

Startup Communications

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Master's Thesis

DP in Communication Management

October 2014



Degree programme in Communication Management

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| <p>Title of report Startup Communications</p> | <p>Number of report pages and attachment pages 76 +19</p> |
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| <p>Communications and startups are two fields that have not been studied together often. Corporate communication has mostly been concerned with bigger, more established companies and little research has been conducted on the communication function designed specifically for young technology companies.</p> <p>Communication function is something that is developed once a corporation reaches a certain growth but for startups, communications plays a large part from the formation of the startup. There also seems to be a gap between communications professionals, employees, freelancers, and agencies and startups. There are plenty of communications people who are willing to help startups, but do not know the intricacies of startup life.</p> <p>This study will tie startups and communications together and will contribute to the research field of both industries. A constructive research approach will be taken in order to build a startup communication booklet for young companies and communications professionals. This guidebook will be able to help future startup CEOs and communications professionals to build their own framework for their specific startups and communication needs as well as challenges. This booklet will provide tips and feedback to not only the startups but also to all communications practitioners who work with startups.</p> <p>The output of this research will greatly benefit the communication professions in relation to the startup environment as well as help startups understand their communications needs and functions.</p> | |
| <p>Keywords Corporate communications, communication function, needs, challenges, startups, startup communications booklet</p> | |

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1 Introduction

Having worked with Finnish and Baltic startups for many years, I am always in dismay over how startups treat communications as an afterthought. From my experience, the startups don't value communication until they really need it. And often, after the startups realize that they need communications, it is almost always too late! I have heard too many stories from communications professionals who get a call late at night from a startup asking them to draft a press release for the upcoming launch of their product. When asked when the product launch is, the startups typical answer is: tomorrow!

I also have heard many stories of startups that would rather spend their last amount of funding to hire another programmer or coder than invest it into a marketing communications functions. If startups decide to acquire a communications functions inside their team, they are unsure if they should hire a freelancer, an employee, go with an agency or just fulfil the communications requirement themselves. The latter is often the chosen route for startups that do not have an extensive budget. Though this route is appealing, it is often not the best route for startups, as the team members in the startup are already overworked in their day-to-day business and might not have the sufficient time or knowledge to take care of communications.

I don't blame the startups, because the field of communications has mostly been concerned with bigger, more established companies and little research has been conducted on communications function designed specifically for young technology companies. Communications tactics and practices for startups are not topics in a conversation had among startups. However, they should be talking because communications composites everything from customers to investors to employees. If the startup wants people to know about its product or services; communications is key.

I also don't blame the communications practitioners most of whom have experience

working in large communications departments in large companies and might not have experience within startups. They are used to communications being organized and well planned, which can be just the opposite of startup communications.

Unlike an established organization with extensive personnel, a startup company normally consists of a small founding team, most whose members are technology-focused. However, just like established companies, startups need to influence their potential customers, the surrounding system of shareholders and stakeholders, venture capitalists, investors, board members and of course media.

Working on a limited budget means that startups need to find the most cost-effective way to communicate their message and make the biggest impact possible. Young startups need to understand the right communication channels with the right delivery that will help them achieve their business goals. These channels include both social and traditional media. The communication function in a startup needs to align with the core message, the positioning, and the overall trend of the mission of the startup. Thus, the startup needs to learn how to crystallize its most important aspects and execute its communication strategy in a systemic approach.

As mentioned above, not a lot of studies have been on communication relating to startups. The field of communication has mostly been established for large corporations. Steve Blank acclaims that startups are not small versions of large companies (Blank 2012), therefore, we cannot treat them as such. The communication function is something that is developed once the corporation reaches a certain growth. There seems to be a gap between startups and communications professionals, employees, freelancers, and agencies. There are plenty of communications people who are willing to help startups, but do not know the intricacies of startup life. Most communications people have had their training on communications for larger firms, which is different in startups communications. This all makes the relationship between the startups and communications professionals difficult.

This study will tie in the fields of startups and communications and will contribute to the research fields of both industries. The proper provided guidelines will be able to help future startup CEOs and communications professionals to build a framework for their specific startups. Entrepreneurship and startups are beginning to play a crucial part in the economy and it is about time that there is proper discussion on communications and startups.

2 Communication within startups

In this chapter, the aim is to introduce the research questions that this study is based upon. The focus came from the popularity of entrepreneurship and startups within past years in Finland and will thus be discussed in historical context.

2.1 Problem formulation

As communications and startups are two subjects that are not often studied together, it is important to study the basics. Oftentimes, when one researches a problem that needs to be fixed, one has to examine the essentials of the problem. In this case, what is needed is to study the communications needs of startups in order to establish what kind of communications will be done within the organization. Also, communication challenges for startups need to be observed, because a startup has different challenges than a big corporation. Communication theory has been developed with large corporations in mind and a startup could go through a lot of struggles if it only follows communication theories and practices by the book. Since this study pioneers in tying two fields together, the basics and fundamentals need to be examined. The needs and the challenges of startups communications will constitute as the first part of this study and will be done as preliminary research for this thesis.

