Branding for Start-ups: a focus on the brand identity

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Abstract

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The thesis explores the notions of Brand Identity and Lean Start-ups. The aim is to determine what elements of brand identity should be developed by start-ups in their early growth to be more effective in their marketing and the aim is also to see how could this brand identity development fit within the lean start-up method. The Helsinki start-up hub is the geographical limitation of this research. In order to generate an overview and some more theoretical findings, interviews were made to have a new data and a broader focus on the topic.

The research is based on two approaches which are deeply connected. At first, secondary data is collected from literature concerning brand identity and lean start-ups. Then, interviews are collected as primary data. The grounded theory approach for the research connect the secondary and primary data by making a constant comparison between the findings.

The results show us that notions of vision, team and their communication are parts of the brand identity that are looked up in an early stage. The lean start-up model does also bring some solutions in the development of a brand identity but is not fundamentally adapted to that purpose.

Keywords:	Branding, brand identity, start-ups, lean start-ups model, vison, team, feedback loop
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1. Introduction

1.1 Topic Background

"People DO judge a book by its cover"
(Mike Markulla, 1997, from the book Steve Jobs by Walter Isaacson, 2010, page 79)

This research paper began Autumn 2016 and not many of us could escape the Slush-mania Helsinki experiences at that time of the year. Slush is one of Europe's leading Start-up events with 15.000 attendees and close to 2.000 start-ups and 800 venture capitalists present (Slush, 2016). All the start-ups are not present for the same purposes but a few reasons for attending could be: interaction investors and investment, new partners and team members, possible customers and media attention and many more. But how can start-ups stand out in the middle of so many actors? How can they communicate their value in the most effective way? A fast answer will be that with marketing effort and especially with a clear branding strategy would make them stand out from competitors. Jim Blythe (2005, page 147) sees branding as a "process of adding value to the product by use of its packaging, brand name, promotion and position in the minds of the customers." How the customers perceived and feel toward a business has been the central point in brands' definition (Kotler & Armstrong, 2006, page 249). This idea of customers' perception about a business to define brands and branding is not the central point for marketing authors and professional marketers. For example, Jeff Bezos the CEO of define branding as "what other people say about you when you're not in the room" (Torgovnick May, 2012, TED Blog). This vision is also enforced by Marty Neumeier, a branding guru, in his book "The *brand gap"* that pictures branding as "a person's gut feeling about a product, service, or organization" and as "it is not what you say it is. It's what they say it is" (Neumeier, 2005, pages 4-7).

Do these definitions about corporate brands suit the start-up brands? The question could be asked because start-ups should not be seen just as small corporation (Blank, 2015). They have their own needs and interact differently with their audiences than traditional already establish businesses. Plus, we recently see a shift in the development of start-ups with the emergence of the less risky model of lean start-ups (Blank, 2013).

The preparation of the branding starts with the identification of the brand identity. A brand that does not have an identity will copy other brands or weaken it by trying to meet too many expectations and following all the trends to be perfect (Kapferer, 2008, page 32). For a start-up that is not developed yet we could see other scenarios that a non-defined brand identity could do:

1. The start-up adopts the vision of its customer and become what they say and think about it. That is how the business succeed and decides to continue on that path.
2. The start-up fight the brand identity customers have adopted for various reasons. For example, it does not embrace the start-up values intended. The fight will use resources and time.
3. The failure of the brand identity leads to an unsuccessful scenario. The start-up decides to start over with a new strategy.

The lean start-up theory and the construction of a strong brand identity aim at helping new companies with their development and make them more successful, or at least not too unsuccessful. The paradigm of brand identity exists already for more than thirty years, whereas the paradigm for start-ups is knowing a revolution, with the emergence of the lean start-up model with the work from Steve Blank and Eric Ries since 2004 (Ries, 2011, page 5). This will study these paradigms and see if precision could be made concerning the needs for start-ups. By studying these concepts and comparing them to data collected the expected results will determine how the concept of brand identity could be used in an efficient way for entrepreneurs engaging themselves on the start-up path. Both concepts are focusing on the customers and following a continuous development but are still used separately. Could this be changed?

1.2 Research Aim

This research considers the concept of brand identity and how it could be translated to the specific elements of start-ups. The research focuses specifically on what could be essential in the brand identity in early stages of a start-up (within the first years of its creation before the brand start to exist by itself) and secondly, as a new approach to branding, on how it could interact with the lean start-up model to gain some effectiveness.

1.3 Research Question

The main research question is:

1. What is essential to recognise in the brand identity of a start-up in its early development?

The minor research question is:

2. How could the brand identity concepts interact with the lean start-up model?
3. Could the models be assimilated?

1.4 Method and Material

The method consists of primary qualitative research conducted by semi-structured interviews. The research will be limited to the Helsinki start-up hub and the actors within it. The primary approach will be an immersion into the start-ups' world by interacting with different actors with the conduct of interviews. The research will collect the opinions, experiences, feeling and knowledge of different profiles to collect a maximum of qualitative data. The secondary and primary data will be collected together because they will affect each other. The researcher does not know from the beginning where the primary data collected will aim to. The theoretical framework from secondary data will help to build-up interview questions and the answers from these interviews will also help to look out where to do more research and narrowing the scope of research and results.
The brand and corporate identity framework, which is the first secondary data collected, will consist of the theories developed in 1986 by the French author Jean-Noël Kapferer and the German designers Klaus Birkigt and Marinus M. Stadler. Finally, the lean start-ups methods, which is relatively new, consists of the writing of Steve Blank and Al Ries on this specific topic. The research is inspired by the grounded theory concept and with the close relation between primary and secondary data.

2. Theoretical Framework

2.1 Brand and Corporate Identity Origins

The brand identity framework is based on the work of J.N. Kapferer (2008) and his brand identity prism. Followed by the work of Birkigt and Stadler (1986) on the corporate identity. These two approaches give a broad perspective of what should be considered in the identity of a company.

2.2.1 J.N. Kapferer´s Brand Identity Prism

The concept of Brand Identity was developed in Europe by Jean-Noël Kapferer in 1986 (nowadays he is a marketing professor at HEC Paris) and the concept has seen worldwide development since. The term identity can be used differently in diverse situations, for example we find a "personal identity" that is different from a "cultural identity" which is different from an "identity crisis" (Kapfere, 2008, page 172). Kapferer define identity as "being your true self, driven by a personal goal that is both different from others' and resistant to change" (Kapferer, 2008, page 172).
From there, to define what is exactly brand identity a series of questions was developed around the theme:

- What is the brand's particular vision and aim?
- What makes it different?
- What need is the brand fulfilling?
- What is its permanent nature?
- What are its value or values?
- What is its field of competence? Of legitimacy?
- What are the signs which make the brand recognisable?

