



**Bachelor Thesis, 15 credits, for Bachelor of Science in Business
Administration: International Business and Marketing,
Spring 2018**

Stakeholder influence on brand identity co-creation in startups

Maria Mijatovic

Jasna Zubic

Authors

Maria Mijatovic

Jasna Zubic

Title

Stakeholder influence on brand identity co-creation in startups

Supervisor

Christian Koch

Co-examiner

Heléne Tjärnemo

Examiner

Marina Jogmark

Abstract

The purpose of this thesis was exploring stakeholder influence on brand identity co-creation in startups, by answering the research question: "How do stakeholders influence brand identity co-creation in startups?" To answer this question, a multiple case study was conducted, consisting of interviews with six B2C (business-to-customer) startups. Furthermore, the startups studied are all tenants of incubators. This context is of interest, since incubators have been suggested to provide extensive resources and knowledge for startups struggling with their businesses' establishment. To analyze the data from the case studies, mainly the Corporate Brand Identity Matrix (Urde, 2013) was used, which helps to provide an overview of how different elements of brand identity are co-created with stakeholders in startups. In addition, to study this subject requires an overview and discussion of brand management research, stakeholder theory and co-creation literature.

The findings show that several of the brand identity elements are co-created with stakeholders in startups. The stakeholders identified in co-creation are several, mainly customers, financiers, producers, designers and programmers. Furthermore, an interesting correlation between startups' orientations and co-creation, was discovered. The startups with a mainly market-oriented approach to branding are co-creating the brand identity elements to a much further extent, than brand-oriented startups. Finally, incubators are revealed as co-creators of several of the brand identity elements in startups, but the study also provides further insights into their important role in supporting the startups and facilitating networking opportunities.

Keywords

Brand identity, Co-creation, Stakeholders, Startups, Incubators

Acknowledgements

We would like to take the opportunity to thank the individuals that have made this thesis possible.

First and foremost, a dear thanks to Christian Koch, our supervisor, for his support and expertise within branding.

Secondly, many thanks to the startups that participated in our thesis, willingly and with enthusiasm. Without you, this thesis would not be possible.

Thirdly, we would like to thank Annika Fjelkner for supporting us in many ways at our time at the University of Kristianstad.

Last, but not least, the biggest thanks go out to our lovely families and friends, for always cheering us on.

Kristianstad, 25th of May, 2018

Table of Contents

- 1. Introduction..... 1**
 - 1.1 Problematization..... 2
 - 1.2 Research purpose..... 4
 - 1.3 Research questions 4
- 2. Methodology 5**
 - 2.1 Research strategy..... 5
 - 2.2 Choice of theory 6
 - 2.3 Research design..... 7
 - 2.3.1 Choice of research site 8**
 - 2.3.2 Interviews 9**
 - 2.3.3 Sampling strategy 10**
 - 2.3.4 Case companies 11**
 - 2.4 Research analysis..... 12
 - 2.4.1 Transcription and coding 12**
 - 2.5 Trustworthiness 13
- 3. Theoretical background 15**
 - 3.1 Branding..... 15
 - 3.1.1 The branding logic..... 15**
 - 3.1.2 Brand identity 16**
 - 3.2 CBIM: Corporate Brand Identity Matrix 18
 - 3.2.1 Internal elements..... 19**
 - 3.2.2 Internal and external elements..... 19**
 - 3.2.3 External elements..... 20**
 - 3.2.4 Interrelatedness between elements..... 21**
 - 3.3 Entrepreneurial branding 22
 - 3.3.1 Entrepreneurs and innovation 22**

3.3.2 Branding in startups	23
3.3.3 Incubators	25
3.4 Co-creating brands.....	26
3.4.1 Stakeholder theory and the role of stakeholders	26
3.4.2 Stakeholder influence in branding	27
3.4.3 Brand identity co-creation in startups	27
4. Analysis	29
4.1 Brand identity co-creation.....	29
4.1.1 Value proposition and competences	29
4.1.2 Position, Mission and Vision	31
4.1.3 Expression and personality	33
4.1.4 Relationships and culture	34
4.1.5 Core brand	34
4.2 Internally created brand identity elements.....	34
4.3 Startups' branding approaches	36
5. Discussion	38
5.1 Brand identity co-creation in startups.....	38
5.2 Branding orientation and its influence on perceived relevance of co-creation.....	40
5.3 Incubators.....	41
6. Conclusion	43
6.1 Theoretical contribution and managerial implications	44
6.2 Limitations and future research avenues	45
References	47
Appendix 1. Interview guide	51
Appendix 2. Codings	52

LIST OF FIGURES

Figure1: *Internal and external elements of a corporate brand*..... 3
Figure2: *The Corporate Brand Identity Matrix*.....18

LIST OF TABLES

Table1: Interview schedule.....10

1. Introduction

Innovation and entrepreneurship is a large driving force of the modern economy. In order for startups, newly established companies, to be successful, with their unique set of pre-conditions, it is crucial to recognize the impact the brand has on, for example, acquiring and maintaining customers (Bresciani & Eppler, 2010).

A brand is a feature, for example a name, symbol or design, that distinguishes one good or service from another (Kapferer, 2008). The implementation of a brand, branding, is a crucial activity for companies since a strong brand facilitates customer recognition, acquisition, loyalty and competitive advantage (Kapferer, 2008). Although branding for multinational companies and corporations has been a well-researched field of study, research on branding in startup companies, newly established companies, has emerged during the past decades.

Startups, that are in an early stage of business development, are often run by one or a few entrepreneurs, who single-handedly manage the business. They focus mainly on finances and keeping the company afloat, due to the challenging lack of organizational structures (Rode & Vallaster, 2005), time (Bresciani & Eppler, 2010) and knowledge (Rode & Vallaster, 2005).

When studying branding, it is necessary to consider the changes the underlying logic has been subject to during the 20th century as well as contemporarily (Merz, Vargo, & He, 2009). The traditional branding logic identified the product as the brand (Merz, Vargo, & He, 2009), while recent research views brands as co-created activities between companies and all of their stakeholders (Csaba & Bengtsson, 2006; von Wallpach, Hemetsberger, & Espersen, 2017; Iglesias, Ind, & Alfaro, 2013). Stakeholders are individuals or groups of individuals that have some form of saying, power or interest in the business (Wicks, Freeman, Parmar, de Colle, & Harrison, 2010). Not only does the company depend on its stakeholders for its existence (Wicks, Freeman, Parmar, de Colle, & Harrison, 2010), but

it is also argued that the brand identity (von Wallpach, Hemetsberger, & Espersen, 2017) is created through social, complex networks with stakeholders.

Brand identity is defined as the as the essential meaning of the brand that the manager aims to create (Aaker, 1996; Upshaw, 1995). Creating brand identity is about forming values, visions and goals (de Chernatony, 1999). Even if the definition of brand identity has remained the same over time, the view on brand identity creation has changed. Traditionally, brand identity has been as internally created within organizations and companies. However, more recent research argues that a brand and its identity is continuously co-created and developed by companies and their stakeholders (Merz, Vargo, & He, 2009). This shift will be explained further in Chapter 3.1.2.

1.1 Problematization

As previously mentioned, recent attention has been brought to branding in startups, stakeholder involvement and brand co-creation, within the field of brand management. The research available emphasizes specific topics more than others. Moreover, the underlying logics, from which assumptions are made, can vary greatly.

For example, Rode & Vallaster (2005) focus on the role of entrepreneurs in building corporate brands, which they define as a combination of a company's culture, design, behavior and communications. This perspective still, much like in traditional branding research, considers branding as a set of company-led decisions. Unlike Rode and Vallaster (2005) more recent contributions view brands as co-created between organizations and their stakeholders (Gregory, 2007).

Similarly, there is research conducted on stakeholder co-creation (Vallaster & von Wallpach, 2013; Gyrd-Jones & Kornum, 2013). In the articles, different businesses have been studied. Gyrd-Jones and Kornum (2013) focus on one multinational company and how stakeholders contribute to strengthening brand value and identity. Vallaster and Von Wallpach (2013) concentrate on brand meaning co-creation in a large company, but in an online setting, from a linguistic perspective. These examples are two of many from the wide array of different perspectives that exist in stakeholder co-creation literature.

Additionally, research tends to, even when studying co-creation, focus on single stakeholders, most frequently customers (France, Merrilees, & Miller, 2015; Wang & Sengupta, 2016; da Silveira, Lages, & Simões, 2013). While useful insights can be derived from these studies, they cover specifically the topic of brand value, in larger companies of choice. To explore brands from a slightly different perspective, this thesis aims to explore brand identity and how it is co-created between startups and its different stakeholders. The study that is the closest related to our thesis discusses corporate brand co-creation in a startup context (Juntunen, 2012). Juntunen (2012) defines a corporate brand as a combination of several internal and external brand elements (see Figure 1). She emphasizes the co-creation of the corporate name, the corporate logo and the communications material as well as product and business development in business-to-business (B2B) startups. The findings suggest that stakeholders take part in co-creating the name and product, as well as contributing to updates on communications material.

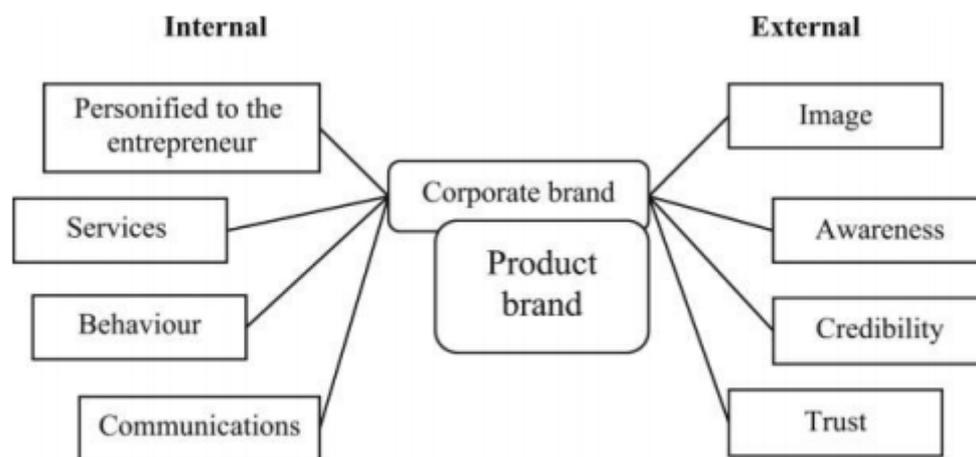


Figure 1: *Internal and external elements of a corporate brand* (Juntunen, 2012)

Some basic premises differ between this thesis and Juntunen's (2012) study. As described, Juntunen (2012) explores business-to-business companies, while this thesis focuses on business-to-consumer companies (B2C). B2C branding is interesting to study, since companies that cater towards customers tend to view branding as an important activity, while B2B companies put more effort into the function, quality and pricing when communicating with stakeholders (Pfoertsch & Kotler, 2006). As we aim to study brand identity creation in startups, B2C companies are believed to be the best object of study.

Overall, Juntunen (2012) provides useful insights into how stakeholders and startups collaborate, but does not explore how stakeholders influence, for example, non-visual cues of brand identity. Consequently, this thesis aims to provide a different perspective by looking into brand identity co-creation between startups and their stakeholders.

More specifically, we depart by exploring the nine elements of the Corporate Brand Identity Matrix, the CBIM (Urde, 2013), taking a holistic approach to the co-creation of brand identity in startups.

1.2 Research purpose

The purpose of this thesis is to explore stakeholder influence in brand identity creation in B2C startup companies. Specifically, the co-creation of brand identity in startups, is explored, to gain a deeper understanding of the phenomenon.

1.3 Research questions

This thesis has one main research questions that is formulated in accordance with the research purpose.

1. How do stakeholders influence brand identity co-creation in B2C-startups?

2. Methodology

In the following section, the research method used in this thesis will be explained. Firstly, the chosen research strategy will be described. Secondly, the research design of this paper will be discussed, which includes the choice of research site, a short description of the companies studied, the choice of theory, an interview description and lastly, the sampling and method strategy. The methodology chapter ends with an explanation of the research analysis and a few comments on the trustworthiness of this thesis.

