

Having analyzed the interview data of the three companies under the scope, along with secondary data material that enhanced the triangulation of the primary ones, a discussion of the cases against each other will follow, in accordance with the spirit of the Comparative Case study. This will be done, by discussing and comparing to each other, the same core questions that structured the previous chapter; purpose, vision, branding and marketing efforts, to ensure consistency and integrity of the findings.

5.1 The Purpose

In the quest of finding the purpose behind the establishment of the three software startups, certain variations in motives, attitude and expertise were excavated. First, the C1 company, embarked on noticing pain points of the customers before seeking and concretizing its business idea. Similarly, C3 case stands as another example of a business initiated and oriented on making the life of customers easier. Both companies, appear to be in tune with the scholars’ (Gartenberg et al. 2016) advice on having a solid purpose beyond plain monetary reasons. Looking into the C2 case, one understands the importance of that.

Contrary to the other two startups, C2 was not established on a purpose, rather than the intention of making something profitable on their own and finding a cool product to go with. The lack of deeper motives, mirrors in the desultory engagement of the two founders who found themselves distant and indifferent for their business, less than a year from the founding. Thus, having the ethical drive of making a difference in the market, appears to indeed help in keeping the stakeholders, aligned and passioned as
Gartenberg et. al (2016) and Urde (2013) insist and as the C3 startup case, still active in the market, indicates.

However, it is not important to only have a solid purpose; it must also be realistic. Often, entrepreneurs fall into the pitfall of being overoptimistic to turn ideas into business, rushing to actions: a fact pinpointed by Shane and Venkataraman (2000) and detected in two of the three cases. For instance, although C1 exhibited a basis of values and altruistic beliefs as the core of its purpose, certain mishaps occurred in the initial stages because of an oblivious attitude of coming up with a software app idea, that would take external partners and resources in order to be realized; ultimately surpassing the company’s dynamic. In the same way, C2 startup manifested an overoptimistic attitude of launching a product that was not adequately tested. Having found a cool material to work with, cannot stand as the only guarantee of a successful product. Indeed, being strategic in mobilizing the right sources and having an idea of the market (Kavanagh and Hisrich 2010) is what elevates the game and balances any overly enthusiastic decisions. Specifically, C3, in contrast to the other two firms, -at least in the early stages before scaling up- had not only a solid purpose but also a strategy of hiring technical personnel and avoiding mishaps of outsourcing too early (C1) or underestimating the procedure of testing the prototype (C2).

Nevertheless, the effect of a stark and exhaustively considered initial purpose in the trajectory of a software startup, is mirrored in the way that although C3 was also founded from non-technical people, as the other two firms, it managed to attract investors and the right personnel. Yet, as the company grew and more stakeholders came into play, C3 appeared to be losing sight of its initial purpose, displaying contradictory internal visions that will be discussed in the next subchapter. There the significance of culture and identity will be explored through the comparison of the cases since building a brand stems from within as Clifton et al. 2003 argue. Thus, before discussing how far the startups went in branding and marketing, one must set them side by side to look on their efforts in developing culture and identity.

5.2 The Vision

In the above subchapter, the matter of how all the founders of the three companies are non-technical people, was brought up. It is interesting to further examine comparatively, how -and regardless- this common point of departure, they developed their vision and subsequently supported it with a concurrent development (or not) of culture and identity inside the organization.
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Since culture comes in levels and it is not certain that any organization will have one (Schein 2004), strikes as no surprise that the C1 was detected with not a substantial culture- considering in addition its short lifespan that did not leave space for the cultivation of mutual experiences for the founders, to share and rely on. Although there was a vision statement of bettering the lives of consumers and small shops, it was a vision on a feeble basis, since the three co-founders’ opinion on the very identity and expertise of their nascent firm, differed. Similarly, C3 had also in the beginning, an altruistic vision of making a difference in the quality of life for consumers. Although, the C1 and C3 founders, come from a similar professional background, that of business and economics, it is noteworthy how differently they leverage it or how soberly they handled their vision of building a software firm. Considering, the importance of those initial decisions (Kapferer 2008), C3, exhibited an alignment of its founders on that their software venture is selling technology, and therefore technical personnel is needed. Having a clear vision and coherence in their strategy, they attracted investors.