Two notions often enter in contact when talking about brand communication which is the notions of identity and image. What differs the brand identity from the brand image is that the identity is present on the senders' side that specify the meaning of the brand and the image is the result and the perception of the message by the receivers. Because the identity is on the senders' side, important planning and strategical work needs to be done.

To identify the component of the brand identity, Kapferer (2008) has developed a hexagonal prism.

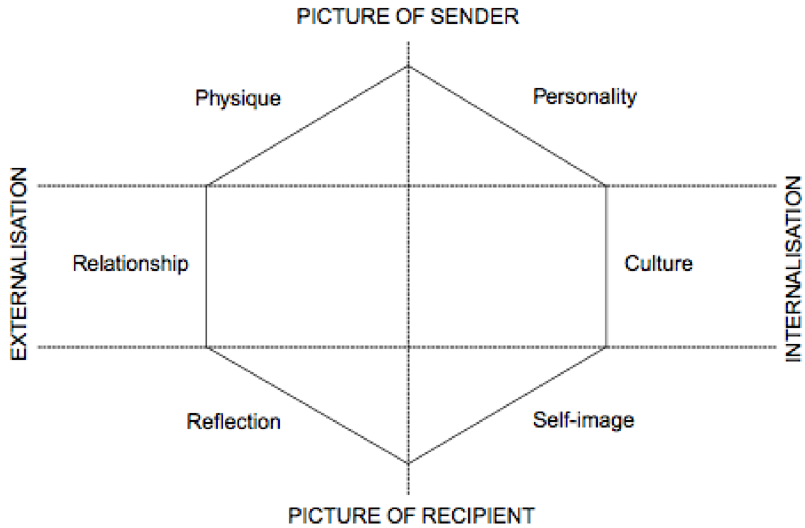

Figure 1. Brand identity prism, J.N. Kapeferer, The New Strategic Brand Management, 2008, page 183.

The prism includes 6 facets each with their notions and definitions (Kapeferer, 2008, pages 183-187:

1. The physique is the spine and the tangible added value of a brand. It is what comes immediately into the mind of a person when he thinks about the brand. In other words, it is the salient and emerging values the brand has to offer. The Coca-Cola bottle design is an example for a brand's physical facet.
2. The character of a brand is established by its personality. For Kapferer, the easiest way to build a personality is to attach to it a spokesperson or a figure head, which can be real or fictive. For example, many luxury brands use famous personalities as their brand ambassadors.
3. The brand has and is a culture. The culture represents the set of values of the brand's inspiration and communication. Culture can come from the origin of a brand, but also from the nature of the business and the heritage. For example, start-ups want to be less formal than the banking sector in their internal relations. Apple is a worldwide reference when referencing a brand culture. In his biography by Walter Isaacson (2013), Steve Jobs refers Apple as a corporate that want to revolutionise the technology sector against the traditional corporates already present. This culture is translated in their product development, design and in their 1997 slogan: "Think Different".

4. The brand exchange with people and thus it is a relationship. This observation is extremely relevant for service sector businesses.
5. Reflection is the customer's opinions toward the brand. The choice of brand can also reflect the customer values. It can be used to build up the customer's external identity. Apple being more commonly usual than 20 years ago, does the "Think Different" still reflect its customers?
6. If the reflection is the representation of the outside, the inside is represented by the self-image. It represents the inner-relationship customers have toward the brand and the personal "why" customer chose a certain brand instead of another.

The prism embodies a well-structured entity and defines the brand and its boundaries. To exist, these facets need to be communicated to the audience of the message or they become obsolete. For example, once a brand is developed, it needs advertising to stay healthy (Ries & Ries, 2002, page 18)

3.2.2 Birkigt And Stadle´s Model of Corporate Identity

In the same year as Kapferer, two German visual designer Birkigt and Stadler, developed a model for corporate identity in 1986 (Balmer, 2001, page 261). Their theory was build up around the notions of symbolism, communication and behaviour.

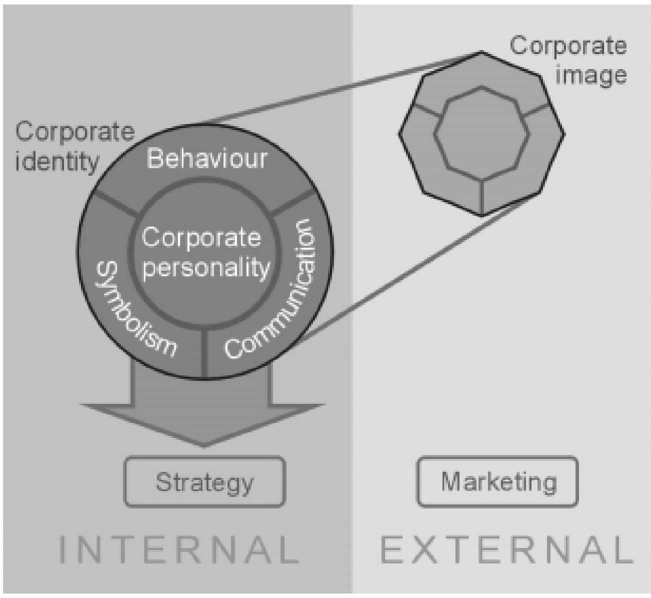

Figure 2. Corporate Identity model based on Birkigt and Stadler, (Csordás, 2008, page 66)

These three notions (behaviour, symbolism and communication) overlapped the personality and are the sources of its manifestation. This mechanism influence the brand image and put it in action.

The personality is the will of the company and “what the corporate really is” (Birkigt and Stadler, 2009). To make it worked right it is important that the personality is establish in a clear way.

The symbolism concerns the visual identities and images the corporation uses for its communication. The symbols can represent values the corporation stands for and thus create its own style that will differentiate it from its competitors (Olutayo, 2013).

The communication concentrates around advertising and public relations tools. The way this is carrying also affect the identity of the corporation by showing what behaviour it adopts toward the target recipients. The communication of the company needs to be in harmony with its behaviour. And to guarantee a clear message it must relate resourcefully to the other notions: behaviour and symbolism.