2.1 Research strategy

In business research, two broad ways of reasoning are the inductive and the deductive approach (Bell & Bryman, 2011). Inductive refers to first gathering data from empirics, for example through the use of focus groups and interviews, in order to generate new theory and draw conclusions. The deductive approach is aimed at testing already existing theory. Finally, a frequently used approach in research is the abductive approach, which is based on a reasoning that combines and alternates between the inductive and deductive stance (Bryman & Bell, 2011). This approach is useful when the researcher wishes to examine a new phenomenon or perspective, but still needs guidance and insights from existing research. Ultimately, this approach assists in the interpretation and analysis of the gathered data.

The aim of this thesis, as stated in Chapter 1.2, is to explore stakeholder influence in brand identity co-creation in B2C startup companies. To carry out the purpose, an abductive approach is used. As explained in the problematization, this thesis relies upon already existing and relevant research mainly in the field of branding and stakeholder theory in the startup context. However, the aim is contributing this field, from a different perspective. Consequently, an abductive approach, is the most suitable.

Furthermore, the abductive approach is closely connected to a qualitative research approach (Bell & Bryman, 2011). Qualitative research answers questions that are how and why-oriented, making it the most frequently used research method in social sciences. In contrast, quantitative research is aimed at quantifying the data collected; a method more suitable for natural sciences.

In this thesis, a multiple case study (Yin, 2003) was conducted, in order to study the research questions formulated. As the research purpose states, the thesis aims to explore how brand identity is co-created between startups and their stakeholders. Since the object of this study is entrepreneurs in a specific context - several startups - the multiple case study approach is suitable. The case study and the design of it will be explained more in-depth in Chapter 2.3.

2.2 Choice of theory

The choice of theoretical evidence used in this thesis was based on the statement of purpose, where several disciplines intertwine.

Firstly, studying brand identity requires an understanding of the historical developments of branding research, its underlying logic, as well as grasping central concepts of branding-related research and how these are interconnected. Thus, to mention a few, Merz et al. (2009), Kapferer (1997), Aaker (1996), de Chernatony (2010) and Urde (2013) served as an important foundation to gain the essential understanding needed.

Secondly, stakeholder theory creates a complementary base for understanding startups' relationships with interplaying actors. Among the most cited articles in this discipline is Freeman's *Strategic Management: A Stakeholder approach* (Wicks, Freeman, Parmar, de Colle, & Harrison, 2010).

Thirdly, the specific context for the study in this thesis, startups in incubators, warrants a need for understanding startups as such. When it comes to startups, entrepreneurship and innovation are closely linked to them, encouraging a deeper understanding of these concepts. Additionally, the incubator requires attention since all of the startups are tenants of incubators. The incubators can provide resources in the form of, for example, financial support and valuable connections to stakeholders, making them an interesting context to study.

Lastly, co-creation of brand identity in startups is a scarcely studied field (da Silveira, Lages, & Simões, 2013; Juntunen, 2012; Urde, 2013). To the best of our knowledge, we have used the available and most recent literature that is relevant to the purpose.

In conclusion, these theoretical disciplines in combination, contribute to the necessary knowledge that assists the completion of this thesis.

2.3 Research design

A research design represents the strategy or plan for conducting research (Bryman & Bell, 2011). In qualitative research, the data should be presented in a descriptive way, so that the reader understands the researchers' interpretations. This is often accomplished by conducting a case study or a multiple case study. The purpose of the case study is to study a phenomenon or an entity, a case, and use the data gathered to draw conclusions from the insights. This approach provides not only knowledge about a specific phenomenon, but also context for the study; how and why the phenomenon occurs within a given situation (Bryman & Bell, 2011).

As mentioned in Chapter 2.1, a multiple case study design, as explained by Yin (2003), was used in this study. The multiple case study design is, with some exceptions, similarly defined as the (single) case study design. The multiple case study allows the researcher to analyze both across and within different situations (Bell & Bryman, 2011; Yin, 2003). Furthermore, the multiple case study allows for analyzing similarities and differences between the cases. Unlike the multiple case study, the single case study only includes one case and is suitable if the researcher aims to study one specific person within a group or a

group of for example individuals (Yin, 2003). Thus, a multiple case study design is suitable to use, due to the choice of several startups.

2.3.1 Choice of research site

In this thesis, six startups, that are tenants of incubators, were chosen to gain primary empirical data. The names of the startups are fictive, but indicate what types of businesses they are. A description of these startups is provided in 2.3.4.

For the gathering of data, mainly a purposive sampling method was used. Bryman and Bell (2011) describe this method as commonly used in qualitative research, where researchers rely upon their own judgement to determine the selection of cases and individuals. The cases and individuals should provide sufficient understanding of the case or the individual interviewed (Stake, 1995) and be chosen with the research questions in mind. Since the research question entails studying startups' perspectives on stakeholder influence in brand identity co-creation, it was logical to assume that the startups we chose had stakeholder relationships, since they are tenants of incubators.

The incubators are situated in Lund and in Malmö. Additionally, they are of different kinds. Minc, in Malmö, is a multi-purpose business incubator, as Aerts, Mathysens and Koen (2007) would categorize it. It provides a wide array of support programs for startups, such as a game incubator, a fast track incubator and one general incubator suited for several business types. In Lund, the incubator Ideon Innovation is part of a Science Park that is mainly research-driven and technology-oriented.

Incubators provide a fostering business environment, where startups can get the resources and support they require but often do not have or cannot afford on their own (Scillitoe & Chakrabarti, 2010; Bollingtoft & Ulhoi, 2005). Furthermore, incubators are mainly established for two reasons. Firstly, they could be founded for economic reasons; to stimulate the regional economic development and to equip the startups with investment opportunities (Bollingtoft & Ulhoi, 2005). Secondly, with incubators, high-tech companies can be connected to academic research and universities. Both of these contexts are studied in our thesis, at the business incubator Minc, as well as at Ideon Innovation. Overall,

incubators are an interesting context to study, since they assist startups with support, expertise, resources and networking opportunities (Aerts, Mathyssens, & Koen, 2007). Moreover, incubators provide and facilitate a multi-stakeholder environment. Thus, to study startups that are situated in incubators, gave us the opportunity to learn about the relationships with stakeholders that the incubator facilitates.

Finally, the startups chosen are business-to-consumer companies. This limitation was made because recent studies have explored business-to-business startups, see Juntunen (2012). By choosing to study B2C startups, new or different insights could be provided. Additionally, B2C companies, in comparison to B2B companies, tend to view branding as a critical activity (Pfoertsch & Kotler, 2006).

2.3.2 Interviews

In research, interviews are commonly used to gather data. Interviews can be of different types, depending on whether the research is qualitative or quantitative. Quantitative research generally uses surveys, structured interviews, as a means of gathering data and measuring or comparing it (Bell & Bryman, 2011).

For in depth understanding, where the aim is not to standardize or compare results, the unstructured or the semi-structured interview is often used since the questions tend to be somewhat more open-ended and since it allows for elaboration. (Bryman and Bell, 2011). The alternative of using the unstructured interview is desirable in much of qualitative research, but it poses difficulties when the researcher aims to provide insights into specific phenomena (Yin, 2003). Thus, semi-structured interviews were used in this thesis, since the aim was to study how stakeholders influence brand identity in startups, rather than measure or generalize the results of standardized questions.

The semi-structured interview should be pre-organized, with the questions formulated prior to the interview, in accordance with the research purpose and questions. This leaves room for further and open discussion. Unlike the semi-structured interviews, unstructured interviews do not necessarily follow the prepared questions, but instead let the respondent freely reflect (Bell & Bryman, 2011).

The interview questions were chosen with the research questions in mind, as emphasized by Bryman and Bell (2011). An interview guide was created (see Appendix 1), to avoid general, leading or complicated questions. However, as often occurring in semi-structured interviews, this interview guide served merely as an outline and reminder of the research purpose, and allowed for further and open discussions.

Lastly, the suggested time for the interviews was at least 30 minutes. However, most of the respondents, were enthusiastic and did not mind providing longer and in-depth answers, which was beneficial to our research. The interviews lasted for 40-55 minutes and were conducted in person, in the startups' offices at different dates (see Table 1).

Table 1: Interview schedule

Startup	Smoothie	Tailor	Finance	Temperature	Underwater-tech	Vital
Length in minutes	40	40	55	50	55	45
Date (2018)	4th of April	4th of April	4th of April	11th of May	15th of May	15th of May

2.3.3 Sampling strategy

The startups chosen in this thesis were contacted via email, using a sequential approach. This approach entails beginning with an initial sample (Bell & Bryman, 2011), in this case the startups situated in the different incubators, and then adding individuals to the sample when needed.

Ideon Innovation consists of 23 startups, while Minc has 20 tenants. Out of these, 8 are from Ideon Innovation and 15 from Minc are B2C startups. Therefore, these were contacted by email. First, only the B2C startups at Minc were contacted. However, since the positive response rate (3 out of 15) was low, B2C startups from Ideon Innovation were added to the

sample, where an additional 3 startups agreed to interview with us. In total, 6 out of 23 B2C startups accepted to participate. What is worth mentioning is that most of the startups (17 out of 23) replied to our inquiry, but declined to participate in the study, due to limited time and having recently taken part in time-consuming studies.

The respondents were offered several possibilities as to how the interview would be conducted. The options were to meet in person or to interview through email, video call or telephone. We, of course, preferred to meet in person, which was made possible, because of the short distance between our residences and the incubators.

2.3.4 Case companies

As previously mentioned, 6 different B2C startups from 2 incubators were interviewed for this thesis.

The first three presented startups are all tenants of Minc. Firstly, Tailor was founded in 2017 in Malmö. This startup provides an online service for tailoring, describing itself as “the link between your clothes and your professional tailor”. The customers can make reservations and choose their preferred method of delivery and payment. The startup’s main idea is to make it easier to fix old and ragged clothes than to buy new ones, and that this could be part of a smart and cool lifestyle.

Secondly, Finance works with developing a smart device for safer investments and potentially better returns. It targets a wide group of customers, to whom it offers an easy, qualitative and safe service for investments. The seven founders have, since 2016, worked with developing the business and the algorithms for the investments.

Thirdly, the startup Smoothie, sells healthy chia-smoothies in squeeze-packages. The idea is to offer healthy and easy off the shelf food, with no sugar or additives, a product that is on the demand, considering people's stressful everyday lives and wishes to maintain healthy lifestyles. The journey started in 2014 and the product has been launched on the market.

The three remaining startups, Temperature, Underwater-tech and Vital, are tenants of Ideon Innovation in Lund.

Temperature works with the idea of controlling in-house temperature, by connecting smartphones to fuse boxes. The aim is to control the temperature in homes and cottages in a smarter, more comfortable and energy efficient way. The company was founded in 2016.

Underwater-tech, founded in 2015, develops underwater communication solutions. The target groups are divers and diving centers and its idea is to create a product that makes divers feel comfortable and safe, but also to create a technology that could be used in all under-water communications.

Finally, Vital aims to create a digital platform can get tailor-made recipes for meals, in order to develop healthier eating habits. The offers are based on the users' lifestyle, goals and physical preconditions. Besides these functions, the founder wants to create further features, such as competitions and games, within the platform. The startup was founded in 2016 and is currently working on developing the business and platform.

2.4 Research analysis

In the following chapter, a description of how the interviews have been conducted and analysed will be presented. Transcriptions are necessary to be able to analyse the data, while coding is key to categorizing and making sense of the raw data from the transcriptions. In all research, describing these procedures is essential when accounting for how the research has been conducted.

2.4.1 Transcription and coding

The interviews were transcribed from the audio-recorded interviews. When audio-recording is used, the researcher can focus on being present in the interview and listening carefully to the respondent, which is especially important when using semi-structured interviews, since asking follow-up questions may be desirable (Bell & Bryman, 2011). Furthermore, by using this technique, it is easier to get a more comprehensive and correct

overview of the gathered data and avoid missing important comments (Bell & Bryman, 2011).

The gathered transcripts were coded by identifying meaningful expressions and patterns in order to code and categorize the content, as suggested by Rennstam and Wästerfors (2015). Expressions are the sentences, words and phrases that reveal information that is relevant for the purpose of the thesis (Rennstam & Wästerfors, 2015). The expressions were highlighted in the transcription. The codes, in turn, are the words that can, in a short as possible manner, highlight the essence of the expression. With the help of these codes, a number of categories were created (see Appendix 2). The categorization is based on the definition of brand identity, which is covered in Chapter 3.2. These expressions, codes and categories are part of the manifest, descriptive level of analysis, which refers to what is directly expressed in the text (Rennstam & Wästerfors, 2015). Based on this, a thematization related to the research purpose, was created. The thematization stands for the latent, interpretative level of analysis (Rennstam & Wästerfors, 2015), which represents our interpretations of the expressions, enabling a meaningful discussion and conclusion.