RQ1: What are the communications needs and challenges of a startup company?

Once the needs and challenges have been established, startups will often run into the problem of how to implement communications within their startup. There are countless books for startups on how to develop their business, how to get funding etc., but from my search, there are no guidebooks to help startups with their communications.

Since startups do not have many resources such as time or money, the startups CEOs need to learn important lessons fast and efficiently. This is why that a short booklet

about communications should be developed to help startups achieve their communications potential. This booklet needs to take into account the way startups work as well as look into their communication needs and challenges (that have been established in RQ1)

RQ2: How can a booklet be developed based on the needs, challenges and knowledge of startup culture to improve communications in a startup?

People who are trained in communications are not keen on working in a startup or they might not know how to properly offer their professional services to startups. The startup culture and atmosphere can be foreign to a communications person who has been trained to do communications for a large company. There seems to be a gap between communications people and startups. It is important that the two can work seamlessly together. Therefore, the third research question focuses on the communication practitioners.

RQ3: How can communications practitioners address the communications needs and challenges of the startup and work together based on the help of the booklet?

2.2 Aim and objectives

The aim of this research is to tie in communications and startups and become a pioneering research in this field. The objective is to research the communications theory that communications people practice in large organizations and adapt it to startups' situations all while giving practical knowledge to the startups. This research will evaluate the needs and challenges concerning startup communications but also develop a Startup Communications booklet to help the startups navigate communications aspects of their company.

The output of this research will greatly benefit the startups as they will have a concrete

guide to help them understand and achieve their communications goals. The booklet will help startups understand their communications needs and functions.

This booklet will also benefit the communication professions in relation to the startup environment, as it will clearly explain how best to work together.

While developing a booklet and examining the needs and challenges of startups communications, my personal goal is two-fold. The first goal is to research the best practices on how young startups can utilize communication technics, tips and tools in implementing a sustainable communication strategy. My second goal is to better understand the types of strategies and tools used for the startups' communication needs. I will later share these findings with the Finnish and Baltic startups and communications professionals in hopes to improve their communications situations.

My personal mission is to raise awareness of the importance of communications in Finnish startups and thereby further reduce the gap between communications people and startups. My hope is to educate startups on the importance of communication functions and to teach them that communications practitioners are valuable instruments through which organizations can achieve their business goals.

2.3 Overview of the thesis

In this thesis, I will be studying corporate communications from the point of view of startups. The first part of the thesis examines the needs and the challenges that startups face when dealing with communications. I will also be defining the challenges and needs of communications practitioners working in the startup scene.

Based on the information that I gather, I will develop a Startup Communications booklet. I will package all of the information gathered into a booklet that will help startups understand their communications needs and functions. I will test and develop it with both startups and communications practitioners. I will make sure that the booklet benefits both parties in order for them to best work together.

2.4 Context of the study

There are three aspects to consider within this research. The first is the location, Helsinki, is considered to be an international startup hub and is fast joining the ranks of Silicon Valley and Singapore. The second aspect, the program Startup Sauna, plays a large part in gathering the people and startups for this thesis. The last aspect is the researcher herself who has been working with communications and startups for many years.

Helsinki has started to be recognized as an international startup hub. Wired magazine (Andersson 2012) picked out Helsinki as one of the European capitals with an impressive up-and-coming startup hub. Serial entrepreneur and Stanford professor Steve Blank called it the next potential Silicon Valley (Sitra 2011).

Conveniently located in the vicinity of Russia and the Baltic states, Helsinki serves as a gateway which makes Helsinki attractive for international investors interested in Scandinavian, Baltic and Russian startups. The fall of Nokia has also provided breeding ground for entrepreneurship, freeing up a lot more engineers (The Economist, 2013). And the country is no longer known for its mobile phone or lumber factories but rather for gaming companies such as Rovio (Angry Birds) and Supercell (Clash of Clans and Hay Day).

Furthermore, Helsinki hosts various important international startup events, including Arctic15 and Slush are some of the biggest startup conference in Europe, where 5 000 participants, including investors, startups and media join in a two day event (Slush 2013).

Startup Sauna, founded in 2010, is a non-profit organization for startups and aspiring entrepreneurs in Scandinavia, Northern and Eastern Europe and Russia. Startup Sauna's aim is to implement a blooming startup ecosystem and a welcoming culture into

the region in order to make it the best place for a startup. It is run by a foundation called Startup Sauna Foundation and it is funded by Aalto University, Teknologiateollisuus, Sitra and Tekes, among others. (Startup Sauna 2012.)

In practice, Startup Sauna consists of three different operations:

1) An internship program for aspiring entrepreneurs to work at high-growth companies in Helsinki and in Silicon Valley. More than 60 interns have been matched through the program (Startup Life 2014).