The behaviour finally, relates to the actions the corporate will take to express its personality.

2.2 Lean Start-up Model

Steve Blank and Eric Ries are the two authors most commonly used when reflecting on the Lean Start-up model.

Traditionally, start-ups follow a pre-design scenario. At first, they developed a business idea, then invite investors, they also get a team and finally developed and introduce a product and sell it. In his article “Why the Lean Start-up Changes Everything” (2013, Harvard Business review), Steve Blank (2013) engages his readers with a scenario that the so called “lean start-ups” are using for their growth.

The lean start-up method has three principles:

1. Instead of developing a business model than could plan and forecast a budget to five years in advance, lean start-ups use *business model canvas (appendix 3)*. The canvas summarizes the hypothesis the business will encounter and shows how it creates values for itself and the customers. In 2010, Ash Makura proposed a new

canvas model called *Lean Canvas (appendix 4)*. For him, the business model canvas was not adapted enough to the needs and questions start-ups must answer in early stages (Makura, 2012).

2. The second principle is called *customer development*. It is based on active feedback from customers, consumers or partners on all elements of the business model. The feedback is used to adjust and revise models that are not working.

3. The last principle is called *agile development.* It is use with the customer development to avoid long product development based on customers' problem knowledge. Instead, the product is developed iteratively (small adjustments) with the feedbacks they get.

The lean start-up model is also explained by Eric Ries, in his book "The Lean Start-up" from 2011. The thesis research is interested in the "Part two Steer" of Ries' book (p.79-183). It focuses on the customer feedbacks and what should be learned from it. These learnings should save time and money for start-ups. The new model for lean start-ups follow a loop he calls "build, measure, learn", see Figure 3. The activities should follow this order but for Ries, the planning should be reverse. Start-ups should plan what they need to learn. From there they figure out how to measure to get to that knowledge. And finally produce a product that will run the experiment and get the measurement. This feedback loop is used to develop the best possible product or service with a minimum of risk an effort. This way it eliminates wasteful effort.

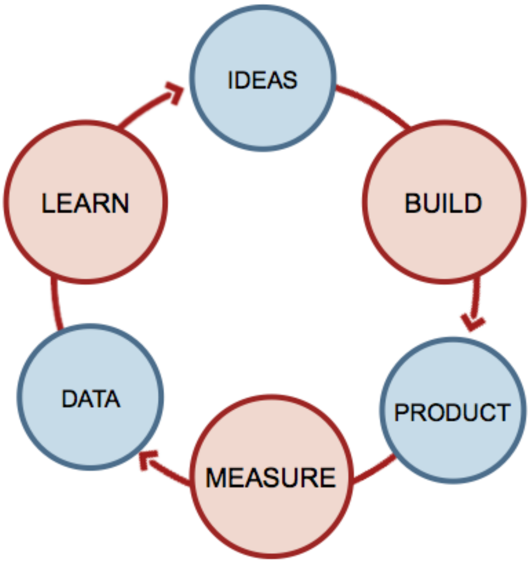

Figure 3. Build-Measure-Learn Feedback Loop (Ries 2011, page 75)

Finally, the feedback loop should be followed by a decision-making process between persevering with the experiment and new hypothesis or pivoting toward new experiments and hypothesis. For Ries, the question “are we making sufficient progress to believe that our strategical hypothesis is correct, or do we need to make a major change?” (2011, page 149). The choice between perseverance or pivoting the start-up’s activities is one of the most difficult choices and cannot be explain in a single way. It has to do with instinct and judgement from people. (Ries, 2011, page 149)

3. Methodology

The methodology part describes the design of the qualitative research. It explains how the data is sampled within the Helsinki start-up hub and how it will be collected and interpreted throughout the semi-structured interview method in this thesis.

3.1 Research Design

The research method framework consists of empirical limitation and on what type of theory (deductive,inductive ansd abductive) it is based on. Followed by the epistemological and ontological considerations.

3.1.1 Empirical Limitation

For Bryman and Bell (2011, page 10), two ways stand out to define empiricism. The first way is an approach to the study of reality where an idea must be subject to rigorous testing before it can be considered knowledge. The second way is an approach where collecting facts legitimize the goal. The second way is sometimes called “naïve empiricism”.

The research faces both ways. Inspired by the grounded theory notions defining the brand identity, the qualitative research finds its limitations within the start-up Helsinki hub and the actors interviewed. We can assume that the answers of the interviewee are based on personal knowledge gained from repeated experiences and from observed facts.

3.1.2 Deductive,Inductive and Abductive Theory

A deductive theory is based on the general knowledge and the theoretical considerations from a particular domain from where a researcher will develop a hypothesis that must be subjected to empirical scrutiny (Bryman and Bell, 2011, page 11). The hypothesis can be then validated or rejected.

An inductive theory reverses the logic where the theory is the outcome of the research (Bryman and Bell, 2011, page 13).

This research paper includes some deduction aspects because some outcomes are presumed and secondary is collected following the deductions. But mainly, because of its qualitative research nature, findings will affect the way the interpretation of the data collected and an inductive approach is characterised. This relation with new observations and existing theory is inspired by the grounded theory which is used to interpret qualitative data but it is exactly characterised. Grounded theory has been defined by

Strauss and Corbin as "theory that was derived from data, systematically gathered and analysed through the research process. In this method, data collection, analysis, and eventual theory stand in close relationship to one another" (Strauss & Corbin in Bryman and Bell, 2011, page 576).

A third option could be added with the abductive approach. An "abductive reasoning, also referred to as abductive approach is set to address weaknesses associated with deductive and inductive approach" (Dudovskiy, 2016). In an abductive approach the starting point is related to facts that are not explained within the existing range of theories. Start-ups and their studies do exist today, but the implication of branding for start-ups in their early stages specifically has not been widely researched and confine within theories yet. The research reasoning started with personal observations and experiences from the writer and cannot be seen as complete or part of existing accepted theories.

By conducting interviews following a certain path between new findings and existing theory, the research will advance towards new concepts that might be more suitable in relation to the aim of this study.