2.5 Trustworthiness

In qualitative research, researchers need to account for how they have ensured that their study can be trusted - the trustworthiness of the study (Bell & Bryman, 2011). Four elements are key to trustworthiness as described by Bryman and Bell (2011) credibility, reliability, objectivity and transferability.

Credibility refers to how the researchers could argue for that the findings are correct and true (Bell & Bryman, 2011). In this study, the challenge of this should be noted. Since all of the companies are newly established, secondary online sources verifying the data were scarcely ever available. This meant that the researchers had to trust the data from the interviews. However, we believe that the information given to us is true and correct, since the interviewees were not given incentives to provide dishonest.

Transferability can show to what extent the findings in the study can be transferred to similar cases or situations (Bell & Bryman, 2011). However, in this study, the aim was not

to find and draw conclusions that are generalizable, but to provide in-depth insights into the unique cases studied.

Objectivity shows the degree of neutrality in the findings and are based on the participants' (Bell & Bryman, 2011), in this case the interviewees', responses, and not on the researchers' personal motivations. However, objectivity cannot be fully accounted for, since qualitative research entails interpreting the gathered information.

Lastly, reliability refers to the researchers' proof of authenticity in the findings (Bell & Bryman, 2011). Upon request, the authors of this study can provide audio recordings and transcripts from the conducted interviews.

3. Theoretical background

In the theoretical background, relevant theories and developments for this thesis will be explained. Firstly, different branding theories will be covered, where the presentation of the Corporate Brand Identity Matrix is in focus. Secondly, the topics of entrepreneurship and innovation will be attended to. Lastly, earlier research on co-creation of brands will be presented.

3.1 Branding

In this section, we sum up the, for this thesis, most relevant developments in branding research. The branding logic development is discussed first, since this development explains the relevance and need for studying brand co-creation. Secondly, brand identity is explained and discussed in detail. Lastly, the Corporate Brand Identity Matrix (CBIM) is introduced as the point of reference for analysing brand identity.

3.1.1 The branding logic

In the beginning of the 1900s, a brand was considered to consist of the products the company produced (Merz, Vargo, & He, 2009). This evolved into a value focus, where the created and communicated image of a company became essential. During both periods, the companies had an output strategy, rather than a relational approach, to branding. Customers were still viewed as passive targets of companies' communications. Consequently, this implied, for both theory and practice, that branding was something that could be internally constructed and managed (Merz, Vargo, & He, 2009).

Later, between the years 1990-2000, the brand logic shifted into a more relational approach, where brands were seen as co-created between companies and customers. A decade later, the relevance of including all stakeholders, not only customers, in co-creation was discovered. Furthermore, stakeholders were now seen as a form of a network, where brand value is dynamically constructed through social interactions among multiple stakeholders (Muñiz & O'Guinn, 2001).

According to Merz et al., (2009), this development in brand logics emerged as a result of a shift to service-dominant logics in marketing, first explained by Vargo and Lusch (2004). Service-dominant logics arose as a reflection of a new era, where services in addition to products, increased on the market. This warranted a new, process- and relational orientation, as opposed to the earlier dominating output- and product orientation. In conclusion, the new branding logic suggests that management is no longer the only driving force in brand creation, but that brands are co-created between companies and all stakeholders (Merz, Vargo, & He, 2009).

3.1.2 Brand identity

Since this thesis focuses on brand identity co-creation in startups, the following part will explain the different definitions of and perspectives on brand identity, as well as position this thesis' outline for discussing brand identity.

Traditional research defines brand identity as the essential meaning of the brand that the manager aims to create (Aaker, 1996; Upshaw, 1995). Brand identity is created internally, within an organization, resonating the ethos, values, vision and goals of it (de Chernatony, 1999), while brand image is consumers' (or others') perception of the brand (de Chernatony, 2010; Kapferer, 2008)

The traditional definition of brand identity has remained the same. However, when it comes to the creation of brand identity, research has developed. In Csaba's and Bengtsson's (2006) literature review, common assumptions on brand identity, made in brand management research, are criticized. Firstly, the authors question the possibility to distinguish brand identity from brand image, since it disregards the way stakeholders take part in brand identity co-creation.

Secondly, brand identity has been seen as something that can be internally defined within organizations, as opposed to freely interpreted by stakeholders and co-created between them and companies. The latter, contemporary perspective, has implications for management. If one considers a brand as co-created between multiple stakeholders and

companies, there is limited possibility for brand managers to internally control and manage brand identity.

Lastly, brand identity has also been considered as enduring and stable over time (Kapferer, 2008; Aaker, 1996). Although consistency in the identity of the brand is indeed an essential goal for organizations, it could be challenging to maintain due to an increasingly dynamic market environment. An increasingly dynamic environment poses risks of encountering unexpected changes and transformations within the marketplace (da Silveira, Lages, & Simões, 2013).

As discussed by Csaba & Bengtsson (2006), the role of multiple stakeholders in building brand identity is increasingly being emphasized. This attention is the result of increasing possibilities for collaboration with and influence from stakeholders. Additionally, due to the uncertain foundation and future of startups (Rode & Vallaster, 2005; Petkova, Rindova, & Gupta, 2008; Bresciani & Eppler, 2010) brand identity, especially in startups, can no longer be defined as a stable, clear and consistent element, see Aaker (1996) and Kapferer (2008), but one that changes through social interaction and co-creation with stakeholders (Csaba & Bengtsson, 2006; Juntunen, 2012).

The focus has shifted, from building brand identity internally, to identifying and collaborating with the stakeholders that influence the brand. This shift of focus mirrors the developments of the marketing and branding logic.

Defining brand identity is a complex matter, since the interpretation of a brand's identity can vary among individuals and over time. Therefore, Urde's (2013) corporate brand identity matrix is used as an analytical tool and point of reference in this thesis. The matrix combines several brand identity elements, based on both traditional and more recent definitions and, as suggested by Csaba and Bengtsson (2006), emphasizes both internal and external aspects of brand identity. However, some of the elements in the CBIM have distinct characteristics that are clearly adapted to analyzing already established companies. Most notably, relationship and culture are difficult to study in the startup context, since relationships for the most part are still in the making in new companies.

3.2 CBIM: Corporate Brand Identity Matrix

The corporate brand identity matrix is a theoretical as well as a managerial guide and tool, developed by Urde (2013). The 9 different elements in the matrix provide a structured and logical outline of corporate brand identity, and are based on Urde's own case study findings, in conjunction with already existing contributions on brand identity, for example Aaker (1996), de Chernatony (2010) and Kapferer (1997). Furthermore, it distinguishes between internal, core and external factors, where the core is the essence of the brand identity, reflecting every element in the matrix (see Figure 2). Simultaneously, every element in the matrix reflects parts of the core.

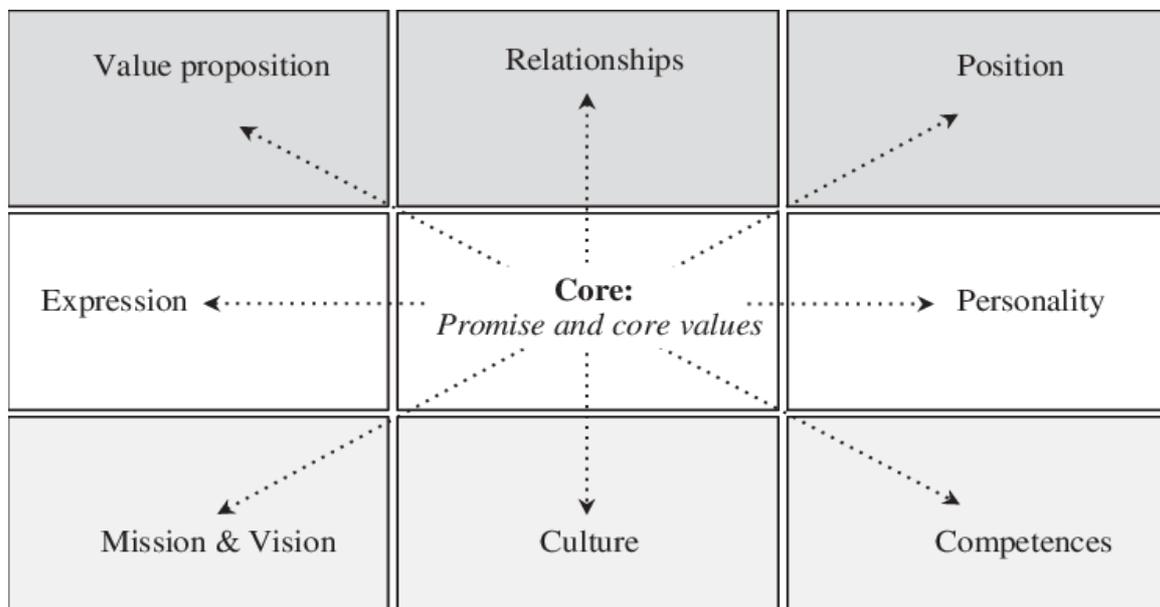


Figure 2: *The Corporate Brand Identity Matrix* (Urde, 2013)

The matrix could be seen from a market-oriented, as well as a brand-oriented perspective. These two perspectives could also be combined. A corporation with a brand-oriented approach, primarily has an identity-driven, inside-out approach to identity creation (Urde, 2013). This means that a brand-oriented company creates its brand identity, by focusing on internal elements; mission, vision, culture and competences. These elements reflect the company's own objectives and ambitions. The external elements, on the contrary, are the point of reference in a market-oriented approach (Urde, 2013). Unlike the brand-oriented

approach, market-oriented brands to a large extent evaluate the wants and needs of the market, have a thought-out target group and welcome external stakeholders, such as customers, to influence the brand identity.

3.2.1 Internal elements

The internal elements; mission and vision, culture and competencies, are important parts of the brand identity. Firstly, mission includes having motives about the existence of the corporation and what the engages are, besides making financial profit. Unlike the mission, the vision of the corporation tends to show where the corporation is heading, as well as the motives behind going there. Mission and vision, together, are elements that reflect the joint commitment of the corporation's undertakings.

Furthermore, the culture of a corporation is seen as the reflection of the beliefs, values and attitudes within. The culture could be seen as a source, representing differentiation and possibly competitive advantage. Moreover, the behavior of company representatives needs to be aligned with the values, beliefs and attitudes encompassed in the culture.

The last internal element, competences, is the knowledge possessed in the organization. It explains what the organization is good at and how it differentiates itself from other organizations. The competences could also be explained as a strategic tool for achieving and sustaining competitive advantage.

3.2.2 Internal and external elements

Except internal elements, there are elements which are categorized as both internal and external; personality and expression, as well as the brand core. Firstly, expression is about how the corporate brand is identified, for example visually and verbally and how it could be recognized. The term expression includes a combination of intangible and tangible assets, such as logotype and tone of voice.

Personality is an element that embodies the set of human or individual characteristics that the brand possesses. While the expression element, as mentioned, is mainly associated with

the visual characteristics and recognition of the brand, personality concerns the traits of the brand, which is largely sustained by the personality of the representatives of the company.

Finally, the core, at the heart of the matrix, consists of the brand promises and what the core values of the brand are. As mentioned initially in this subchapter, the core resonates all of the brand identity elements and each element is partly defined by the core.

3.2.3 External elements

In the top row, the matrix emphasizes external elements: value proposition, relationships and position.

Firstly, the value proposition consists of the value the customers and other stakeholders are offered. This value is what differentiates a company's offerings from those of other companies, in the eyes of the customer and other stakeholders (Bresciani & Eppler, 2010). A fundamental management concern is to formulate a value proposition that is aligned with the brand core, since a compelling value proposition is essential in creating and sustaining enduring relationships.

The second external element emphasized in the matrix is relationships, which Urde (2013) explains need to be built over time, since different stakeholders have different interests in the company. Furthermore, it is argued that the relationships reflect the corporation's brand identity, based on how they are built and with whom.

Lastly, position in this matrix, should not be confused with the commonly used term 'positioning'. In Urde's framework, position is the fallout of the core brand identity, the departure point from which management chooses the intended position in the market. The position communicates what a brand is and the target of the brand (Harris & de Chernatony, 2001).