On the other hand, C1 founders, did not agree on the basic assumption regarding their expertise and proceeded selling a product and a brand promise that was simply not secured. Of course, little things are certain when it comes to startups (Giardino et al. 2014, Bresciani and Eppler 2010) specially those dealing with new technology; however, embarking on a venture in agreement of its nature and limits can help along the way. Visions transmit culture in the same way, espoused opinions of the internal stakeholders do (Schein 2004). Contrary to C3, C1 would not be able to sustain any synergies or clientele that it managed to attract, because weak culture cannot support a strong image and an identity, and outer impressions will ultimately be formed and hurt a firm that cannot deliver as a software brand.

At the other extreme, C2 founder explicitly stated that they did not have any mission rather than making a profitable e-commerce business. Their designing background helped them to make a construct of a vision that came not from the heart as the founder confessed, and their innovative product was nicely wrapped and presented but not adequately researched and tested. This in a way, highlights how the vision and purpose can guide and unfold a clearer route for the venture (Gartenberg et al. 2016). Because as oppose to going after changing fashions and audiences that appear profitable, a stronger rooted cause, can be proved to be more durable and advantageous in the long run, which must be the desideratum for a startup that wants to be established. In contrast to C1 and C3, C2 founders took up exclusively, the realization of their brand, leveraging their background in designing.

However, their overoptimistic attitude took a toll, because a careful design is not enough, without supporting the vision with culture, meaning shared learning experiences of what works and what is not- and a distinct identity. Especially, when it comes to identity, C2 poses as a fine example of what Hatch and Schultz (2002) described as a hyper-adapted organization. In contrast to C1 and C3, C2 embarking with no mission, determined decisions such as fitting an ideal audience without first researching the market or the needs of the target consumers. Because they had not a
cause guiding them, instead the founders were looking for a product in order to build a tailor-made vision. In the end, trading the image over the substance can severely affect the consumers’ trust (Hatch and Schultz 2002) and enhance the detachment of already indifferent internal stakeholders, to work further on bettering their brand.

Similar dysfunctions in the organizational identity were traced in C3. Here, C3 exhibits a disconnect between culture and image, with the internal stakeholders being divided regarding the expertise of their firm and with a boardroom ignoring the internal shattered opinions, busy to hyper-adaptively grow into foreign fields and to showcase growth that could not necessarily be delivered, at least at that stage. The difference with the C2, lies in that, for C3 the vision was there but as the company grew, a disconnection started developing, that appeared to mirror the miscommunication of the founders regarding the culture of the company and where is heading to. In contrast, C2’s founders, appeared in synch and equally indifferent in refining the product which would have meant, perhaps, the cultivation of a culture, a philosophy behind their work.

Conversely, C3 manifested a culture, which was experienced by the Insider, in levels; first he encountered its vision, as presented by the one founder who wanted to recruit the interviewee, as a startup with a cause. Then, when the interviewee entered the organization, a philosophy of easy-going work-environment was unfolded, to which the Insider felt uneasy - as Schein (2004) argues, is how culture often appears to an outsider or a newcomer. Finally, the changes in the culture, that were occurring as result of a branching out and a marketing shift, affected the workspace and fragmented the culture, leaving the internal stakeholders in torn. Since, culture is a core ingredient of organizational identity (Hatch and Schultz 2002), being absent from C1 and C2 and shattered for C3, means a following imbalance in the dynamic process, that identity is, for all of them.