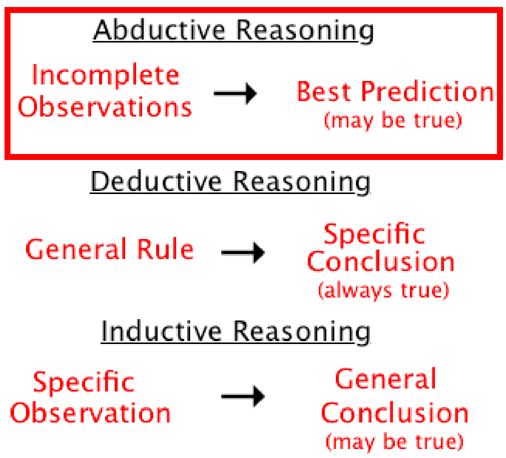

Figure 4. Abductive, Deductive and Inductive Reasoning, Dudovskiy (2016)

3.1.3 Epistemological Considerations

For Bryman and Bell (2011), "positivism is an epistemological position that advocates the application of the methods of natural sciences to the study of social reality and beyond" (page 15). Because it has been defined by many authors, the definition is also stretched to more principles. Following the previous definition, Bryman and Bell distinguish five key principles. The principle of phenomenalism, where only phenomena and knowledge that can be sensed can be warranted as knowledge. The principle of deductivism and the principle of inductivism. The principle that sciences must be conducted in an objective way. Finally, a clear distinction between scientist and normative statements must be made.

The thesis follows these principles. The research contains some deductive element in its preparation and the qualitative nature of the research also contains de facto inductive theory elements. The author, as a researcher, must follow an objective approach to not bias the project. Finally, the research design in its methodology follows a scientifically based method that will treat existing phenomena, which is the existence and development of start-ups.

3.1.4 Ontological Considerations

Two approaches of social studies are questioned within social ontology (Bryman and Bell, 2011):

1. Do social entities such are organisations influence social actors externally in an objective way?
2. Or, do social entities see an influence from within from the social actors that construct the organisation?

These two approaches are referred as objectivism and constructivism.

The research is covering both approaches. In the construction of a start-up, the nature of the organisation influences the entrepreneur in how or what he should do. Certain models exist and are followed by the actors. For examples, a start-up will follow the path of an idea to a seed start-up. Then it will enter its series A life and Series B etc.… This model influences the actors to follow a certain path that external factors has commend and rules on. But, the start-up world is also made by humans where innovation is a key notion. With innovation, inevitably comes changes and these changes are made by the actors which can be entrepreneurs or new organisations.

3.2 Research Method Steps

In their "Business Research Method" (2011, pages 390-392), Bryman and Bell figure six main steps in qualitative research represented in Figure 5.

These steps are:

1. General research questions. Which are the development of the brand identity in start-ups and how it could be used with the lean start-up model.

2. Selecting a relevant site and subjects. The research paper will focus on the Helsinki start-up hub and on the different actors that gravitate around it.
3. Collection of relevant data. The qualitative data will be collected by interview mainly. The topic is about branding and brand identity which are often the concern of marketers. But the start-up world is formed on a variety of domains. That is why the interviewee selected will represent broader profiles than just marketers.
4. Interpretation of data. The guideline of the interpretation is based on the techniques of grounded theory developed by Barney and al. in their book, The Discovery of Grounded Theory: Strategies for Qualitative research (1967). The tools for the grounded theory are: theoretical sampling, coding, theoretical saturation and constant comparison. Theoretical sampling and saturation is explained in part 3.2 Sampling and Data collection. Coding during the research means to review the field notes and organise them into labels that would be of theoretical importance. The constant comparison for the researcher between the data collected and the concept research is important to keep the research focused. This tool is reflected in the next step.
5. Conceptual and theoretical work. This step permits the researcher to stay focused on his research but also develop it because it is divided between two principles. The first one is to tighten the specifications of the research questions about what data is collected. The data collection will then secondly continue to be interpreted which will design the concept and the theoretical working on.
6. The last step is the writing of findings and the conclusion. The interpretation of the data and the development of the concept needs to be narrowed by the researcher in a credible way that will ensure of the reliable nature of his findings.

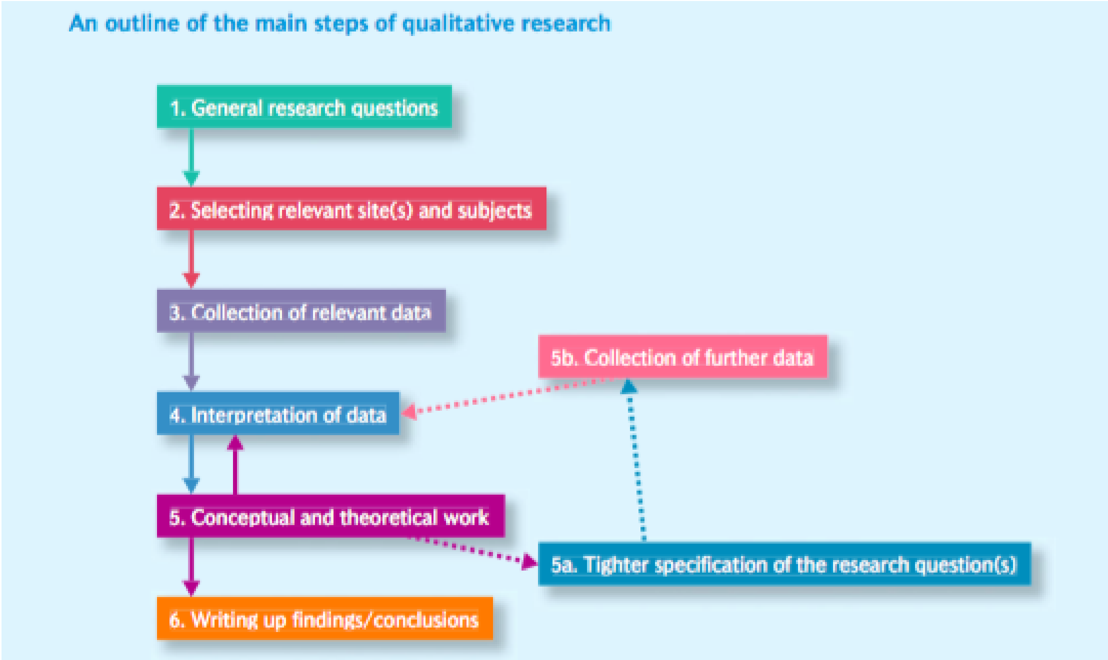

Figure 5. Main steps of qualitative research, Bryman and Bell (2011, page 390)

3.3 Sampling and Data collection

The sampling method to gather the research data is convenience sampling and snowball sampling. The convenience sampling will be made with the viability of the interviewee. A snowball sampling will be added to the process and will augment the chance of positive responses. The sampling, by convenience or snowball, will not be based on pure random profiling but on a purposeful sampling. The profile of the interviewee is targeted to acquire a broad range of findings from different areas involved with start-ups and brand identity. For example, entrepreneurs will be sampled, as will business developer and coaches, creative agencies and investors. When a profile of interviewee has attained a necessary level of research, the theoretical saturation for this coding card is considered fulfilled.