3.2.4 Interrelatedness between elements

Now, when the corporate brand identity elements have been described, as well as the interrelatedness between each horizontal row of elements, it is important to discuss how the elements are related to each other. There are four different connections in the corporate brand identity matrix, besides the connection between the core and all of the elements, that are relevant to discuss.

The first two elements that are related are culture and relationships. The relationship between the corporation and its stakeholders is both dependent on and should echo the corporate culture. This means that the way the company deals with its stakeholders, should reflect the beliefs, attitudes and values of the company.

The second two elements related are expression and personality. The 'personality is to a large extent shaped by the way it is expressed' (Urde, 2013). Visual identifications create associations in customers' and others' minds and these associates can be attributed to the brands personality.

Thirdly, value propositions and competences are closely tied together. While the value propositions differentiate a company's offerings from those of other companies, the competences are used to enable the accomplishment of them.

The last two elements related are mission, vision and position. As mission and vision show the intentions of and motives for the company's existence, the position should be aligned with the mission and vision. This creates clarity and consistency between internal and external motives.

3.3 Entrepreneurial branding

To understand the role of the entrepreneur in the startup context, it warrants a discussion on entrepreneurs and the developments of entrepreneurship. These developments are closely linked to research on startups and incubators, since they provide context for entrepreneurship.

3.3.1 Entrepreneurs and innovation

Traditionally, the entrepreneur has been described as someone who starts a new, small business (Drucker, 1985; Cole, 1968; Gartner, 1985). Although this is a relevant claim, it gives an incomplete description of the word entrepreneur and what entrepreneurship means. Starting a new business is not necessarily a representation of entrepreneurship, since entrepreneurship entails creating and realizing entirely new and different ideas, creating new markets and finding new customers. Hence, successful entrepreneurship ultimately transforms the values of the public (Drucker, 1984). This idea has remained as the general definition of the entrepreneur and entrepreneurship (Johnson, Whittington, Scholes, Angwin, & Regnér, 2017).

Furthermore, innovation is closely linked to entrepreneurship and refers to using change as a means of creating a different business or service. Whereas invention refers to creating a new product, process or service, innovation is the tool that brings the invention into commercial use (Johnson, Whittington, Scholes, Angwin, & Regnér, 2017).

Innovations are of great importance to all organizations, due to several reasons. New ideas lead to competitive advantage and ultimately enable economic growth (Johnson, Whittington, Scholes, Angwin, & Regnér, 2017). For large established companies, there is significant pressure to continuously innovate in order to remain competitive. Although innovation is seen as necessary for success, many times large organizations perceive it as difficult. It requires enthusiasm and commitment, as well as financial resources and risk-taking, especially when a multitude of stakeholders are dependent on the company's success. In this regard, it can be argued that startups, who do not yet have external actors dependent on their success, have an advantage in innovating, in comparison to large, established companies (Johnson, Whittington, Scholes, Angwin, & Regnér, 2017).

Innovation can be driven by technology, where scientists or technologists research something and then hand it over for manufacturing. This approach has been the most common one. An alternative to this is the growing market pull approach, where market experts, or regular consumers in the external market, pull innovations. This involves seeing the importance of actual use and moving further than invention (Johnson, Whittington, Scholes, Angwin, & Regnér, 2017).

In conclusion, entrepreneurship and innovation are important constituents of the modern economy. Additionally, they are a fundamental characteristic of successful startup brand identity creation. Because of the increasingly dynamic market environment, all organizations, including startups, must innovate in order to differentiate themselves from competitors. Thus, the ability to innovate could affect brand identity elements, for example the value proposition of a startup. If a startup develops a new product or service, it simplifies the creation of a unique value proposition, which is needed to stand out from the competition.

3.3.2 Branding in startups

Branding in startups is a relatively new field, where several researchers question if classical branding theory is useful and suitable for startups (Wong & Merrilees, 2007; Merrilees, 2007; Bresciani & Eppler, 2010), since traditional strategies tend to be developed for multinational and other large corporations (Bresciani & Eppler, 2010; Merrilees, 2007) and that startups should not adapt to these (Bresciani & Eppler, 2010). Thus, new branding strategies better suited for the startup context have been presented (Bresciani & Eppler, 2010; Merrilees, 2007; Rode & Vallaster, 2005; Boyle, 2003).

Firstly, (Boyle, 2003) emphasizes the importance of focusing on entrepreneurs and brands that have a high chance of becoming successful. She argues that, even with limited resources in form of capital and time, a strong brand could be developed by entrepreneurs, by early identification of the brand personality and brand values.

Moreover, Rode and Vallaster (2005) discuss branding as a sequential process, which they define as the decisions made on corporate culture, behaviour, design and communications, that a startup needs to make. These decisions enable the startup to position itself in the marketplace. In this perspective, corporate branding is a strategically focused and planned process, mainly company-led, with the entrepreneur serving as the manager of the process. Furthermore, the authors conclude that the entrepreneur has the key role in creating corporate brands, based on his or her perspectives of the world as well as ideas, values, feelings and thoughts. However, the authors found that there was an unclarity about the core business, where the business idea only existed in the mind of the entrepreneur, and where company objectives were only vaguely defined (Rode & Vallaster, 2005).

As mentioned earlier, a dynamic environment, stresses the importance of developing a clear business concept, which includes brand development (da Silveira, Lages, & Simões, 2013). Therefore, one of the most crucial roles of the entrepreneur is the ability to adapt better to market environment changes (da Silveira, Lages, & Simões, 2013; Rode & Vallaster, 2005). However, Silveira et al. (2013) further explains that more empirically-based knowledge about identity formation in early startup growth is needed, due to the current, more conceptual nature, of corporate branding.

In line with the ideas of Rode and Vallaster (2005) who suggest different important elements of corporate branding in startups, Merrilees (2007) discusses how branding can facilitate small business development in startups. In his view, recognition, as well as customer and capital acquisition are cornerstones in brand development. This is enabled by having a wide network and strong relationships with stakeholders (Merrilees, 2007).

As mentioned, Bresciani and Eppler (2010) state that branding is a crucial activity for startups' success and survival and argue that young companies should not compare themselves to multinational firms when adopting branding strategies. The authors present a framework, based on the successful startups they studied. This framework aims to motivate decisions about brand creation in startups. Startups should consider the brand creation sequence, which consists of three phases. Firstly, the authors state, the brand strategy needs to be aligned with the strategy of the organization. Secondly, a brand design,

the visual identifications of the brand, needs to be established in accordance with the mission and values of the brand. Lastly, the startup should develop a plan for the specific branding activities it wishes to conduct.

Finally, Bresciani and Eppler (2010) state that several of the successful startups they studied stress the importance of personal networks and word-of-mouth, as opposed to traditional, promotional communication activities. Therefore, they encourage startups to use low-budget, innovative and creative ideas when planning branding activities. This is in line with previous research providing insights into startups' challenging financial situation (Rode & Vallaster, 2005).

3.3.3 Incubators

The first incubator was founded in New York, 1959 and the number has increased ever since. The idea was to combine management and technology in order to create opportunities for entrepreneurs to develop ideas and innovations (Aerts, Mathysens, & Koen, 2007).

Today, there are different types of incubators, suited for different types of businesses. Depending on startups' level of technology and need of management support, startups can find the incubator suited for them (Aerts, Mathysens, & Koen, 2007).

Incubators provide networking opportunities, which could facilitate access to external contacts, who could offer knowledge, legitimacy and resources for the startup (Aerts, Mathysens, & Koen, 2007; Bruneel, Ratinho, Clarysse, & Groen, 2012). For example, unique knowledge from an external contact could be beneficial for the startup, since it could provide the startup with learning opportunities and skills. These contacts could be customers, partners, investors as well as other stakeholders.

Since research within the field of incubators suggests that support and networks is provided by incubators (Bruneel, Ratinho, Clarysse, & Groen, 2012), the chances for startups within incubators to have a wider network and more stakeholders increases.

What is further worth mentioning is that incubators play a significant role in regional and national economies, as they enable startups to contribute to economic growth and development (Aerts, Mathyssens, & Koen, 2007; Bruneel, Ratinho, Clarysse, & Groen, 2012).

As discussed in entrepreneurial literature (Rode & Vallaster, 2005; Aerts, Mathyssens, & Koen, 2007), entrepreneurs face challenges that in many cases result in failure to succeed. Whereas there are many obstacles for the small business, the most prominent challenge is financing a new and growing company.

In the context of this thesis, it is relevant to discuss incubators, as they provide different forms of support for startups, which may benefit the development of the elements of brand identity.

3.4 Co-creating brands

Stakeholders as brand co-creators have, as mentioned earlier, newly emerged as a subject of interest for researchers and companies (Gyrd-Jones & Kornum, 2013; Merz, Vargo, & He, 2009). The development stems from stakeholder theory and research on the influence stakeholders have on brands.

3.4.1 Stakeholder theory and the role of stakeholders

A stakeholder can be defined as an individual or a group that affects the completion of a company's objectives or is affected by it (Wicks, Freeman, Parmar, de Colle, & Harrison, 2010). In order for stakeholder relationships to be created, there must first exist an interest of creating it as well as commitment from the company. Stakeholders, vice versa, have a need for dialogue and engagement.

Prior to stakeholder theory, financial investors were considered the most important 'stakeholder'. However, businesses were increasingly being viewed as relationships among groups that have a stake in the businesses' activities. The need for a new understanding of businesses' environment arose due to the globalization of markets as well as powerful technological developments (Wicks, Freeman, Parmar, de Colle, & Harrison, 2010). Thus, stakeholder theory was introduced, as well as popularized by Freeman in 1986, see Wicks

et al. (2010). The key groups most commonly referred to were customers, financiers, suppliers, communities and employees. Today, several other groups of stakeholders, such as families and friends (Juntunen, 2012) and partners (Bruneel, Ratinho, Clarysse, & Groen, 2012) are argued to be of importance to companies.

3.4.2 Stakeholder influence in branding

The relationship between startups and their stakeholders is argued to create an impact on brands and implies that companies and stakeholders mutually adapt to one another, by ‘negotiating’ the brand (Gregory, 2007). The realization of such an exchange means that the company might not end up with the vision-driven corporate brand that was intended. However, the strategy laid out is more likely to be accepted and promoted by the involved stakeholders if the negotiation is successful. The implication of this is the importance for companies to identify the stakeholders that have a power, interest, or both in the company’s business (Gregory, 2007).

When it comes to research that covers stakeholder influence in branding, it generally approaches the subject by looking at brand value and equity (Jones, 2007; Wang & Sengupta, 2016). Jones (2007) suggests a stakeholder model of brand equity, that companies can use to identify their stakeholders, and prioritize them after, for example, dependency and significance. From this perspective, every stakeholder relationship can contribute to the creation of brand equity, it is merely a question of identifying the ones that contribute the most and how to cater to these groups.

Another commonly recurring approach is looking at corporate brands (Gregory, 2007; Harris & de Chernatony, 2001), who argue that corporate branding is about increasing the coherence between different components of brand identity as well as shortening distances between a brand’s identity and its reputation.

3.4.3 Brand identity co-creation in startups

While some, in a traditional manner, emphasize consumers as the main stakeholders that co-create brands (da Silveira, Lages, & Simões, 2013), others claim that there are several stakeholders essential for co-creation of brand identity (Juntunen, 2012). The result of these

various claims is that different stakeholders have different meaning to different companies (von Wallpach, Hemetsberger, & Espersen, 2017).

As of recent, discourse has evolved into a wider definition of stakeholders, as ‘brand stakeholders’ (von Wallpach, Hemetsberger, & Espersen, 2017), where stakeholders are active contributors and co-creators within brand interplay. Furthermore, relevance of this interplay in virtual settings is discussed by (Vallaster & von Wallpach, 2013), who showcase the strategies stakeholders pursue in their efforts to influence brand image. For instance, findings suggest a far wider engagement from stakeholders than expected, even from those neutral to brands (Vallaster & von Wallpach, 2013).

While this thesis, as explained earlier, departs from studying brand identity co-creation with the help of the Corporate Brand Identity Matrix (Urde, 2013) it is worthwhile noting Juntunen’s (2012) contribution to co-creation research as well. These two studies have different angles when approaching brand creation. Juntunen (2012) bases her study of corporate brand co-creation in startups on three existing contributions: see Gregory’s (2007), Boyle’s (2003) and Juntunen’s own earlier contributions, where she reveals which stakeholders take part in corporate brand co-creation processes. Boyle (2003) identifies five stages of corporate brand co-creation. Gregory (2007), as previously mentioned, emphasizes the negotiation between corporations and their stakeholders in brand development. Urde (2013), on the other hand, developed his matrix, based on an extensive list of, mainly, traditional branding research - Kapferer (2012), Aaker (1996), Merrilees et al. (2013) and de Chernatony (2010), to mention a few.