Subsequently, certain implications are expected for the branding and marketing efforts of the startups. Because, coherence (Kapferer 2008, Clifton et al.2003, Balmer 2001) determines at large, the quality and existence of a strategic connection between the two, at times, overlapping fields, of branding and marketing. Therefore, in the next subchapter, the discussion will unfold around that initial decisions on the visual and verbal identity of the brands, as well as, the progress and the kind of tactics that followed the branding activity.
5.3 Branding and Marketing efforts

The lack of consistency, as detected early on, from the absence or the instability of cultural and organizational identity in the three startups, is ultimately mirrored in the way the branding and marketing efforts evolved. To begin with, C1’s decision to proceed with identifying as a software startup, while missing the funds or the personnel to develop its core product— the app—lead them first assigning the brand creation to an external low-paid party. Ultimately, certain pieces of the founders’ vision would fall through the cracks resulting in a slightly different mission, mirrored in an unanticipated logo and visual. Having assigned to external designers, both the visual and the verbal identity of the brand, while still deciding and running the marketing actions, one understands why there was no strategic connection.

This was the case for the C1 firm, with the founder disclosing his disappointment of seeing his thoughts not being realized. He wanted the logo to be about ‘reward’, yet the designers introduced the word ‘pay’ instead: considering the neural connections made by the two words, and knowing the C1’s mission of benefitting the shoppers and retailers, one sees more logic in the founder’s idea. A seemingly small decision can spark a series of unfortunate and disconnected actions, as it was in the example of C1, where the founders proceeded with marketing their product without first agreeing on the firm’s identity. In the same way, there was no unity about the logo, which constitutes the signature of the company (Kapferer 2008), the founders could not agree whether its software without technology or a plain service company.

In contrast to what Clifton et al. (2003) advocate, about the importance of a coherent purpose, to be evident behind every visual and verbal element; while the Facebook page of the C1, transmitted the vision and the altruistic spirit, that the founder and instigator of the ‘reward’ message advocated for from the beginning, the dismissed but still standing logo of ‘loyalty pays’ on the page, signifies the endurance of first decisions and the internal disconnect. Since mission represents, an aspect of marketing efforts, meaning a prospect state of the company and how this will be managed (Daura and Pers 2012), it was the starting point of a company that died before it launched. Perhaps, because of the lack of consistency that Kapferer (2008) mentions; here the values and beliefs of the firm, that the mission statement transmits, did not comply with the product and the practices of C1. Simply put, a noble cause and a series of feisty Facebook posts, cannot surpass the prowess of a coherent branding, that subsequently, could be more easily followed by marketing actions, to convey a product that is not pending but it is there.

On the other hand, C2 startup embarked on, with a fabricated mission, after having found the right product, and then, the story determined the branding; the visuals and the verbal elements to complete a ready-to-go identity. However, the absence of culture, with the two founders working sporadically and from distance for the brand, ultimately
is evident on mishaps on the verbal aspect of the brand. For instance, the lack of a densely connected culture is apparent even in the spelling mistakes on the website’s copy, pinpointed in the analysis chapter. Since according to Clifton et al. (2003), a brand created with intention, shows on logos to language and colors that stand as a connected asset instead of plain catchy jargons, as in this case. Still, C2 being constituted by two designers as the cofounders and only members, was able to build a façade of identity, the visuals and the copy that accompanies the product, missing though on culture, since that is something made through time and effort and ultimately transmitted into and through products and elements of a brand.

With brand being more of an asset, than a simple trademark, meaning that holds and represents a ‘baggage’ of values and beliefs that distinct it and guide consumers into choosing it, the trajectory and state of being of the C1 and C2 can be telltales. The C1 now dead and out-of-business, had a mission (a powerful marketing tool according to Daura and Pers 2012, Dermol 2012), and strong ethics; a purpose to guide them towards the realization of their venture (Clifton et al.2003). However, they based it on a weak, undefined identity and assigned the embodiments of the brand’s promises -the slogan, the logo- to outside stakeholders, hurting even more the consistency of the brand’s identity (Kapferer 2008).