The data collection is concentrated around semi-structured interviews. The questions and topics are established by an interview guide present in the appendix1. Since the purpose of the research is to get information from different profiles of interviewees, the semi-structured interview lets the interviewees to develop areas they believe to be most important for start-ups with six interviews made.

3.4 Data Interpretation

3.4.1 Reliability and Validity

First, the data should be reliable and replicable. To be reliable the data and research need to have three criteria: stability, internal reliability and inter-observer stability (Bryman & Bell, 2011). These rules apply mostly to quantitative studies but could also be translated to the present qualitative research. The research follows the same interview guide throughout the research and the answers will be collected with an objective mind-set. By following the guide and the sampling method, the research could be replicated and the external reliability is obtained. By having the research followed by a peer the internal reliability is present.

Secondly, the data and research should be valid. The internal validity is present with the tools provided in the grounded theory method. Since a match between theories and observations is needed, the constant comparison the grounded theory models imply between theories and research will fulfil this prerequisite. The external validity is presented when the findings could be generalized to other settings. The thesis resuts can not be generalised but a general validity can be enganged with repeting the process in different geographical areas for example.

3.4.2 Trustworthiness and Authenticity

Alternative criteria should also be mention to present the goodwill of the research. These alternative criteria are presented by Guba and Lincoln (1994), as trustworthiness and authenticity.

Trustworthiness itself has four criteria:

1. The research should be credible by the work of the researcher, but also by the quality of the research. The credibility of the qualitative research is tied to the quality of the subjects of the interview. Which are, in this case, the actors in contact with the start-ups. The actors’ profiles will be developed in the research analyse.
2. Another trustworthiness criterion is transferability. The present research is limited to the Helsinki hub but the subjects of the research could be transferred to another geographical area and the scope of the interviewees could be transferred to other professionals from other fields.

3. The research should be dependable. Field notes and transcript of the research should be kept and accessible.
4. Finally, the research needs to have confirmability criteria. This criterion is found in the objectivity of the research.

The authenticity of the research is present with another list of criteria:

1. Fairness is obtained when a different view point is presented. This is present in the research with the multiple facet of the interviewees.
2. Ontological authenticity is present with aim and the picture of the study that wants to help start-ups.
3. Educational authenticity is presented with the aim also and by trying to explain theories and tie them together.
4. Catalytic authenticity is presented with the will to answer a need.
5. Tactical authenticity is presented with the interview and the findings

3.4.3 Interview Interpretation and Details

The interviews will be referred to as interviewee no. 1 to interviewee no. 6 and follow the chronological order in which they were conducted. The interpretation and analyses must be reliable and valid. The first observation worth mentioning is that no issue has happened during the interviews and they were all conduct in single sessions with each interviewee. The interview's duration varied from 20 to 57 minutes and were conducted over the course of two weeks. The interviewees had different profiles, which help to grasp a larger overview from the interview questions.
Profile and experience of the interviewees:

- Interviewee no. 1: Pitching coach and start-up accelerator program director. Active within the start-up hub since 2006-2007.
- Interviewee no. 2: Active within Helsinki Think Company and has had own start-up experience since 2015.
- Interviewee no. 3: Marketing agency CEO and active within the entrepreneur realm in Helsinki. Entrepreneur since 2015.
- Interviewee no. 4: Visual designer and entrepreneur in the last 20 years. Has create many visual identities for start-ups.
- Interviewee no. 5: Entrepreneur for about 25 years. Angel investor since 2013.

- Interviewee no. 6: Serial entrepreneur for more than 20 years.

The analysis will use the data collected with the interviews and compare it with the identity model concept from the theory section and thus will follow the grounded theory principles. Additionally, it will see how it could be integrated within the lean start-up model notions present in this research.

4. Interview analysis and reflection with the Therory

The analysis start by identifying the main notions start-ups should focus in early stage and when they interact with their audiences. The second part of the analyses consists on how could the brand identity development cooperate with the lean start-up model.

4.1 Start-ups and Brand Identity

4.1.1 The Vision

As interviewee no. 5 mentions, at the beginning of a start-up you have “an idea and a vision”. These notions are also found within the other interviews. In interview no. 6, the interviewee states that it starts with a “good idea”, interviewee no. 4 mentions the vision and the “desire to solve a problem” and finally interviewee no. 1 even mentioned some start-up’s visions exist to “make a big difference in the world”. A vision is about considering the future (Power, 2015, page 17). The vision translates the values about what the company wants to be with and what it wants to bring to its customers. The mission will then be how the vision will implemented. The vision and the idea share common attributes and work together. They are extremely important when defining the brand identity because it will have an impact on many aspects. The value of a brand is its DNA (Jeffrey, 2014). Within Kapefer’s brand identity prism; the vision should be present within the physique as the values the start-up want to share. But the vision will also greatly affect the culture of the brand. Within the culture, the start-up also finds the set of values it wishes to communicate which will to lead the reflection and self-image of the customer toward the start-ups within the brand identity prism. The vision is also present in every aspect of the corporate identity model from Birkigt and Stadler. The vision will deeply impact the personality of the start-up and the symbolism it will communicate. It will also have an impact on the communication because it will impact its behaviors.

4.1.2 The Team

The start-up is also defined by the people present in it. With interviewees no. 1 and 6 we found almost the same model for a good or “balanced team” (interviewee no. 1). The team should consist of one engineer/technical person, one designer and one business oriented person. Interviewee no. 2 also focused on the “resources of the team” that the members will bring to the start-up. For interviewee no. 5, the entrepreneurs “need to realise their strength, what they are good at and if they need help, they need to find that help from someone". This shows that the identity of the start-up is extremely influenced by the people that make it. For smaller companies, the personal branding of the entrepreneur will benefit the brand of the company (interviewee no. 4). In an early stage, it is extremely important that the identity the start-up is not detached from its people as it will affect the brand identity. Within Kapferer's brand identity prism, the team members are also present within the physique, but more importantly within the personality.