4. Analysis

In this chapter, the findings of the case studies will be presented. Firstly, Chapter 4.1 covers the central findings concerning brand identity co-creation, which constitute the basis for answering the research question. Secondly, in 4.2, the internally created brand-identity elements are analysed. Lastly, since Urde (2013) in his matrix highlights brand and market-oriented approaches to branding, a classification of the orientation of the startups studied in this thesis, will be provided in 4.3.

4.1 Brand identity co-creation

As Juntunen (2012) claims, there are several stakeholders that are important in creating brand identity in startups. In her study, visual cues of co-creation are presented. In the analysis of the companies studied in this thesis, the aim is to additionally discover non-visual elements that are co-created in startup companies.

4.1.1 Value proposition and competences

As mentioned in Chapter 3.2.3, value proposition and competences reflect and define each other. Unique competences enable companies to offer compelling value for customers and other stakeholders and is therefore crucial for sustainable competitive advantage.

In the gathered data from the startups, some findings show signs of co-creation of value propositions and competences.

The Head of Advisory Concept & Development at startup Finance emphasizes the effort they put into building the trustworthiness that is core to the brand, and especially how trustworthiness is related to who stands behind the brand:

(we are) /.../ “trying to involve professors from Lund (University, ed) and Oxford /.../ that trust can be built upon”.

Startup Finance has the technological competences that are required to build the investment portfolios' algorithm. The representatives arguably also have crucial market awareness,

being that they all have a background in the banking sector. However, as the key value proposition is providing investment portfolios that you can trust in unsteady times, there is a need to back up this claim even further. Collaborations with professors, in this case, exemplify the additional competences that make the value proposition operable and credible, in the eyes of the stakeholders.

The founder of startup Temperature describes himself as the typical engineer who wanted to build a device that saves electricity in customers' homes. When he talked to potential customers, he discovered that the value proposition, to help customers save energy, was not on the demand:

“actually, we are luring the customers to buy something that saves energy /.../ the comfort aspect is primary for the customer and saving energy is secondary.”

Thus, the startup adjusted its value proposition in accordance with the feedback from its potential customers, now primarily highlighting the ease of the use of the device. In this example, potential customers helped redefine the value proposition.

Both Tailor and Vital needed to work with stakeholders to complement their competences, which in turn are vital for the companies' value propositions. In startup Tailor, the identified ones were tailors, a delivery company, a provider of payment solutions and programmers. Startup Tailor's value proposition is repairing clothes online in an, for the customer, simple way. The repairs are enabled by the competences of the tailors.

The 'easy' is enabled by the competence that the provider of payments and the delivery company possess, making the payments and delivery process simple. Finally, to bring this service online, which is key to its value proposition, startup Tailor hired programmers.

Similarly, the founder of startup Vital, proposes a digital, fun and easy to use platform for monitoring and reshaping customers' eating habits. While the founder of Vital had extensive experience in the food industry, he had a colleague and friend construct the

database for the digital platform, enabling the ease of use for the customer. Furthermore, the friend's son, with a background in the gaming industry, was involved in creating the entertaining, contest-like features, co-creating the 'fun' in the value proposition. Lastly, startup Vital also has a lead customer, a sport's center, that is a co-developer of the concept and the included features in the digital platform. These are some examples of how core competences are co-created and how they enable the value propositions that differentiate the brands from those of its competitors.

4.1.2 Position, Mission and Vision

When it comes to co-creation of mission, vision and position, Tailor offers perhaps the most pronounced example:

“I believe it to be very user-centric. /.../ The internal core is for the company is to listen to the customers /.../ And if the customers ask, could you not start sending packages from Stockholm to Gothenburg, that is what we will do.”

As explained in Chapter 2.3.4, startup Tailor started in Malmö, working with tailors in the city. As interest and demand grew, the mission, what the company wanted to accomplish, developed in alignment with customers' input. Such input additionally strengthens core brand values - listening to customers - ultimately shifting the position of the brand and enabling a broader customer base.

Another example of co-creation of Tailor's mission and position, is that the founder wants customers to freely interpret it. If customers view the company as environmentally friendly, on top of just simple, that is great, even though the main idea of the company is to make it simple to repair clothes.

Startup Smoothie has the vision to become an international business, while their mission is offering healthy snack options for busy people. Key to making their vision possible is the producer they are working with. The producer manufactures mainly organic children's food in large volumes, but as it was willing to work with a small startup, they enabled the

founders to stick to its vision. The founder describes this vision as high-aimed, considering the difficulties of entering the food industry.

Underwater-tech suggests a change of its vision, at least temporarily, as a result of advice given by potential financiers. While the startups' vision is to sell its product to all homeowners, the financier could not see them succeeding with a fast scale-up in volumes, and advised them to grow organically, one customer group at a time. The founder expresses how it gave him feedback on how to present the company:

“In dialogue with stakeholders, we have to tighten the bow and paint a large vision /.../ now we have a customer case where we can get the business going /.../ That is an example of how financiers influence /.../ how we position the company”.

As a result of the advice, startup Temperature modified its position, potentially long-term, since the costs of product development are substantial. As a consequence, the vision and mission have been restricted.

Underwater-tech explains how the feedback it has received on their product so far has encouraged them. Customers and diving centers have shown a large interest and distributors are positive and have offered to help. The initial vision was to equip all divers with their device, which is made possible by the interest shown. Additionally, the positive feedback has encouraged them to look beyond this one product and start to consider what other ways the technology they have developed could be used. Thus, there is potential for a new, different position.

Several of the startups recognize and emphasize the incubators as crucial partners in developing or sustaining the vision and mission. For example, Smoothie explains the incubators contribution:

“It helps a lot, to get support and an understanding as a small company /.../ they have forced us to accelerate a bit faster than we dared.”

The incubator has, in this example, influenced the strategic process in the startup by pushing and supporting it in their endeavours. This signals that the support and understanding the incubator provides has expanded the vision and sped up the process of establishing the business.

4.1.3 Expression and personality

In our findings, there are signs of co-creation of expression and personality. Startup Smoothie points out the significance of the co-partner's friend, that helped with the brand design. Finance also clearly emphasizes the importance of its designer:

“I think a lot of it comes from the designer, he has done much of the job. We only expressed a feeling to him, and from that he served us things.”

Additionally, the founder explains that he believes advertising copy to be of significance, in attracting customers and gaining trust. In this case, the designer developed verbal and visual identifications of the company, the website for instance, with scarce instructions.

Furthermore, Diver received help with the design of the logo. They explain how they want customers to feel confident with the brand promise, and that the logo expresses the calm image they wish to be associated with. Since the way a brand chooses to express itself affects how customers and stakeholders recognize it, it also alters the ‘human’ characteristics of the brand, its personality.

In startup Vital, there are signs of potential co-creation, where a lead customer is brought in to contribute to overall concept and features on the digital platform. Since this collaboration takes place outside the time-frame of this thesis, the information is insufficient to draw conclusions upon. However, should this collaboration result in changes of visual or verbal identifications, and therefore how the brand is recognized or received by the stakeholders, it could be considered a co-creation of expression and personality.

4.1.4 Relationships and culture

Culture, as described in the theoretical background, is one of the three internal elements in the CBIM, next to vision, mission, and competences. From the gathered data, it is difficult to see specific evidence of co-creation of culture.

However, it could be argued that culture is indirectly affected by several other elements that are co-created, for example mission and vision, competences and personality. These and other possible interrelated elements will be presented and discussed in Chapter 5.

Lastly, the relationship element was hard to adapt to the context of this thesis, since the element of Urde's (2013) matrix concerns the nature of relationships and with whom these are formed, not how they are co-created.

4.1.5 Core brand

As explained in the Chapter 3.2.2., all the elements in the CBIM are reflected in the core brand. Likewise, the core brand is defined by all the other elements. Thus, it could be argued that co-creation of other elements could influence the character of the core brand. This would then be an indirect form of co-creation. However, in line with de Chernatony (2010), we could not find concrete signs of direct co-creation of the core of the startups' brands.

4.2 Internally created brand identity elements

In the empirical material, there are examples of situations where brand identity elements are not subject to co-creation with stakeholders. An element that is co-created in one startup, is not necessarily co-created in another. Therefore, in this section, some pronounced examples of situations where elements are not being co-created, are presented.

For example, in the case of Underwater-tech, the founders of the startup possess the many competences needed to develop the brand identity, due to their background in technology and the energy market. Furthermore, although they willingly network for the purpose of exchanging ideas, they explain that they are cautious of involving stakeholders, for example investors, too much:

.../ “We try to avoid getting financial support from investors, you can be more free this way” .../.

They conclude this by stating that they do not want to be tied down to anyone, too early in the phase of establishment. The entrepreneurs also emphasize that freedom and the ability to make independent and quick decisions, was an important motivating factor behind starting their own business.

When it comes to Temperature, there are several examples of co-creation of brand identity elements with stakeholders. However, the competence element, just as in the case of Underwater-tech, has not been subject to co-creation, but is internally created by the entrepreneurs.

Lastly, the interview with Smoothie presents many findings where co-creation has evidently taken place. However, the co-founder explains that the vision and mission of the company was established prior to the startup’s existence, by the founders themselves and not influenced by others.

As described in the theoretical background, relationships and culture are two elements of the corporate brand identity matrix. A company’s culture reflects the beliefs, attitudes and values within. An example of this was found in Smoothie. Smoothie’s co-founder explains the need for consistency in everything that they do. They want to market their product as pure and honest, but for these values to be credible, she argues, they must be the basis of all the relationships the company creates. When the co-founders decided upon this, they progressed to work with five core values: health, transparency, sustainability, trustworthiness and happiness, which are anchored with the business developers at the incubator. She finally explains how it is all connected with the entrepreneurs themselves, arguing that credibility is built when the brand rimes well with the entrepreneur’s own personality. This was noticed in all startups and is worth emphasizing (see Chapter 5.1).

4.3 Startups' branding approaches

In the CBIM, Urde (2013) explains that the matrix can be used as a strategic brand management tool for building brand identity, both for market-oriented and brand-oriented startups. Therefore, the studied startups for this thesis have been classified as market or brand oriented in their branding approaches.

Firstly, as mentioned, Smoothie's representative emphasizes the planned and strategically focused process of constructing the core values as well as the mission and vision of the company. These were, early in the brand development phase, constructed internally by the founders, without input or feedback from customers or other stakeholders. This indicates a mainly brand-oriented approach to branding.

Secondly, Temperature is mainly market-oriented in their branding approach, since the founder explains beginning the startup's brand development by inquiring customers about what they wanted, and in what value proposition it should be packaged. This resulted in offering customers a value proposition based on comfort instead of energy savings.

Furthermore, the founder of Tailor argues that simplicity is the core of the brand and emphasizes the importance of adapting to customer needs:

“The internal core is to listen to the customers. That is how everything is built.”

Tailor's strong customer focus indicates a mainly market-oriented branding approach, although only to the extent where the core - simplicity - is not compromised.

Underwater-tech, however, mainly has a brand-oriented approach, since the brand identity development starts from the bottom row of the matrix, where the internal elements, mission, vision, culture and competence, are the founding block of the brand identity. For example, the founders of the startup argue that the idea of the company comes from their own interest in diving and competence in the technology required for the product development.

Similarly, Vital mainly has a brand-oriented approach, which is observed in the way the founder highlights the importance of his mission - contributing to improve public health. Furthermore, he pinpoints his experience in the food industry as key to the initial idea of the startup.

Lastly, Finance is using a combination of a market-oriented and a brand-oriented approach. This is evidenced by the clear focus on customer demands, namely the expectation of trustworthiness. At the same time, the founder expresses how the competences the co-founders have in the bank industry are important to the startup's brand.

5. Discussion

In the following part, a discussion regarding brand identity co-creation in startups will be presented. This will be followed by a discussion about branding orientations and its noteworthy influence on the perceived relevance of co-creation.