2) An accelerator program for early-stage startups from Northern Europe and Russia, where professionals and investors coach the companies in an intense one-month program in Helsinki. Currently over 175 companies have graduated from Startup Sauna program since 2010. All together, they have raised more than USD 34 million in funding. (Startup Sauna 2012.) Startup Sauna was also named the best university based incubator in 2013 and is making great progress for a young accelerator program (Startup Sauna 2012).

3) The Slush conference organized by Startup Sauna, which brings together the early-stage startup ecosystem in the region to meet the top-tier venture capitalists and media from around the world. (Slush 2013.)

I am one of the key people behind the Startup Sauna Foundation and was the first employee of the organization. I have helped foster the Helsinki startup scene since 2009. The reason I started this thesis is that not a lot of research has been done in the field of communications within startups. I realized that I am in a unique position to research this subject as I have worked with early-stages startups from Finland, Russia and the Baltics and I have counselled them on their communications needs.

I am interested in startups' communication functions and strategies. With the spread of information and communication technologies, it has become easier for a small startup

to deliver its message and compete in a global economy. I feel that the communications functions can be improved within startups, but also that communications professionals could help startups achieve better success.

3 Framework one: Startups

The aim of this chapter is to explain terminologies and concepts that are essential for this thesis. The key concepts are startups, entrepreneurship and entrepreneurs.

3.1 Definitions

There are many definitions of a startup but I shall start with one of my personal favourites defined by Steve Blank. He states: “A startup is a temporary organization used to search for a repeatable and scalable business model” (Blank 2012, 12). This definition shows that startups are a dynamic entity that can change and transform the business whenever they feel the necessity. Y-combinator, the most popular seed accelerator program in Silicon Valley focuses more on growth in its definition: “A startup is a business which has ambitions and plans to grow by a large factor (10x or more) over the next few (1-5) years” and adds that startups are companies that haven’t existed longer than 5 years (Y-Combinator, 2011). According to Ries (2014) a startup is a human institution designed to deliver a new product or service under conditions of extreme uncertainty. While Graham (2012) sees startups as companies designed to grow fast. On the academic side, Low & MacMillan (1988, 139) suggest that entrepreneurship be defined as the creation of new enterprise.

The word “entrepreneur” which comes from a French word means, “to undertake”. Therefore, the entrepreneur is someone who undertakes something new. It could be some endeavour, a task or invention. Schumpeter (1934) defined entrepreneurs as individuals who exploit market opportunity through technical and/or organizational innovation. Schumpeter’s choice of words is often seen as a negative view of the term entrepreneur. Bolton & Thompson (2000) make a more positive definition of an entrepreneur and describe it as a person who habitually creates and innovates to build something of recognized value around perceived opportunities. Knight (1921) and Drucker (1970), separated by nearly 50 years both described entrepreneurship as “taking (a) risk”.

3.2 Entrepreneurship research

Entrepreneurship research is still new and young. There are plenty of opportunities for researchers to make significant contributions. (Davidsson 2007, 245). For a very long time, teaching entrepreneurship focused on business plan writing skills, based on the assumption that startups are small versions of a big corporation (Blank 2013). Steve Blank (2013) notes that we should not treat startups as small version of big corporation and the teaching of business plans is dying out. Times are changing and writing business plans is no longer considered necessary. According to Low and MacMillian, (1988, 139) researchers studying this field must acknowledge that entrepreneurship studies could and should be carried out at multiple levels of analysis and that these analyses complement each other. They conclude that the reason for studying entrepreneurship on multiple levels of analysis lies in the characteristics of the entrepreneurial phenomenon itself (Low and MacMillian 1988, 160). Therefore the people inside the startup should be closely examined as well.

The choice and definition of the level of analysis is not only important in relation to the design of empirical studies. It is also essential for the appropriateness of the utilization of different theories and the suitability of different conceptualizations of entrepreneurship. (Davidsson & Wiklund, 2000; Gartner & Brush, 1999.)

Typically, entrepreneurship research is dominated by micro level analysis, predominantly using the firm or the individual, as the level of analysis but the use of macro level is increasingly getting popular for entrepreneurship studies, as there has been a recent boom of entrepreneurs in the society. Macro level research includes the environment or the situations. Along that note, theories have been specifically developed to address, for instance, organizational or individual issues and are therefore not equally well suited for all levels of analysis. (Davidsson 2007.)

Even though research on entrepreneurial teams is still very young, the research on entrepreneurial teams does not need to start from the beginning. It draws on research on top management teams, group dynamics, conflict and performance from strategic management, social psychology and organizational behaviour (Birley & Stockley, 2000).

I personally believe that entrepreneurship is a trait that anyone can learn or acquire. There are some people who seem to be born with the trait, which makes some people believe that entrepreneurship is more nature rather than nurture. I think entrepreneurship is the sheer determination that all people can have to reach their dream and perhaps change a little piece of the world.