4.1.3 The Communication

The brand identity prism and the corporate identity model underline both the importance of the communication as an influence on brand identity. Interviewee no. 5 developed the hypothesis where, most of the time you expect one of the founders to pitch, if the founder is not able to deliver a good pitch, then somebody else should be chosen, even if it has some negative effect on how the team or the start-up is perceived. The quality of the delivery of the pitch will have an impact of the image of the start-up. The pitching notion is something that every start-up will have to do. At events like Slush, the pitching competition is an important part of the event. Also in early stages, start-ups are looking for building relationship with their audiences and this relationship is built from the team members. Interviewees no. 1, 4 and 5 mentioned that the message should be simple and if you could explain your brand in a few sentences that would be ideal. Because the brand is "technically what people are talking about the company" (interviewee no. 4), having a short and simple message will help customer to talk well about the start-up.

4.1.4 The Relation Between the Vison, the Team and the Communication

The vision and the people (team) are two key components of the identity of the start-ups. It is important that they work in harmony. Interviewee no. 5 told us that a "team needs to stand behind the brand, the brand is us". If there is no true harmony between the vision, the team and the identity, that communicates a cognitive dissonance. For interviewee no. 4, "most interview lose themselves because they try be something they are not" and he sees "the whole (branding) process is one package". The communication and the team is also connected with the example of the start-up pitch. Someone must deliver the pitch. Most of the time you expect the CEO to do it, but as interviewee no. 5 explained, if for example, the CEO is not good at pitching, the start-up should choose someone who can deliver a better version. Here we find also a correlation with interviewee no. 2 and the "team resources".

This is reflected in the identity prism (Kapfere, 2008, page 183) where a notion like vision will be present in many areas and the corporate identity is represented as a machinery wheel that together builds the brand image. For example, concerning the start-up's identity, interviewee no. 1 told us that to have "one or two pieces to be only 80 % (branding tools like a clear like a tag line or website), but they all need to work together". Interviewee no. 4 also tells us that "you cannot go 100 % right every time" with your branding, so 80 % could be enough in some cases.

4.2 Brand Identity and Lean Start-up Model

4.2.1 The Feedback Loop

To be understood by the audience, a brand needs to be consistent. The feedback loop from the lean start-up model helps to confirm or disprove hypotheses. Interviewee no. 1 developed a scenario where luckily the branding tools match the customers profile. This is where the loop feedback could greatly help start-ups as they do not know their customer or audience in early stages. Interviewee no. 1 addressed us three questions: "who is your customer? What is their problem? Why you are better than the rest?". These three questions will also define your identity and your positioning. Positioning is essential to grasp the limitation of the brand. The positioning should not only be where a brand positions itself in comparison to the competitor but also where it wants to be in the mind of the customer. H. Power (2015, page 10) asks these three questions: "Who are you?", "What you do?" and "Who you do it for?". By asking these questions to itself and by studying if the audience answers these questions, a start-up can decide if the communication strategy is positive or not.

The decision to persevere or pivot is extremely difficult. Interviewee no. 3 tells us that "from the beginning the most important is to decide what you want to be". If this is not a successful choice, a lean approach could help to make severe decisions.

4.2.2 Brand Identity and Canvas

The brand identity of a start-up also helps to fill in some parts of the business model canvas and the lean canvas. For example, in the canvas we find the value propositions, and the channels of communication with the customers or the relationship. Even if branding is not named within the lean start-up theory and model, by developing and thinking about a start-up's brand identity many blanks of the canvas can be filled. Interviewee no. 4 tells us that it is extremely important to "really simplify your idea or a business model, it should be understood by other people". The canvas then becomes a tool for simplification and communication and benchmark toward competitors. The lean canvas insists upon a unique value proposition and unfair advantage that a start-up will use bring to customers, but also when comparing with competitors.

4.3 Analyse Conclusion

The brand identity is often compared to the identity of a person to explain the concept. Authors like Kapferer (2008) or interviewee no. 4 use the same analogy in their observations. With start-ups, this observation is even more bound together because of the importance of the entrepreneur or the team in the identity of the start-ups in early stage. Some branding tools can be used to enhance the appealing appearance of a start-up but its core substance will be the idea and the people. You hear many investors openly telling that they invest in people and not only ideas. For example, in his book "Zero to One", when Peter Thiel considers investing in start-ups he studies the "founding teams" (2014, page 109).

Branding and the brand identity is organic and is not stuck in time. Once you think about it, it is not over. It evolves with the development of the start-up but also with the perception of the customer. To vulgarise this, something that is "cool" today can be a "has been" tomorrow. Interviewee no. 4 tells us that "a brand is everything they do" and that "every single step affect your brand". That is what makes it difficult to singularise notions or concepts that are the most important for example within the identity, it regroups the idea that it should be seen as one package and not as single independent elements.

The notion of consistency might at first oppose the lean start-up approach and especially the feedback loop, where new hypotheses are tried out with the customers. This is true if every new hypothesis is too far away from the previous and if it does not follow a global strategy. But the feedback loop is essential to gauge how the identity is perceived by the audience and if the communication is perceived as you wish it is. By placing the customer and their perceptions at the start of the development, adjustment in time can be made. The vision, the values and the team are essential parts of start-ups' DNA. By changing them too often or having an unclear message there, it will mostly hurt the brand. The message should be as simple as possible. On the other hand, other brand identity tools like some parts of the visual identity, the communications channels and behaviour could profit from a lean stat-up perspective and be more efficient with their communications. A pivot with the communications channel is less drastic than a pivot with the values which resemble more a re-branding of the company. By asking Ries questions: “are we making sufficient progress to believe that our strategical hypothesis is correct, or do we need to make a major change?” (2011, page 149) but twisting it to a branding perspective. Are we perceived as we wish to be? Is the message understood by our audience? What does the audience understand? Answering these questions will help a start-up in its branding strategical decision process. Should they persevere in what they are doing now or, for example, pivot to become their identity, to become what the customer thinks they are? Should they change some visual identity tools? Or is the information in the pitch well integrated by the target audience? The lean start-up model could be integrated in the brand strategy but the model should be adapted to this purpose.