5.1 Brand identity co-creation in startups

In the research analysis, the Corporate Brand Identity Matrix (Urde, 2013) was used as a point of reference in discussing different elements of brand identity and how these are co-created. While there are examples of co-creation of elements of the corporate brand identity, it is of importance to discuss the most pronounced ones.

As suggested by the CBIM, value proposition and competences reflect each other in our findings. Firstly, in all but one of the startups, value propositions, competences or both are in some form co-created. As emphasized by Rode and Vallaster (2005), Merrilees (2007), as well as several others, see Bresciani and Eppler (2010) and Juntunen (2012), startups often lack fundamental resources in terms of time, finances and knowledge. Specifically knowledge, in Urde's (2013) matrix the competences, is a key element in brand identity development, since competences enable unique value propositions. Certain intended value propositions, have required additional competences to be brought in, as in the case of Vital, Tailor and Smoothie.

Several different types of stakeholders are identified as co-creators of value proposition and competences, depending on, mainly business types and the competences the entrepreneurs possess. The identified stakeholders are professors, customers, providers of different services (tailors, delivery companies, payment solution providers, programmers, friends and producers. This shows the wide array of different stakeholders that are involved in brand identity co-creation in startups.

Furthermore, when analyzing the interviews, customers are emphasized as important co-creators of vision and mission (Tailor, Underwater-tech), which confirms earlier contributions on customer importance in developing brand identity (France, Merrilees, &

Miller, 2015; da Silveira, Lages, & Simões, 2013; Wang & Sengupta, 2016). However, other startups mention producers (Smoothie) and financiers (Temperature). Lastly, Smoothie and Finance stress the incubator's role in co-creating the vision (Smoothie) or sustaining the focus on the mission (Finance). While research on incubator contribution, as far as we know, does not define the incubator as a stakeholder, it is still worthwhile to note the signs of co-creation that might reshape or influence startups' brand identity. The findings indicate that incubators have significant influence on some of the startups' brand identity development. Therefore, the relevance of incubator involvement will be discussed in the Chapter 5.3.

Moreover, some of the startups (Smoothie, Finance and Underwater-tech) emphasize the stakeholders that have contributed in developing the company logos, but also other visual or verbal identifications, for instance on the startups' websites. These findings confirm those of Juntunen (2012), who by looking at the corporate brand, identifies co-creation with stakeholders when it comes to the companies' logo and marketing communications. These are explained as external elements in the corporate brand (Juntunen, 2012), while Urde (2013) considers them to be both internal and external elements.

Furthermore, the different elements of the CBIM need to be aligned in order to create a coherent brand identity. This is also the case with expression and personality, as these define one another, and since the personality of a brand, reflects the perception of its expression. The brand personality, described as the brands individual qualities and characteristics, reflects the representatives' personality, in this case the personalities of the studied entrepreneurs. In all of the cases, the entrepreneurs' background, experiences and interests are reflected in the startup brand identity. Furthermore, the entrepreneurs want their own personalities to be aligned with how the external public views the startup, which, as shown, is possible by developing the expression element. This is in line with both the study by Juntunen (2012) and Rode and Vallaster (2005), who emphasize that the corporate brand personality reflects the entrepreneur's personality. In conclusion, the brand personality itself may not be co-created, but could be made more evident to the external public if visual expressions reflect the personality. Thus, it is clear that co-creation of the expression element is a crucial branding activity in startups.

Finally, de Chernatony (2010) explains that companies rarely change core values and promises, while Urde (2013) argues that changes in specifically the nine elements of the CBIM are interrelated and reflect as well as define the core of the brand. For example, Smoothie is not likely to change important parts of its core values - health and transparency - but might consider partly changing its expression, value proposition or position due to external factors, but ideally only to the extent that the core values allow. Similarly, as mentioned, Tailor co-created its mission, but only if the core value - simplicity - could remain intact.

In summary, the most commonly co-created elements between startups and its stakeholders are competences, value propositions and expression. The value propositions often require certain knowledge and competences that the entrepreneurs do not always possess. This is one example of how stakeholders co-create brand identity in startups. Similarly, the expression element also requires certain knowledge, such as marketing and design competences.

5.2 Branding orientation and its influence on perceived relevance of co-creation

When it comes to the perceived relevance of branding in general, the different startups expressed different opinions. Some of the startups explained having a clear statement of intentions with their brand development (Tailor, Smoothie, Vital) and conducting branding activities in the early stages of establishing the company (Smoothie). Other startups express not having considered brand creation initially (Temperature, Finance, Underwater-tech).

Furthermore, when it comes to willingness or perceived relevance of co-creating brand identity in startups, some interesting insights can be provided. Since the CBIM (Urde, 2013) discusses both a brand-oriented and a market-oriented approach to brand identity creation, it was discovered that the startups' attitude towards co-creation might depend on the startups' branding approaches.

Since a market-oriented approach entails first considering external wants and needs, it is logical that market-oriented startups actively seek out stakeholders, which consequently

increases the possibility of co-creation of brand identity elements. On the other hand, a brand-oriented approach initially focuses on developing the brand internally, with the entrepreneur's own mission and vision as a reference point for future brand development.

Based on the startups' branding approach, it is observed that the startups that use a mainly market-oriented branding approach, to a higher extent show a need and willingness to co-create with stakeholders in their brand identity development.

5.3 Incubators

As the startups are active members of an incubator, this relationship is worth discussing. Incubators provide a multi-stakeholder environment, where the representatives of the incubator often have extensive market knowledge and can provide structure and coaching. Additionally, the incubators have valuable connections within different industries, with research and academia and with potential financiers and investors. For example, all of the startups have a business developer who supports and coaches them as well as introduces them to potential stakeholders.

Several of the startups mention the incubator and other startups within it frequently. For example, Smoothie speaks of representatives of the incubator, as well as founders of the other startups, as its colleagues, hinting at the importance of the relationship. She further states that it does not matter if another startup is operating in a different business, because they still have a lot in common, being entrepreneurs, and that they can still share crucial knowledge and connections. Similarly, Tailor that the incubator functions as a sounding board and advisor, but also that the business developers are very proactive in helping them focus on developing their core service.

All of the startups stress the incubators' support in finding investors, financiers and business angels to help finance their businesses. Since startups face challenges when it comes to finances (Bruneel, Ratinho, Clarysse, & Groen, 2012; Aerts, Mathyssens, & Koen, 2007; Rode & Vallaster, 2005), the incubator is a welcomed assistant.

As mentioned in the findings, the incubators in this study, are observed co-creators of the competence and vision element in some of the startups' brand identity development. Furthermore, although findings show no clear signs of co-creation of the other elements, certain assumptions can be discussed.

The incubator arranges several activities that are aimed to assist startups' early stage development and encourage networking, but also less formal events such as breakfast meetings and workshops. As the incubator itself has a certain organizational culture, it can be argued that it could be reflected in the individual startups' culture.

6. Conclusion

This thesis aims to answer the research question “How do stakeholders influence brand identity co-creation in B2C startups?”. Based on the findings, we can conclude that stakeholders influence brand identity development in startups in several ways. Firstly, in our study, competences, value proposition, vision, mission, as well position are the most frequent examples of co-created elements of brand identity. When it comes to co-creation of competences and value proposition, the stakeholders involved were revealed: professors, producers, programmers, a delivery company and a provider of payment solutions. Regarding co-creation of vision, mission and position, the stakeholders identified were: customers, producers, financiers and the incubator. Finally, although not as frequent, expression and personality also show signs of co-creation conducted with friends and designers.

Secondly, our findings present examples where co-creation of certain elements did not take place. Some of the startups’ representatives possessed important competencies, based on their educational and occupational background. On a similar note, some of the startups had a clear and pronounced vision, already established prior to the establishment of the business. In these cases, the corresponding elements were less likely to have been co-created.

Thirdly, when it comes to competences, which are crucial for startups’ brand identity, it is observed that incubators have an important function in the startups that need specific expertise. In the startups where founders had considerable competences in their respective business fields, the incubator still provided support that enabled the startups to focus on developing their businesses and brands. Furthermore, the incubators provided all the startups with networking opportunities and valuable connections with financiers, investors and business angels. In many examples, the incubators are a link to the stakeholders that the startup eventually could co-create certain parts of its brand identity with.

Lastly, even though the research question and purpose does not involve studying different branding orientations, we have identified some findings worth discussing. The study suggests that there is an interesting interrelation between co-creation of brand identity, and the different orientations of the brands. Startups with a market-oriented branding approach are open, and willingly seek out stakeholders. Thus, co-creation in these startups is more likely to occur than in the startups that have a brand-oriented approach. In the cases where startups had a brand-oriented approach, the founders express their decisiveness in, at least at this early stage of establishment, developing the brand identity based on their own vision, mission and competences.

6.1 Theoretical contribution and managerial implications

This thesis aims to contribute to valuable insights into the co-creation of brand identity. From a strategic point of view, it is in line with Urde (2013) and Juntunen (2012) perspectives on brand identity creation, where brand identity is a combination of external and internal elements. Yet, this thesis further expands into the field of stakeholder involvement, by studying the co-creation of the brand identity elements.

Furthermore, this thesis overlaps some earlier contributions on co-creation of corporate brands, see Juntunen (2012). However, while Juntunen (2012) studied co-creation of corporate brands in B2B startups', this thesis explored B2C businesses in incubators. Moreover, Juntunen's (2012) main contribution was insights into the sequential process of establishing startups' name, logo and communication material, while this thesis provides insights into a wider array of brand identity elements.

In addition, as discussed by Urde (2013) and Urde et al. (2013), we provide some interesting cues as to how startups' orientation could be connected to the frequency of co-creation, as well as willingness to co-create brand identity.

Lastly, although incubators are co-creators of several brand identity elements, they additionally provide networking opportunities (Rode & Vallaster, 2005), that eventually could lead to potential co-creation of startups' brand identity.

The implications for startups' practice, that can be derived from our study, concern the creation of brand identity. We suggest that, due to the uncertain future and foundation of startups (Rode & Vallaster, 2005), startups should consider the potential benefits of early consideration of brand identity development. In parallel to this, there is a clear advantage in identifying the stakeholders that have a key interest in the startups business. Moreover, the startups could benefit from assessing which stakeholders to include in their early brand identity development, since these stakeholders could offer, for example, additional competences and help the startups navigate towards a more coherent and ultimately stronger brand identity.

Furthermore, it is worth emphasizing the many and important contributions the incubators could offer startups. This conclusion is based on the many examples of beneficial support that the startups have received from the incubator, mainly in the form of networking opportunities, coaching and finances.

6.2 Limitations and future research avenues

There are several limitations to this study. Firstly, six startups were studied in this thesis and a case study method was used, making it difficult to generalize from the results. Secondly, the study is made from the startup's perspective and stakeholders have not participated in the case studies, which provides only one side of the story. On a related note, all of the startups are situated in incubators and therefore, it is not possible to know if startups that are not tenants of incubators would exhibit the same pattern of results. Finally, it is important to acknowledge that the interviewees answered the questions based on memory, sometimes of developments that occurred months or years ago. Had the interviewees been asked to prepare notes prior to the meetings, the accurateness of the answers might have provided us with further insights.

Finally, we have some ideas about future research avenues, based on the findings and discussion in this thesis. Firstly, corporate brand identity elements need to be further researched, especially in startups, which warrants a re-modeling of the Corporate Brand Identity Matrix (Urde, 2013), to better suit the startup context. Furthermore, this thesis

suggests that there is a connection between startups' orientation and co-creation of brand identity. Thus, this could be explored further, both with qualitative and quantitative research, that can provide more in-depth answers as well as measurements of the interrelatedness.