3.3 Startup and entrepreneurship theory

To simplify, I will visualize how I am going to depict the startup and entrepreneurship theory. As the field is fairly new, this figure could be interpreted in different ways and manners. I've divided it up in three sections that are independent but must work together. The three sections are the entrepreneur, the team and the startup.

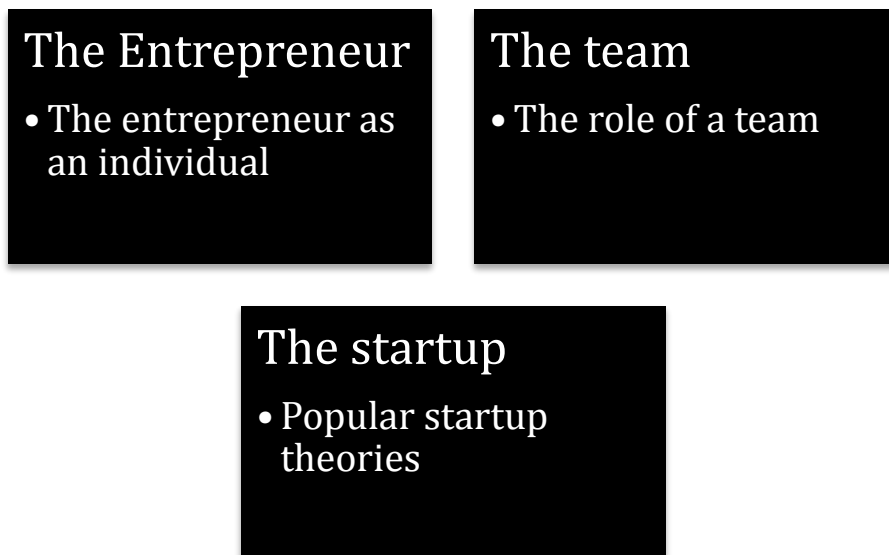


Figure 1. The three levels of startups

It is important to understand the three components when dealing with startups. One needs to keep in mind that there are three levels: the individual, the team and then the startup. I will clarify this in the following sections.

The entrepreneur

When we think about startups, we must think about the entrepreneur as an individual first and foremost. therefore, we need to analyse it on the micro level. The behaviour of the entrepreneur and the entrepreneur himself is an important topic in academic research. It is relevant because when it comes to startups, it comes down to the person itself and not the company as a whole.

According to Andersson et al. (2010, 131) entrepreneurs flourish at the crossroads when entrepreneurial capacity meets entrepreneurial opportunities. What kind of people become entrepreneurs? Is there a specific characteristic trait that entrepreneurs should have? These are two questions that many academics have researched. What research has found is that many different kinds of people become entrepreneurs and some common traits have been identified. Types of traits include self-confidence, capacity to think for oneself, sense of autonomy, risk taking, forward looking approach, passion for their product/service, and open-mindedness (McClelland 1987 219-233; Sexton 1990 29-32).

One study that examines a common trait in entrepreneurs found strong support of the biases and heuristics in strategic decision-making between entrepreneurs and large firm managers (Busenitz & Barney 1997). They found strong support for their hypotheses that entrepreneurs show more confidence. When it comes to entrepreneurship confidence or maybe even enthusiasm, research has shown that optimism tends to remain relatively stable for individuals over time, situation, and context (Schulman & Seligman 1993). Which means that startup CEOs will remain optimistic even when undergoing the highs and lows of the entrepreneurship cycle and have the ability to affect others with their positivity. Others have confirmed Busenitz & Barney's (1997) hypotheses of

founders being overconfident. According to Carver & Scheier (2003) individuals high in optimism exhibit confidence in a way that is both broad and diffuse, and it encourages them to approach challenges with enthusiasm and persistence. However, research also finds overall, that high levels of optimism often have significant detrimental effects on the judgment and decision making of individuals (Hmieleski & Baron 2009).

Garther (2005) argues that excessive optimism is a primary reason for the high incidence of failure among startups, and few studies have investigated the relationship between entrepreneurs' optimism and the actual performance of their new ventures. Further, existing evidence suggests that high levels of optimism can negatively affect judgment and decision-making. (Aspinwall, Sechrist & Jones 2005; Åstebro, Jeffrey & Adomdza, 2007; Hmieleski & Baron 2009).

The role of the entrepreneur is one not taken lightly; some entrepreneurs are given the role through familial connections and or family business whilst others willingly seek out entrepreneurship. Entrepreneurial identity is used to generate self-legitimacy and importance while trying to make sense of this multi-layered identity (Down & Warren 2008 4-23).

Schumpeter (1934) argues that when it comes to entrepreneurship, it is the individual who carry out entrepreneurial initiatives and activity. So we must not regard the organization as a whole but instead look into the people inside the organization who are entrepreneurial. The role of the entrepreneur carries weight from within the individual as well as society from its start; placing upon it a set of ideals or expectations the entrepreneur must upkeep (Stryker & Burke 2000).