The misidentification of the brand and the overoptimism would prove fatal; when in contrast, C2’s calculated empty identity shell, would prove a bit more durable, although not enough to be distinct and scale up the startup. Taking one step further, enhanced by a superficially adequate identity and mission, C2’s marketing efforts included social media posts and restricted Facebook advertisements for a short period of time, before falling into inertia. So, the tactics proved to be sort-lived and not consisted at all, sharing no connection with the branding itself (making an international profile and then sabotaging it by restricting your campaign within two countries’ radar), which evidently lead to the stop of any more attempts for exposure. The founders had no strategy to begin with, determined as the interviewee of C2 disclosed, that there is no need for one when you know each other (your partner’s mentality), and the company is that small. This proved to be not useful, as there was already no stark mission keeping them aligned towards defined goals. Then, obviously the sporadic usage of marketing tools such as social media cannot be fruitful unless it has a strategic plan behind and coherence (Clifton et al. 2003, Kapferer 2008). After all, without an identity basis, companies such as C2 end up as only showcasing communication stylized codes (Kapferer 2008) and indifferent products.

It is only fitting, that discussing the branding and marketing efforts, a core and yet sometimes overlooked or out of reach for the tight-budgeted startups, matter. I complete the examination with the C3’s efforts, putting them into perspective with the others. As seen in the theory, branding is often treated with skepticism from the decision makers, or as just plain names and colors (Clifton et al. 2003). Dismissing its importance, is
something encountered in the C1 case- in the altar of budget- and in a way in the C2 too, since making up a color combination to go with a prefabricated story reveals, a negligence for a vital element to be authentic and sound in order to be distinct, instead of trendy and ‘in’.

C3 made it further, compared to the two other startups, in terms of strategy and exposure, gaining an elevated status and branching out, at the time of the interview. At the same time, this shot in the arm, does not indicate necessarily a balanced thriving organization. The reason for the proven longevity, when compared to C1 and C2, appears to lay in initial strategic decisions the C3’s founders took, perhaps acknowledging, at the same time, the full spectrum of limits and chances of a software startup with no technical people on the wheel, and what to do about that. Having interviewed an employee, that embarked on the C3 long after its first steps, I cannot be sure for every single step taken. However, this is the thing with taking careful and clever within your limits, first decisions: they have a long-lasting effect and can be traced in different elements of the brand.

For instance, and considering the Insider’s experience, when first contacted by the one founder, he got excited to work for a brand that appeared strong and on a mission. At the time, it appears that the C3 was still aligned with its establishing purpose, its founders were recruiting the right people and had invest money to develop a decent product, that corresponded to their story (make parking experience easier) thus, investors were attracted. Their initial website, although plain and not focused on their expertise or the environment inside the firm, it was still promising and with the copy mostly centered around their accomplishments and partnerships (i.e. with big app providers), did not strike as strange, since it is only logical for a nascent business to want to prove itself. Even though not branded to the point, it appeared professional enough, that when I encountered it in May of 2019, I assumed they had sought professional help, which did not contradict the basic story and mission; probably only focused on making a clean cut website, enough to attract the right attention and reflect credibility. Later, with the C3 gaining in size and personnel, the miscommunication of the founders had an effect on every facet of the organization, proving once more Balmer’s (2001) indication that it all starts from within, if internal stakeholders are in line, then the brand can more easily be communicated to the outsiders. In addition, a strong corporate brand necessitates a synergetic and supportive spirit of every level of the workforce (Balmer 2001), which can explain the fragmented environment inside the firm, and the discomfort of the Insider to keep working for a brand, he though it had lost its trajectory.

Notwithstanding, the Insider’s perspective proved another point made by Urde (2013) on how hollow promises can affect the trust of the employees when words do not correlate with actions. In the C3’s case, marketing was not in sync with branding, as disclosed through private conversations the Insider had shared in the company and was
also elicited through my analysis. The loss of faith can be exacerbated from a shattered work environment, while the cultural change that the marketing shift brought when changed the focus from a B2C to a B2B, is very stressed provoking (Schein 2004). Entering the website four months after the interview, I noticed that changes had been made, and specifically in matters that bother at the time my Insider. By interviewing him, I might did not gain extra knowledge on the thought behind the visuals for example, but I gained an insight of how the branding and marketing efforts are affected from the first decisions made at the early stages (i.e. when finding a mission). Another key point, elucidated from my analysis, is how the internal stakeholders can be affected from such changes or simply by an organization that lacks the strategic connection of its branding and marketing or is disconnected, subsequently highlighting the importance of even the employees to be in sync with the mission (Clifton et al. 2003, Balmer 2001, Urde 2013), for a balanced organization to go forward. That means, from founders that can lose interest such as in the C2 case, to employees that end up withdrawn or indifferent in the C3’s example, and this will be manifested, ultimately on the brand.