References

- Aaker, D. A. (1996). *Building strong brands*. New York: Free Press.
- Aerts, K., Mathysens, P., & Koen, V. (2007). Critical role and screening practices of European business incubators. *Technovation*, 27(5), 254-267.
- Bell, E., & Bryman, A. (2011). *Business Research Methods* (4 ed.). New York: Oxford University Press.
- Bessant, J., & Tidd, J. (2011). *Innovation and Entrepreneurship* (3 ed.). West Sussex: John Wiley & Sons Ltd.
- Bollingtoft, A., & Ulhoi, J. P. (2005). The networked business incubator - leveraging entrepreneurial agency? *Journal of Business Venturing*, 20(2), 265-290.
- Boyle, E. (2003). A study of entrepreneurial brand building in the manufacturing sector in the UK. *Journal of Product & Brand Management*, 12(2), 79-93.
- Bresciani, S., & Eppler, M. J. (2010). Brand new ventures? Insights on start-ups' branding practices. *Journal of Product & Brand Management*, 19(5), 356-366.
- Bruneel, J., Ratinho, T., Clarysse, B., & Groen, A. J. (2012). The evolution of business incubators: comparing demand and supply of business incubation services across different incubator generations. 32(2), 110-121.
- Cole, A. (1968). The Entrepreneur: Introductory Remarks. *American Review of Economics*, 58(2), 64-71.
- Csaba, F., & Bengtsson, A. (2006). Rethinking Identity in Brand Management. In J. E. Schroeder, & M. Salzer-Mörling, *Brand Culture* (pp. 118-135). London: Routledge.
- da Silveira, C., Lages, C., & Simões, C. (2013). Reconceptualizing brand identity in a dynamic environment. *Journal of Business Research*, 66(1), 28-36.
- de Chernatony, L. (1999). Brand Management Through Narrowing the Gap Between Brand Identity and Brand Reputation. *Journal of Marketing Management*, 15(1-3), 157-179.
- de Chernatony, L. (2010). *From Brand Vision to Brand Evaluation: The strategic process of growing and strengthening brands*. Amsterdam: Butterworth-Heinemann.

- Drucker, P. F. (1985). *Innovation and entrepreneurship: Practice and principles*. New York: Harper & Row.
- France, C., Merrilees, B., & Miller, D. (2015). Customer brand co-creation: a conceptual model. *Marketing Intelligence & Planning*, 33(6), 848-864.
- Freeman, E. R., Harrison, J. S., & Wicks, A. C. (2007). *Managing for Stakeholders: Survival, Reputation, and Success*. New Haven; London: Yale University Press.
- Gartner, W. B. (1985). A Conceptual Framework for Describing the Phenomenon of New Venture Creation. *The Academy of Management Review*, 10(4), 696-706.
- Gregory, A. (2007). Involving Stakeholders in Developing Corporate Brands: the Communication Dimension. *Journal of Marketing Management*, 23(1-2), 59-73.
- Gyrd-Jones, R. I., & Kornum, N. (2013). Managing the Co-created Brand: Value and Cultural Complementarity in Online and Offline Multi-stakeholder Ecosystems. *Journal of Business Research*, 66(9), 1484-1493.
- Harris, F., & de Chernatony, L. (2001). Corporate branding and corporate brand performance. *European Journal of Marketing*, 35(3-4), 441-456.
- Iglesias, O., Ind, N., & Alfaro, M. (2013). The organic view of the brand: A brand value co-creation model. *Journal of Brand Management*, 20(8), 670-688.
- Johnson, G., Whittington, R., Scholes, K., Angwin, D., & Regnér, P. (2017). *Exploring Strategy: Texts and Cases* (11 ed.). Harlow: Pearson Education Limited.
- Jones, R. (2007). Finding sources of brand value: Developing a stakeholder model of brand equity. *Journal of Brand Management*, 13(1), 10-32.
- Juntunen, M. (2012). Co-creating corporate brands in start-ups. *Marketing Intelligence & Planning*, 30(2), 230-249.
- Kaish, S., & Gilad, B. (1991). Characteristics of opportunities search of entrepreneurs versus executives: Sources, interests, general alertness. *Journal of Business Venturing*, 6(1), 45-61.
- Kapferer, J. N. (1997). *Strategic Brand Management: New Approaches to Creating and Evaluating Brand Equity* (2 ed.). London: Kogan Page Ltd.

- Kapferer, J. N. (2004). *The New Strategic Brand Management: Creating and Sustaining Brand Equity Long Term* (3 ed.). London: Kogan Page Ltd.
- Kapferer, J. N. (2008). *The New Strategic Brand Management: Creating and Sustaining Brand Equity Long Term* (4 ed.). London: Kogan Page Ltd.
- Kapferer, J. N. (2012). *The New Strategic Brand Management* (5th edition ed.). Kogan Page Ltd.
- Merrilees, B. (2007). A theory of brand- led SME new venture development. *Qualitative Market Research: An International Journal*, 10(4), 403-415.
- Merz, M. A., Vargo, S. L., & He, Y. (2009). The evolving brand logic: A service-dominant logic perspective. *Journal of the Academy of Marketing Science*, 37(3), 328-344.
- Muñiz, A. M., & O'Guinn, T. (2001). Brand Community. *Journal of Consumer Research*, 27(4), 412-432.
- Petkova, A. P., Rindova, V. P., & Gupta, A. K. (2008). How can New Ventures Build Reputation? An Exploratory Study. *Corporate Reputation Review*, 11(4), 320-334.
- Pfoertsch, W., & Kotler, P. (2006). *B2B Brand Management*. Berlin, Heidelberg, New York: Springer.
- Rennstam, J., & Wästerfors, D. (2015). *Från stoff till studie*. Lund: Studentlitteratur.
- Rode, V., & Vallaster, C. (2005). Corporate Branding for Start-ups: The Crucial Role of Entrepreneurs. *Corporate Reputation Review*, 8(2), 121-135.
- Scillitoe, J. L., & Chakrabarti, A. (2010). The Role of Incubator Interactions in Assisting New Ventures. *Technovation*, 30(3), 155-167.
- Stake, R. E. (1995). *The art of case study research*. Thousand Oaks: Sage.
- Timmons, J. A. (1999). *New Venture Creation: Entrepreneurship for the 21st Century*. Boston: Irwin/McGraw-Hill.
- Upshaw, L. B. (1995). *Building Brand Identity: A Strategy for Success in a Hostile Marketplace*. New York: John Wiley and Sons Ltd.
- Urde, M. (2013). The corporate brand identity matrix. *Journal of Brand Management*, 20(9), 742-761.

- Urde, M., Baumgarth, C., & Merrilees, B. (2013). Brand orientation and market orientation — From alternatives to synergy. *Journal of Business Research*, 66(1), 13-20.
- Vallaster, C., & von Wallpach, S. (2013). An Online Discursive Inquiry into the Social Dynamics of Multi-stakeholder Brand Meaning Co-creation. *Journal of Business Research*, 66(9), 1505-1515.
- Vargo, S. L., & Lusch, R. F. (2004). Evolving to a New Dominant Logic for Marketing. *Journal of Marketing*, 68(1), 1-17.
- von Wallpach, S., Hemetsberger, A., & Espersen, P. (2017). Performing identities: Processes of brand and stakeholder identity co-construction. *Journal of Business Research*, 70, 443-452.
- Wang, H.-M. D., & Sengupta, S. (2016). Stakeholder relationships, brand equity, firm performance: A resource-based perspective. *Journal of Business Research*, 69(12), 5561-5568.
- Wang, H.-M. D., & Sengupta, S. (2016). Stakeholder relationships, brand equity, firm performance: A resource-based perspective. *Journal of Business Research*, 69(12), 5561-5568.
- Wicks, A. C., Freeman, E. R., Parmar, B., de Colle, S., & Harrison, J. S. (2010). *Stakeholder Theory: The State of the Art*. Cambridge: Cambridge University Press.
- Wong, H., & Merrilees, B. (2007). Multiple roles for branding in international marketing. *International Marketing Review; London*, 27(4), 384-408.
- Wong, H., & Merrilees, B. (2015). An empirical study of the antecedents and consequences of brand engagement. *Marketing Intelligence & Planning*, 33(4), 575-591.
- Yin, R. K. (2003). *Case study research: design and methods*. Thousand Oaks, Calif: Sage Publications.

Appendix 1. Interview guide

Vi börjar med en kort introduktion, där vi berättar vad intervjun handlar om. Vi frågar om det är okej att vi spelar in, och informerar att materialet endast används i syfte att slutföra vår uppsats samt anonymiseras.

Vill du berätta lite kort om ditt företag?

Följdfrågor:

- Hur uppkom idén? När uppkom idén?
- Hur länge har du varit på inkubator?
- Personer inblandade i uppstart och nu?

Vad var din vision (då)?

- Har den förändrats?
- Hur ser den ut idag?

Varumärke

- Vad skulle du säga är kärnan i ditt varumärke?
- Vad är värdet, vad står ni för? Vad vill ni uppnå? Personlighet, känsla.
- Hur har du byggt upp varumärket?
- När påbörjade du varumärkesbyggandet?

Följdfråga: Tycker du det är viktigt att påbörja varumärkesbyggandet redan från start?

- Vad tror du är det viktigaste egenskapen för att bygga ett varumärke?
- Vad tror du är den viktigaste resursen för att bygga ett varumärke?

Intressenter och varumärken:

- Vilka intressenter har du varit i kontakt med under den här tiden? (från idé till företag och vidare)
- Vilka skulle du säga är dina viktigaste intressenter (ex. kunder, leverantörer, finansierare, investerare, inkubator, (ev) anställda/partner)

Följdfrågor

- Kunders (ex) uppfattning om ert varumärke? Hur har intresset sett ut?
- Vilken relation har du till det omgivande samhället - kommunen, invånarna, lagar och regler?
- Tycker du att de intressenter du berättat om har bidragit till/påverkat er i varumärkesprocessen? På vilket sätt?

Appendix 2. Codings

Startup: Smoothie

<u>Question</u>	<u>Excerpt</u>	<u>Code</u>	<u>Category</u>	<u>Theme</u>
<i>Would you like to tell us about your company?</i>	When you focus on your career and have a family to take care of, the time is limited /.../ we decided going for an off-the-shelf snack, without added sugar or unnecessary additives. .	Without sugar or unnecessary additives	Mission	Internally created brand identity elements
<i>What made you join the incubator?</i>	Colleagues!! /.../ finally met someone who understands us.	Colleagues	Incubator	Incubator support
<i>What is your vision?</i>	... today, we have the ambition to become international. /.../ the ambition has not changed but it has grown.	Ambition	Vision	Internally created brand identity elements
<i>What is a strong brand to you?</i>	...that the consumers clearly understands what the core values are. /.../ the consumer should not need to turn the packaging and look at the contents.	Core values	Mission	Internally created brand identity elements
<i>How have you developed the brand?</i>	... me and Sara looked at how we wanted to work in the long term. And we had several workshops where we /.../discussed these five core values that we stand for. /.../ And implement them in everything we do /.../	Long term Core values	Relationships Culture	Internally created brand identity elements

	<p>.../suppliers, distributors, to have an open and honest relationship, because our product should be pure and honest. .../ permeating the corporate culture, there is only two of us, but we want the core to be there from the get-go.</p>	<p>Open, pure Honest</p>	<p>Relationship</p>	<p>Internally created brand identity elements</p>
<p><i>What is the most important characteristic of a brand builder?</i></p>	<p>As an entrepreneur .../ you need to know what you stand for. .../ have an attitude that corresponds with the brand .../ It is more trustworthy to others .../ if it (the brand, ed) rimes well with your own personality.</p>	<p>Attitude Personality</p>	<p>Personality</p>	<p>Coherence between personalities</p>
<p><i>What about the most important resource?</i></p>	<p>.../ really important to have good relations with and find producers, collaborators, long term .../ who understand .../ that you are a small entrepreneur that they are prepared to grow <i>with</i>. .../ Minc is also an important building block that we are grateful for.</p>	<p>Minc</p>	<p>Incubator</p>	<p>Incubator support</p>
	<p>.../ you have to open up and look for opportunities .../ it doesn't matter if it is with a tech company (at Minc, ed), we still have much in common, we have gotten so much help and helped others by sharing contacts .../ and tips about market channels</p>	<p>Open up Sharing</p>	<p>Personality Relationship</p>	<p>Co-creation of brand identity elements Incubator support/ relationship</p>
<p><i>Which stakeholders have you been in touch with or collaborated since the beginning?</i></p>	<p>They are many. The most important one is our producer .../ they stand for our future</p>	<p>Producer</p>	<p>Vision</p>	<p>Co-creation of brand identity elements</p>
	<p>.../. We cannot exclude our families either. That part needs to be included from the beginning.</p>	<p>Families</p>	<p>Stakeholders</p>	<p>Stakeholder influence</p>
	<p>.../ Minc has also played a significant role .../ everything from financing to setting us straight.</p>	<p>Minc</p>	<p>Incubator</p>	<p>Incubator support</p>