All of these studies conclude that when one researches about entrepreneurs, one should examine the people inside the team. More studies should confirm if the founder's enthusiasm would rub off on the new recruit and affects the whole team. There should be discussion about confidence in a communication context. If startup entre-

preneurs identify themselves as being confident, does that imply that they are confident in every single aspect of their company including communication? Can this overly confident attitude rub off on other employees who may not be entrepreneurial? For example, will the communication person who joins the startup be affected by the rest of the people on the startup?

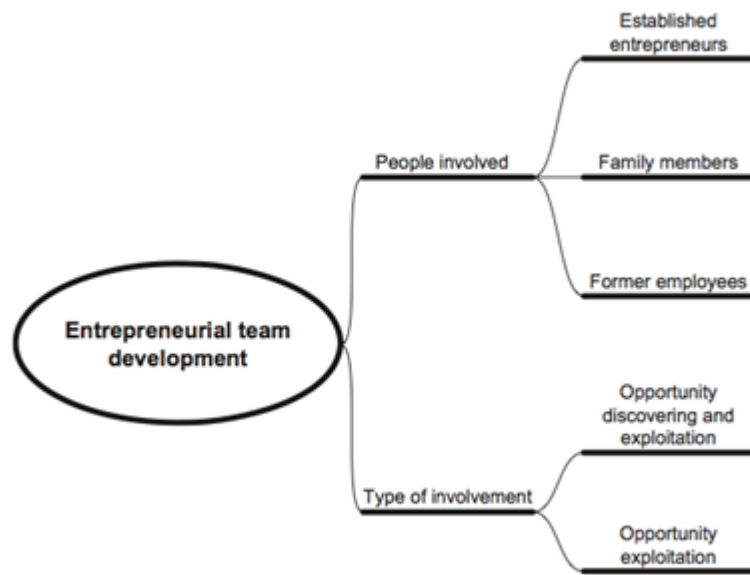
The team

A well-functioning team needs to have its roles divided clearly between its members. However, when it comes to entrepreneurial teams, it has been shown that one of the biggest pitfalls of a startup team is the inability to delegate, which causes a great barrier for company growth (Churchill & Lewis 1983). However, research looks into the negativity of why the delegation of work does not happen, rather than the positive aspects. For example, little research examines the best practices of successful delegations (Lacobucci & Rosa 2010).

The relationship between team dynamics and business group formation has not received a lot of attention at either the theoretical or the empirical level. Entrepreneurship literature treats entrepreneurship activity mostly as being initiated by the owner-manager(s) either as individuals or in the case of family firms, by family owners. Employees are treated as agents of implementation (Lacobucci & Rosa 2010). A communication person would fall under the role of agent of implementation.

The team constitutes many levels such as the people involved and the type of involvement. (Lacobucci & Rosa 2010).

The development of an entrepreneurial team:



(Lacobucci & Rosa 2010)

Figure 2. Entrepreneurial team development

The startup

Once you have the individuals and the team in place, it is time to think about the startup. The reason why the startup has section of its own than that of the individual and the team is that the startup is concerned with business and the question of “how will the company make money”? As defined earlier, a startup is looking for a variable business plan (Blank, 2013). It is not uncommon for teams to completely change their business idea in the middle of development hence the startup, as a whole needs to be evaluated.

At the moment, there are three popular startup theories that most startups use. These theories are also what most seed accelerator programs adopt and teach to their startups. These three theories, the lean startup, customer development and the business model canvas, are currently the widespread theories.

The Lean Startup, Eric Ries

Eric Ries invented the Lean Startup methodology that provides a scientific approach to creating and managing startups (Ries 2014). Startups tend to flock to this methodology as it teaches them to get their product into customers' hands faster and it has a standard and principle approach to a new product development.

Customer Development Theory, Steve Blank

Steve Blank, who wrote the Startup Manual and is widely followed by startups worldwide, has made this graph that explains how startups should acquire customers. He explains the roles of earned and paid media at the beginning of the business cycle to get new customers. He gets into great details about the role of communications in "keeping the customers". For example in order to grow the customer base, a viral loop is needed to the beginning. This graph represents Steve Blank's theory in a visual way (Blank 2012) and helps companies understand the startup cycle.