All in all, the discussion of the three cases, better elucidates the dynamics and the reasons, behind their operating statuses and their lifespans. It appears that what seems as a noble cause and a good idea, can only go so far, especially when it entails disruptive technology. A purpose with clarity within the limits, be it shortage of personnel or tight budget, proves stronger than an ambitious but not realistic one. C1 startup manifested an example of a firm that did not share culture and built a weak identity basis for a brand that was only partially considered. The incoherent branding was followed by an untimely marketing. Next, C2’s façade of identity managed to launch a brand that proved to be immature and not well considered. The weak, fast built of a superficial purpose can be traced in the inconsistencies of the branding, the inefficiencies of an untested prototype and the subsequent disconnected marketing actions. In the end C3, appears to have made it, the startup that scaled up and yet the internal inconsistencies of a shattered culture had started affecting the brand, with employees losing their trust, to hasty marketing actions that proved unfeasible.

Having discussed the findings, excavated in the analysis of the three startups, I will conclude on my study and my research question, as well as, on further methodological reflections.
6. Conclusion

The thesis embarked on investigating:

“how do the early stages and the branding efforts affect the longevity of the startups?”. Through the Comparative Case study of three software startups, in the Netherlands, a known ecosystem for nascent ventures, I set out to examine beyond the external and obvious limitations, that influence their initial attempts of branding and marketing have, ultimately even on their lifespan. This process culminated into several findings that indeed underline the importance of establishing actions and decisions in the longevity of the startups.

First and for most, by looking into the trajectory of the three startups, it is evident the importance of embarking with a sense of purpose. Yet, when it comes to software startups, an extra attention is needed in strategically outlining a purpose that can be realized, even within the extent of the startups’ limitations. Another key point is the misconception around the interchangeable of Branding and Marketing, that still prevails and leads startup decision makers, in dismissing the building of a brand identity as time and cost inefficient. On the contrary, the examination of the startups, showed the importance of having invested in personally constructing a brand, that not only emanates one’s values and beliefs, but also critically responds to the market’s needs.

Because, Marketing cannot convey a brand promise that is not there from the start. If an entrepreneur believes for instance in quality materials, then (s)he must invest and showcase that from the start. The study’s findings indicate the hardened effect first decisions have, in the making of a brand, and how difficult it is to later distance oneself and the business from them. Nevertheless, investing time and money into a careful branding, means also a better chance of creating a basis of culture for your business, a net of shared basic beliefs that constitute the philosophy of the brand and will later support a product into its successful launch. Attempting to cover a weak brand with no identity basis, with fancy marketing jargons, cannot be sustainable, the market attention will be short-lived, and the trustworthiness of a nascent brand can be hurt greatly.

It all comes down to respecting the process of creating identity and culture for the startup and ultimately for the product. Treating the brand as an asset, that is to consider it as a concoction of the values and beliefs the company wants to convey through its service/products, is what drives first internal stakeholders (i.e. founders, employees) and then external ones (i.e. consumers, investors, the community) into acknowledging it; distinctiveness comes with authenticity. My cases proved, that even if one fabricates a superficial yet decent identity of a brand, if there is not purpose and culture behind to
align them, it will fall apart. Simply put, when branding and marketing are not strategically connected, it affects not only the ultimate customer acquisition process but also the personal, mental and financial investment of the founders themselves.

Undoubtedly, for software startups that deal with everchanging breakthrough technology, time is precious and must prove themselves, early enough, in order to claim viability and maybe the attention of investors and target audiences. However, it all begins by ensuring that there is unanimity on significant issues, such as the expertise, the motives or the attitude among the internal stakeholders, before seeking exposure and brand awareness. In addition, constantly checking for culture and identity dysfunctions inside the firm, must be done even when a startup has surpassed the early stages to ensure longevity. Particularly, because it is easy for a growing company to stray far from the initial purpose and core beliefs, as more stakeholders come on board, be it personnel or investors.