<p><i>How would you say that the stakeholders have taken part in your brand development?</i></p>	<p>Well, if we look at our producer, it wasn't easy finding a large producer who would handle our tiny, tiny product. /.../ they work with children's eco-food, /.../ it was never in question (to add additives or sugar). /.../ They have been an important part in sustaining our core value.</p>	<p>Producer</p>	<p>Value proposition</p>	<p>Co-creation of brand identity elements</p>
	<p>It helps a lot to get support and an understanding as a small company (from Minc). /.../ they have forced us to accelerate a bit faster than we dared.</p>	<p>Accelerate</p>	<p>Vision</p>	<p>Co-creation of brand identity elements</p>
<p><i>Extra comments</i></p>	<p>What I didnt mentioned before is about our brand design. We got some help with that as well. /.../ It started with a good friend of Sara's. /.../ They want to be a part of the journey , they see it as an investment /.../</p>	<p>Design Friend</p>	<p>Expression Personality Stakeholder</p>	<p>Co-creation of brand identity elements Stakeholder relationship</p>

Startup: Finance

<u>Question</u>	<u>Excerpt</u>	<u>Code</u>	<u>Category</u>	<u>Theme</u>
<i>What is your vision and has it changed over time?</i>	<p>.../ we wanted to provide this service for millennials from the beginning .../ but it has changed to maybe 30-40-45 year olds .../. And from the beginning we wanted to create an app, easy and simple, but we realized that it tailored to mostly young people and that we wanted to reach an older group .../</p>	Provide service	Value proposition	Internally created brand identity elements
<i>What would you say is the core of your brand now?</i>	<p>.../ we will put a lot of effort into trustworthiness, it has to be the core. .../ we look a lot at successful companies abroad .../ how they present their services .../ but also who stands behind the brand .../ is related to building trust .../. (we are) .../ trying to involve professors from Lund (University, ed) and Oxford .../ that trust can be built upon.</p>	Trustworthiness Core	Value proposition Competences	Co-creation of brand identity elements
<i>What about the most important resource?</i>	<p>I think a lot of it comes from the designer, he has done much of the job. We only expressed a feeling to him, and from that he served us things.</p>	Expressed feeling	Expression	Co-creation of brand identity elements
<i>Which stakeholders have you been in touch with or collaborated since the beginning?</i>	<p>.../ We have no customers yet, so not very many. Minc .../ has helped us to find .../ investors. We have two investors, venture capital, they have not swayed us .../. They threw in money and said "please finish it soon". .../ They have high expectations .../ but do not meddle with the branding.</p>	Minc Investors	Incubator	Incubator support/network
<i>What kind of support have you been offered from Minc?</i>	<p>They have been a sounding board and advisor .../ pushing us. .../ They have been proactive, we have been able to focus on building what we want, while they think about everything else .../ Really good, especially investments .../</p>	Minc	Incubator	Incubator support (Co-creation: Part of the vision).

Startup: Tailor

<u>Question</u>	<u>Excerpt</u>	<u>Code</u>	<u>Category</u>	<u>Theme</u>
<i>How do you describe your vision?</i>	The vision is very clear and simple. It is easier to fix clothes than to buy new ones, for businesses and individuals in Sweden. /.../. All decisions are taken based on the vision. It is easier.	Vision	Vision	Internally created brand identity elements
<i>What is a strong brand according to you?</i>	/.../ the brand is modern /.../ easy.	Easy Modern	Personality	Internally created brand identity elements
<i>What is the core value of your brand?</i>	Internally, I believe it to be much user-centric. /.../ I do not know exactly how you want it to be, but if I ask, how would you like to fix clothes? Then you would tell me “approximately” how you would want it. The internal core is for RepaMera to listen to the customers. That is how everything is built.	User-centric Listen to customers	Mission Position	Co-creation of brand identity elements
	The tailors do their part, Postnord theirs. Everyone contributes in their way.	Tailors Postnord	Competences Competences	Co-creation of brand identity elements
	And if the customers ask, could you not start sending packages from Stockholm to Gothenburg, that is what we will do.	Customers ask	Mission	Co-creation of brand identity elements
<i>What is the most important characteristic of a brand builder, in your opinion?</i>	To communicate. Follow the market and the customer needs.	Customer needs	Value proposition	Co-creation of brand identity elements
<i>Which stakeholders have you been in touch with or had a relationship to?</i>	/.../ programmers, business developers at Minc, /.../ Vinova (authority), Climate Kick (EU project), Almi (business developers), LU Innovation. The website owner, Klarna (payment transactions), /.../ Postnord /.../, tailors, my accountant /.../	Programmers Business developers Payment transaction Tailors Authorities and projects Accounting	Competences Value proposition	Co- creation of brand identity elements Stakeholders

	/.../ they all say things that lead you right.	Lead	Vision Position	Co-creation of brand identity elements
<i>Would you like to tell us about Minc's role?</i>	/.../ They (Minc) give feedback on small things if I request it. And it feels great to have a place to be, office space, makes it feel more like a real job.	Feedback Minc	Incubator	Incubator support
<i>How have customers and stakeholders interpreted or received the brand?</i>	I think I let them make their own interpretation. /.../ If they want to see us as an environmentally friendly company /.../ even though we are not, we are a company that repairs clothes.	Interpretation Customers	Mission Position	Co-creation of brand identity elements

Startup: Underwater-tech

<u>Question</u>	<u>Excerpt</u>	<u>Code</u>	<u>Category</u>	<u>Theme</u>
<i>Would you like to start to tell us about your company?</i>	<i>.../ we got an idea that there was a problem, regarding missing divers. It was the starting point for our idea. .../ we are all divers (3), and have identified this problem (missing divers when out in groups). .../</i>	Idea Divers	Personality	Internally created brand identity element
<i>What is your vision in the company?</i>	<i>.../ we work with underwater-communications .../ the vision is that when this technique is developed, there are room for developing further products .../ a product that will be used by all divers, in order to increase safety... or the comfort. .../ that the technique would be used in all underwater-communication.</i>	Vision	Vision	Internally created brand identity element
	<i>.../ Divers will be aware of that message (that it provides safety). .../ But comfort is what we want to mediate, it should feel good. .../</i>	Safety Comfort	Personality	Internally created brand identity element
<i>What are your core values?</i>	<i>Well, we have the logo .../ The products are the most important to us because that is what we are going to sell. But we also believe it to be our knowledge... .../ And we learn more about the problems during the journey (about the technique) .</i>	Products Knowledge	Value proposition Competences	Internally created brand identity elements
	<i>We got help from a designer that helped us design it (the logo, ed).</i>	Designer Logo	Stakeholder Expression Personality	Incubator support and stakeholder influence Co-creation of brand identity elements

<i>What does the competition look like?</i>	.../There was a Swedish startup .../ but it (the product) was quite complicated. .../ It requires lots of techniques .../ you should have knowledge within programming and energy .../ We are engineers.	Knowledge Engineers	Competences	Internally created brand identity element
<i>Which stakeholders do you have/collaborate with?</i>	When we moved here (to Ideon), we got a business developer, and therefrom, we got some money, in order to get help from partly the designer. .../	Business developer Designer	Competences Expression Personality	Incubator support Co-creation of brand identity elements
	.../ we have some designs, so we can show our customers, divers and divers centres.. .../ We have received positive comments. There is even a diving centre who were interested in buying already. .../ We also talked to other distributors, who offered to help us with the distribution. .../ As a partner .../	Distributions Positive comments	Vision Position	Co-creation of brand identity elements Co-creation of brand identity elements
	.../ we differentiate from the current available similar products, in that way that it our product is more simple and where we have more knowledge .../	Differentiate	Value proposition Competences	Internally created brand identity elements
	.../ we have discussions (with for example professors, other entrepreneurs, meetings) , not really established collaborations./.../	Collaboration	Stakeholders	Stakeholder influence
	.../ here in the incubator, they just step in and ask “how is it going?”. So basically, if we need help, we ask for it. But then, we have a supervisor, from innovation Skåne, now and then, and sometimes different things show up. And something about a shareholder showed up, and then he said, but you can talk to him. .../ it’s a bit up to yourself. .../	Incubator Help		Incubator support
<i>Extra comments</i>	.../ We try to avoid getting financial support from investors, you can be more “free” .../ you don’t “just receive” money from them.			

	<p>.../ there was one company .../ they were interested, maybe, and wanted to work with us, and then get a part of the profit. They would not charge for the design, but just be a part and join us. .../ a royalty based agreement. .../ they take a part of the “freedom”. The freedom is important.../ if we have more to “show” and “present”, then we can keep a bigger/larger share.</p>			
--	--	--	--	--

Startup: Temperature

<p><i>Which stakeholders have you been in contact/collaborated with?</i></p>	<p>From the beginning, EON /.../ later Minc, EON financed that office. /.../ EON financially, Minc with business developers /.../ that supported us /.../ and influenced us a lot.</p>	<p>Minc Financing Business developers</p>	<p>Incubators</p>	<p>Incubator support and influence</p>
	<p>/.../ (Minc) coached us in this actually (to contact customers), start a discussion about /.../ what the customers wanted and not. /.../ A lot of customer collaboration /.../ (they told us to) ignore the technology for now, talk to potential customers, see what they miss or want.</p>	<p>Coached</p>	<p>Value proposition</p>	<p>Co-creation of brand identity elements</p>
	<p>/.../ Minc has a large network of stakeholders, Connect Skåne, a network for investors, where you can meet business angels. /.../ The ones we met had a hard time seeing a fast scale-up to high volumes. Their advice was /.../ that we keep going with organic growth /.../ take the money from that (the current customer case with cottage owners, ed) and put into product development /.../ That gave me feedback on how we should present the company.</p>	<p>Minc, network Business angels Feedback presentation Influence Positioning</p>	<p>Mission Vision Position</p>	<p>Co-creation of brand identity elements (at least temporarily)</p>
	<p>/.../ In dialogue with stakeholders, we have to tighten the bow and paint a large vision /.../ now we have a customer case where we can get the business going /.../ That is an example of how financiers influence /.../ how we position the company.</p>	<p>Stakeholders Financiers VIsion</p>	<p>Stakeholders' Vision</p>	<p>Co-creation of brand identity elements</p>
	<p>You learn something from everyone you meet. I had some potential co-partners /.../ that had some good points, but it was not what I wanted to do. /.../ They wanted to develop already existing technology /.../ but I felt that was crowded space, how would we differentiate ourselves there?</p>	<p>Differentiation</p>	<p>Value proposition</p>	<p>Internally created brand identity elements</p>
	<p>With stakeholders, it is about giving and taking, they put in money because they are hoping that someday they can earn from it too. There lies the motivation for collaborating.</p>	<p>Motivation Collaboration</p>	<p>Stakeholders</p>	<p>Stakeholder influence</p>

<i>What about your brand?</i>	We have not ... /.../ we are a startup, we are early in the development, we have wandered from this to that, /.../ changed the company name for example.	Company name	Expression	Internally created brand identity element
<i>What is the most important characteristic of a brand builder, in your opinion?</i>	/.../ It is good to know the market. /.../ I have a background in this market /.../ I think it helps us position in the marketplace.	Know the market	Competences	Internally created brand identity element

Startup-Vital

<u>Question</u>	<u>Excerpt</u>	<u>Code</u>	<u>Category</u>	<u>Theme</u>
<i>Could you tell us about your company and how you came up with the idea?</i>	./.../ it demands a startup, a new company, to change the problem (to stop the global obesity epidemic). ./.../ it is about feeling well ./.../ and this comes through the food you eat.	Change the problem	Mission	Internally co-created brand identity element
<i>How do you differentiate from the already existing health-apps?</i>	./.../ they are proposing calorie restrictions ./.../ it doesn't work long-term. ./.../ we want to change preferences.	Change preferences Long term	Mission Value proposition Vision	Internally co-created brand identity elements
<i>What is your vision?</i>	./.../ either it (the company) is going to be big, or not at all.	Big	Vision	Internally created brand identity elements
<i>Which stakeholders have you been in touch with?</i>	I have a colleague that have constructed the database. ./.../ His son used to work in gaming. He has been involved in gamification(the entertaining contest part in the app).	Constructed the database Involved in gamification	Competences Competences	Co-creation of brand identity elements
<i>How has the incubator contributed?</i>	./.../ its about networking. ./.../ Here, I came in contact with Gerdahallen and others. ./.../	Networking Gerdahallen	Incubator Stakeholder	Incubator support
	./.../ (Gerdahallen) Is the lead customer. Contributing co-developer (of) the concept and the included features. They will contribute there.	Co-developer	Competences Value propositions	Co-creation of brand identity elements