5. Discussion

5.1 Answering the Research Questions

The research questions are:

1. What is essential to recognise in the brand identity of a start-up in its early development?

2. How could the brand identity concepts interact with the lean start-up model? Could the models be assimilated?

This research tells us that the idea that becomes the vision and the team are essential within the brand identity of a start-up and being able to communicate them in a simple and efficient way. But is this the essential or will it be other aspects that could be as, if not more important? To answer this question, will depend again to who is being asked. Every start-up is unique and everyone who interacts with a start-up has a different reason behind it. This is an opinion question, and the chance is high that with more people answering it, the more different the answers will be. But patterns were seen with the research and the help of the six interviewees. Interviewee no. 4 explained the difficulty of branding well, by saying “maybe the brilliance of branding is to see how people are calling or how they understand it”.

The lean start-up model, or part of it, could be seen as interesting when developing a brand and a brand identity. Start-ups must be adaptable to their environment and react fast to change and trends. The communication with customers is also direct (with internet and social media for example) and reactions are quick. By effectively analysing the reaction of customers to the brand, quick adjustment can be made. Viral growth is one of the goal of a start-up, when this is achieved you could conclude that the brand is efficient and it becomes harder to change it. If it is effective from the beginning, it might become easier to achieve this growth and adjustment in later stages will only be more difficult and expensive.

5.2 Difficulties of branding

The brand identity is based on feelings and intuition which are intangible. If it feels right and if the customer is reacting in a positive way it then a success. But branding to be more effective should be considered as aprocess present in every part of the start-up's activities and not only the chosen one. We see also a today a development in the brand of a start-up and the personal branding of entrepreneurs. Successful entrepreneurs are superstars like Elon Musk and to understand the values of a company we often seek the words of the founders.

Branding is also an ever-changing process. Companies that last do not have the same activities, customers or brand that they had a few years ago. Nike is not the same brand as 30 years ago and has evolved with the habits of its customers. Start-ups should not be afraid of change and should understand their customers if they want to target them well. But here again, should a start-up continue its communication until the vision or brand is understood by the audience or should it become what the existing audience says it is? When is it better to persevere or pivot? This is a challenge every start-up will face and only time will give answers.

To develop a successful brand identity cannot be define as one method that works every time but by developing some patterns and adapting existing method that are seen as successful could help start-ups to face their challenges and lead to less failure.

5.3 Ethical Consideration

The research followed the conduct of primary research where new research and data has been gathered to answer specifics questions. The interviews were prepared but the researcher could clearly notice that the later interviews were more efficient than the earlier ones.

No data that could harm any interviewee is present and the authenticity and trustworthiness of the research is present with the documentations the researcher has provided. The anonymity of the inerviewees is preserved.

Based on the tools of a qualitative research method and a grounded theory the interpretation and use of the data should be subject to strict rules to warrant its quality.

5.4 For Future Research

Brand identity is a complex notion. Start-ups, like people, have their own identity but observations can always try to point out some patterns between them. The accumulation of more data in future research will help to extract more patterns toward what could help start-ups to be successful. This research is still in the phase of observation with a first glimpse toward a hypothesis of what could define the important factors within the brand identity of a start-up and how the lean start-up learning process could help to build a strong identity and more effective brand. The next step could be to test out hypotheses and different methods in the field with start-ups. Also, this research was made within the Helsinki start-up and entrepreneur hub. By researching another geographical area, new findings and comparison could be made to validate these findings or to develop new approaches.

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Appendices

Appendix 1: Interview Guide

Interview Guide:

The interview will if possible be held on a semi structured model. Following two main topics; branding and start-ups. The guide works as a template and a reminder about the interrogations that should be answered during the interview.

Background questions:

1. What is your professional occupation?
2. What are your relations and experiences with start-ups?
3. Or, do you have previous experiences with start-ups?

Topic 1: Start-ups- Early Stage-Lean Start-ups model

4. Do you see similar particularities start-ups share between them in early stages?
5. What would be the biggest challenges for start-ups in their first years? Could you give 3 examples?
6. What challenges might they face with their marketing?
7. What would help start-ups to be more effective during their first years?
8. What is your thoughts about the lean start-up model?
9. How does it affect the development of a/the start-ups?

Topic 2: Branding- Brand identity

10. What does the term branding and brand identity mean to you?
11. What is your opinion on the importance of branding for a business?

12. Is it the same way for start-ups?
13. What should be the bases for start-ups in their Branding? What are the questions they should ask themselves?
14. What is the most important branding tools or notions a start-up should focus on in early stages?
15. How important is reputation, for example the entrepreneur of a start-up, in the identity of the business?
16. Should the development of the brand identity be integrated to the lean start-up model or is it something that should be separated?

Precision of branding concepts if not present!

- What about the concept of vision and mission?
- Naming? Tagline? Brand brief?
- Visual identity? Brand mark? Logo? Tone of voice? Colours?
- Digital components?
- Band elements? Business cards? Letter head?

Topic that could be discuss if presented during interview!

- Is positioning a concept that is important for start-ups in early stages? What makes start-ups different from other businesses? What make them different from each other?
- Is value proposition or brand promises concepts that start-ups should concentrate more on? (how do you solve a problem/ how you deliver / why are you unique/ what do promise…)

Topic 3: Closing and check-up questions

17. In their branding development, is some things start-ups "must Do" or think about to be more effective?

18. Any “must not do”?
19. What would be the benefits for start-ups if they think early about their branding?
20. What will happen if they start late or does not plan any branding?
21. How could branding help to face the challenges mention earlier?
22. Is any anything you wish to talk again about or bring precision?

Appendix 2: Interview Consent Form

Interview Informed Consent Form

The following is an interview consent form for a research project. It is a research project on branding for start-ups, carried out by the principle investigator (Tomas Biaudet) of this project from Arcada University of Applied Sciences. The interviewer (Tomas Biaudet) should have the interviewee read this form carefully and ask any questions the interviewee may have. Before the interview can start, the investigator and the interviewee should sign two copies of this form. The interviewee will be given one copy of the signed form.

Consent for Participation in Interview Research

I volunteer to participate in a research project conducted by Tomas Biaudet from Arcada University of Applied Sciences. I understand that the project is designed to gather information about academic work of faculty on campus. I will be one of approximately? people being interviewed for this research.

1. My participation in this project is voluntary. I understand that I will not be paid for my participation. I may withdraw and discontinue participation at any time without penalty. If I decline to participate or withdraw from the study, no one on my campus will be told.