The startup cases provided an example of how the establishing period can tremendously affect and determine the longevity of a firm. Beginning with no solid purpose, can lead to a weak culture inside the nascent firm, which will ultimately mean a feeble identity basis for the startup’s product. Because, the uncertainty of times and the market, can only be partially tamed from a strongly united and aligned brand that balances between the market’s demands and its core values. Showcasing an ever-adaptive profile, a one-size-fit all approach, will not gain consumers’ trust, and its indifference will not sustain the internal stakeholders. More than ever, people need the reassurance of substance behind big words. Startups must quit trying to pointlessly compete with established companies, in the arena of gaining brand awareness. Instead, strategic investment right from the start, into clearly defining themselves, with a coherent visual and verbal identity and then embracing the range of alternative, creative solutions that technology provides, to convey their authentic messages, can make a difference.

In the end, it all comes down in knowing who one is as a firm. To know your brand, means to act and deliberately plan, actions that correspond and do not contest the core identity within the extent of your dynamic. Evidently, in my study, the lifespan of the three startups indicates how far they went into creating culture and identity in their nascent stages. The dead one embarked on selling their idea, without having invested in branding and in aligning the cofounders’ opinions on the expertise of the firm, which would ultimately indicate a different set of priorities and maybe a viable future. For the zombie one, currently in branding inertia, the fabricated identity façade could not cover the untimely launch of an inefficient product, and the lack of drive of the founders is manifested in the disconnection between inventing an international brand identity for a product that was sporadically and inconsistently advertised, restricted within the limits of two countries. The last company managed to surpass the first crucial years and survived showcasing a more sober strategical planning of carefully considering how to strengthen their brand in order to attract the right personnel and funding. Being
authentic and considerate though, must be a constant strive, because even startups that are scaling up can suffer from identity dysfunctions later, by dismissing their establishing actions or hyper-adapting to external factors dismissing the internal contrasting stakeholders’ voices.

This conclusion would not be complete without reflecting on methodological considerations. Therefore, a subchapter follows, for them to be discussed.

6.1 Further Methodological Reflections

The examination of such a complex topic, highlighted the sparse literature on startups’ branding. Evidently, when it comes to branding and marketing techniques, the scholars do not adequately capture the small ventures. This is also the case, for the matters of organizational culture and identity, as the information in this field does not appear to address thoroughly the startup’s nature as an organization of anarchic structures and hierarchies. Indeed, the limited literature, lead me to building a theoretical framework that could be seen as coming into levels: theories that constituted a knowledge basis, in order for example to explain the particular characteristics of nascent ventures, the difference between branding and marketing and various definitions.

Then, more complex theories were explained and later employed on my analysis, for the findings to be analyzed. Embarking from a scarce literature, that mostly adheres to the big companies can be seen, as a limitation and an invitation too, for future research on the field. However, it also, shed light onto the fact that most of the startups nowadays, in the absence of information, they strive to fit boxes and imitate the strategies of established companies, which in fact proves more fatal than starting with a tight budget, necessitating a range of actions way above their dynamic. Instead, limitation of resources can leave space for creativity and authenticity to spark.

Another important aspect to be discussed, is that I chose to give voice to an internal stakeholder that held a different position inside a startup, than the other two interviewees, who were the founders of their firms. The interview of an employee, provided a more critical view on how the state of culture and identity in a firm, is experienced by those who do not actively build it, although as seen in the study they do influence it in the end. In addition, this case proved how interesting it is methodologically, to follow a company over times, as it sheds light to the stages through which, a nascent venture goes, while pursuing exposure and establishment. Building a company, can be a roller coaster of highs and lows or even a very short journey, if there is not a strong purpose and identity to guide it along the way of recognition. Witnessing the mishaps and adjustments across time, can give a plethora of information, not only to a researcher but also to an entrepreneur, for startups that can stand the test of time.
7. References


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