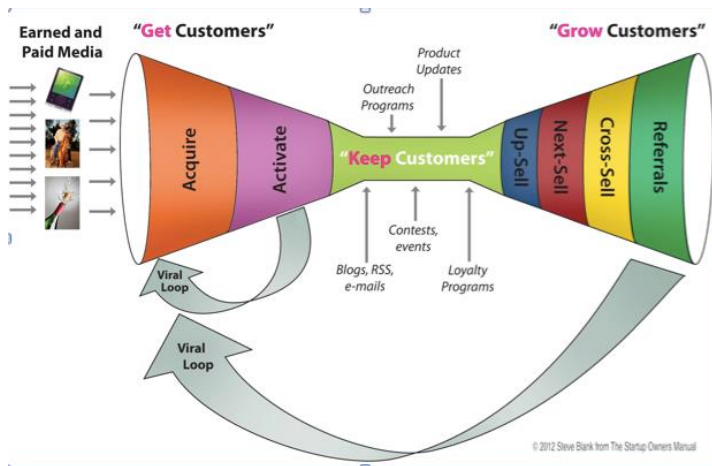


Figure 3. Steve Blank acquiring customers loop

The Business Model Generation, Alexander Osterwalder

Alexander Osterwalder developed the Business Model Canvas for startups. This is an easy tool for companies to use in order to generate money for their business. This model helps the startup map out their customers and key partners. It also makes it very evident what the business' value proposition is and what channels they should be using. The picture below is an example of the Business Model Generation. (Osterwalder

2014.)