2. I understand that most interviewees in will find the discussion interesting and thought-provoking. If, however, I feel uncomfortable in any way during the interview session, I have the right to decline to answer any question or to end the interview.

3. Participation involves being interviewed by researchers from Arcada University. The interview will last approximately 30-45 minutes. Notes will be written during the interview. An audio tape of the interview and subsequent dialogue will be make. If I don't want to be taped, I will not be able to participate in the study.

4. I understand that the researcher will not identify me by name in any reports using information obtained from this interview, and that my confidentiality as a participant in

this study will remain secure. Subsequent uses of records and data will be subject to standard data use policies which protect the anonymity of individuals and institutions.

5. Faculty and administrators from my campus will not be present at the interview and will have access to raw notes or transcripts. This precaution will prevent my individual comments from having any negative repercussions.

6. I have read and understand the explanation provided to me. I have had all my questions answered to my satisfaction, and I voluntarily agree to participate in this study.

8. I have been given a copy of this consent form.

______________________________ ______________________________

My Signature Date

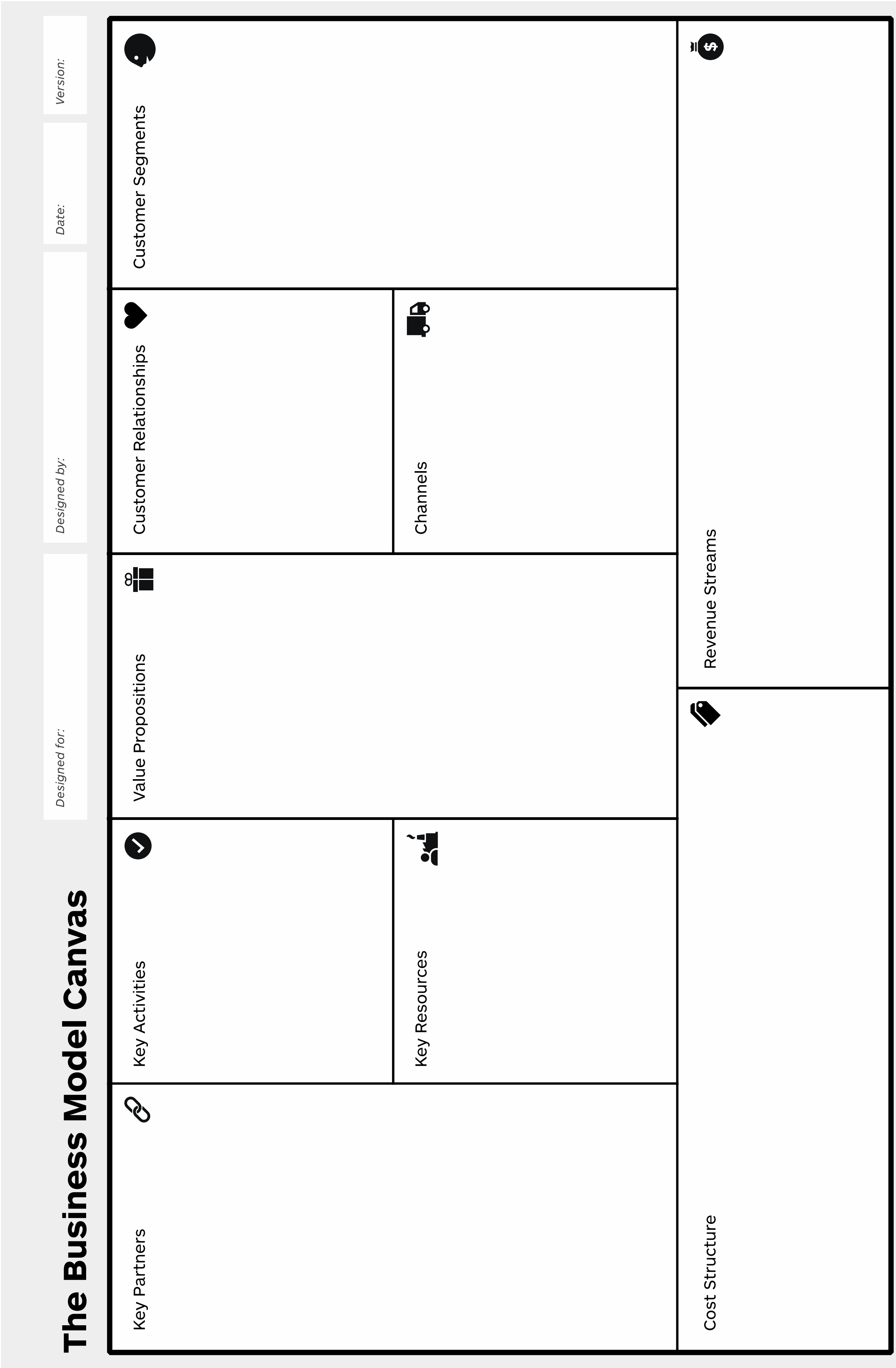
__________________________ ______________________________

My Printed Name Signature of the Investigator

For further information, please contact:

Tomas Biaudet
Tomas.biaudet@arcada.fi
045-842-75-77

Appendix 3: Business Model Canvas



Appendix 4: Lean Canvas

Lean Canvas Template

<table>
<tr><th>PROBLEM</th><th>SOLUTION</th><th>UNIQUE VALUE PROPOSITION</th><th>UNFAIR ADVANTAGE</th><th>CUSTOMER SEGMENT</th></tr>
<tr><td rowspan="3">①
The top three problems you are solving</td><td>④
Outline a possible solution for each problem</td><td rowspan="3">③
A single proposition that brings attention to your solution</td><td>⑨
Something that you have which cannot current be copied or bought</td><td rowspan="3">②
List your ideal target customers</td></tr>
<tr><td>KEY METRIC</td><td>CHANNEL</td></tr>
<tr><td>⑧
List the key numbers which tell you how your business is going</td><td>⑤
List the paths to your ideal target customers</td></tr>
<tr><td colspan="2">COST STRUCTURE
⑦
List of your fixed and variable costs</td><td colspan="3">REVENUE STRUCTURE
⑥
List the sources of revenue</td></tr>
</table>

Download the Lean Start-up Essentials document from http://www.letstalkbusinessonline.com/ltb/leanstartup/