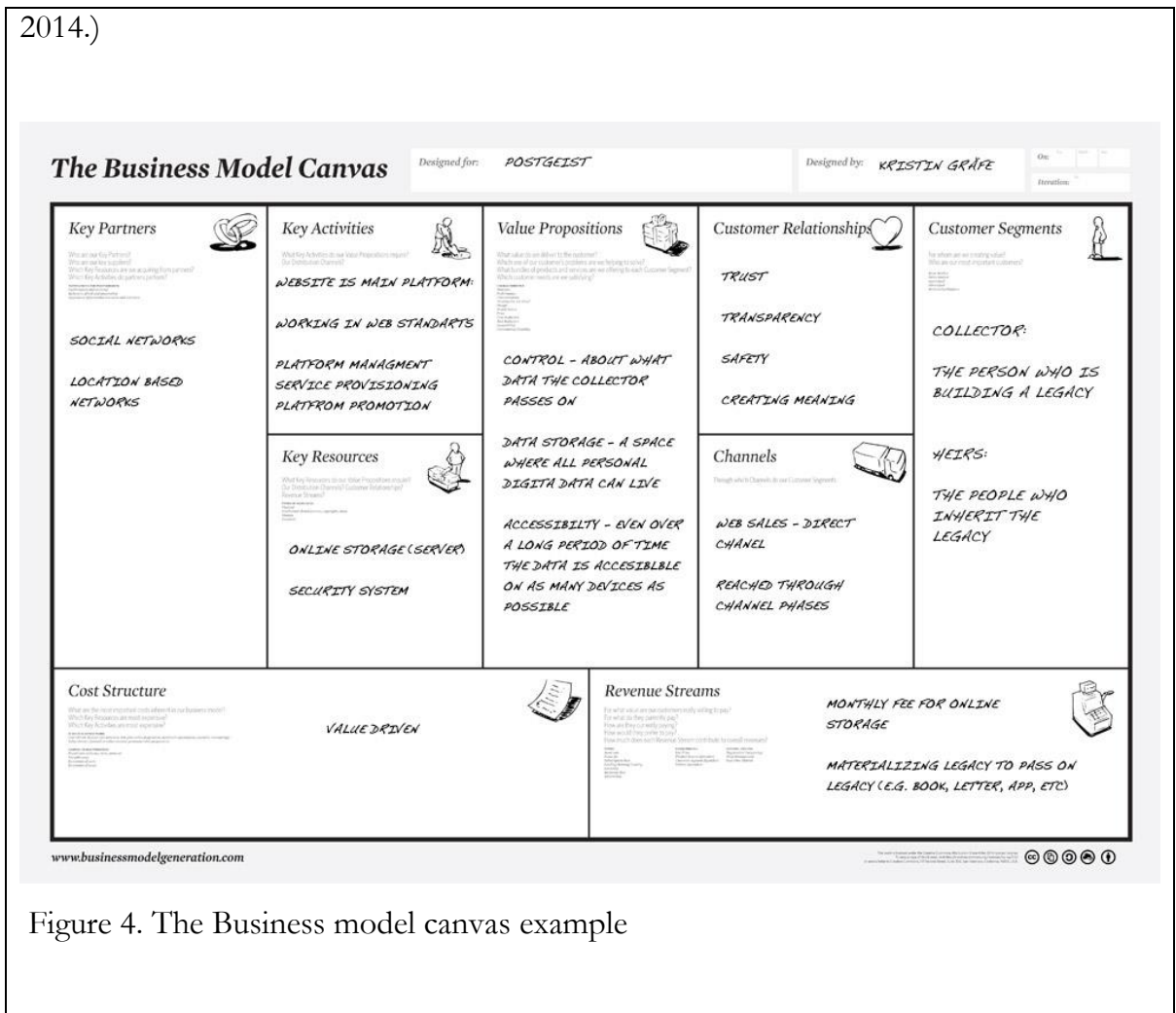


Figure 4. The Business model canvas example

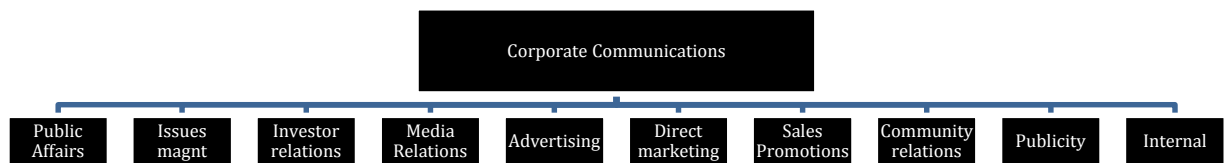
In this thesis, I have picked the three startup theories widely used by entrepreneurs. Obviously, most startups founders adopt a “Just-do-it” method when it comes to their startups. It seems that entrepreneurial teaching is divided into two camps. The first camp includes popular and successful entrepreneurs who have written popular business books and blogs: evangelist and Professor Steve Blank, founder of Y-combinator Paul Graham, founder of Virgin Richard Branson among others. The second camp includes academics who have done a lot of research on the subject and are very knowledgeable but generally not well known and do not get the same kind of attention from the first time entrepreneurs.

4 Framework two: Corporate communication

Framework two will present the key concepts in corporate communications, which are discussed in the context of research literature.

According to Cornelissen (2008, 13) corporate communication is part of the corporate identity and corporate branding aspect but is deemed to be more complex than its counterparts as its relationship comes into play in communications. The definition of corporate communication, offered by Jackson (1987), states that corporate communication is the total communications activity generated by a company to achieve its planned objective. Blauw (1986) adds takes it a bit further by adding that corporate communications must be directed to relevant target groups and each item of communications must convey and emphasise the corporate identity.

According to Cornelissen, (2008, 5) corporate communication is a management function that offers a framework for the effective coordination of all internal and external communications with the overall purpose of establishing and maintaining favourable reputations with stakeholder groups upon which the organization is dependent. Cornelissen (2008, 31) states that corporate communication consists of the channels the organizations uses to communicate internally and externally as well as how the company communicates with its stakeholders. It needs to be vertical and horizontal to reach not only the different stakeholders but also the entire organization. Figure 5 demonstrates according to Cornelissen (2008, 31) which subjects fall under corporate communications.



(Cornelissen 2008, 31)

Figure 5. Corporate communications as an integrated framework for managing communications

In the following section, I look at the central literature on corporate communications and relate it to startups. Also, I will discuss the main issues and challenges that startups may face when dealing with communications. The following graphs show in a visual way how communications theory will be depicted and discussed in the following pages. By taking inspiration of Cornelissen’s graph in Figure 5, I have come up with my own depiction of communications and divided it in three separate sections: strategic, external and internal.

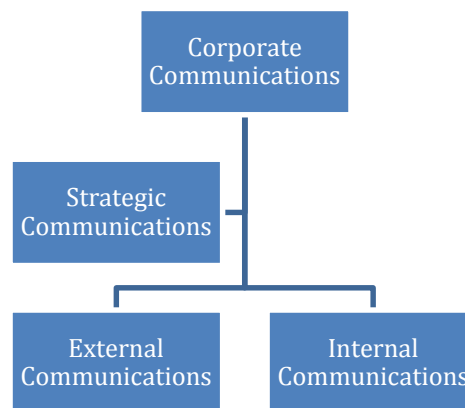


Figure 6 Communications figure

4.1 Strategic communications

In corporations, a communication strategy describes the general image that the company wants to undertake through themes messaging to stakeholders (Cornelissen 2008, 95). The strategy also guides communications processes and projects within a company. It is either a functional or an operational strategy that develops different communications programs towards the organization's stakeholders.

Cornelissen (2008, 97-98) offers three schools of thought on communications strategy and planning.

- Strategy formation consisting of a combination of planned and emergent processes.
- The strategy involves a general direction and not simply plans or tactics
- The strategy is about the organization and its environment.

The first school of thought is the one used mostly by large well-established companies. Their activities are well planned and everything has a clear process. The second one is typically found in creative industries and small to medium size companies. The last one depends on the leadership of the companies and is presented in the companies' environment later on in the thesis.

Furthermore, Cornelissen (2008, 100) offers this model to showcase the communications strategy model that involves strategic analysis of the situation, the strategic intent, the strategic action and finishes by tracking and evaluations.



(Cornelissen 2008, 100)

Figure 7. The communications strategy model

This model showcases how most companies develop and implement their communications strategy and planning. In the next section, we will take a more in-depth look at the communications process used by companies.

The communication strategy essentially boils down to having the strategy aligned to the general organization’s mission. There is a strong link between communications strategy and corporate strategy and they intertwine together one affecting the other.

If the executive management sees communications as a strategic function, this requires that the communications person is involved in deciding on the corporate strategy (Cornelissen 2008, 99). In the following sections of this paper, I will discuss the roles and functions of the communications practitioners and the different levels of communications.

Most communication departments follows a traditional process for developing communications campaigns. These include defining the campaign, planning it, taking action and finally evaluating it.



(Cornelissen 2008)

Figure 8. Process of developing communications campaigns

Figure 9 is a fairly simplified process but it gathers the main points. Often, the head of the communication department needs to go more in-depth with the communications process of planning communications and campaigns. The head of communication has to think about the overall media strategy and budget. A more in-depth process that Cornelissen offers is the following:

| |
|---|
| Vision + Reputation |
| 1.Strategic intent |
| 2.Define communications objectives |
| 3.Identify and prioritize target audience |
| 4.Identify themed messages |
| 5.Develop message styles |
| 6.Develop media strategy |
| 7. Preparing the budget. |

(Cornelissen 2008, 110)

Table 1. The process of planning communication programmes and campaigns

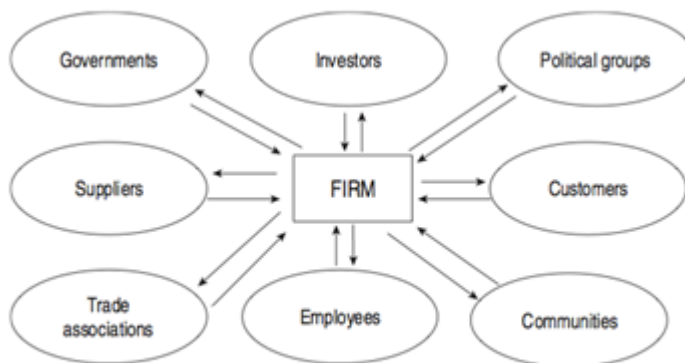
The seven steps are all derived from the vision and the reputation. The vision and the reputation of the company are what set the course for the rest of the communications process.

4.2 External communications

This section explains external communications, which means communications that can be viewed by the public, customers, or the media.

Stakeholder's communications

Cornelissen (2008, 37) states that there are three conceptual foundations of corporate communications: 1) stakeholder, 2) identity, and 3) reputation. These concepts are what practitioners and academics use to understand and practice corporate communication.



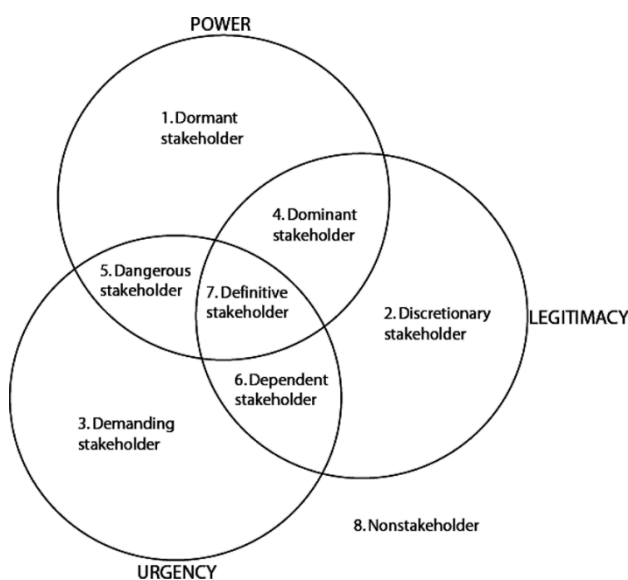
(Cornelissen 2008, 39)

Figure 9. Stakeholder model of strategic management

A stakeholder is any group or individual who can affect or is affected by the achievement or the action of the organization's purpose and objective (Freeman 1984, 6.)

The first important step in stakeholder communication is identifying the company's stakeholders, but not all stakeholders have the same value or importance.

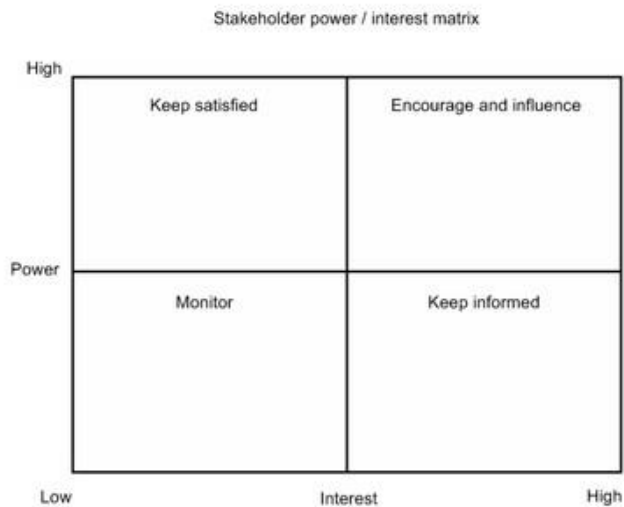
The stakeholder salience model is a good way to identify and classify the current and potential stakeholders of a corporation. Stakeholders are identified by how important they are in a company. Stakeholders are given one in three attribute to classify them in a certain category: power, legitimacy and urgency. This gives a good overview of all stakeholders in relations to the company, and communication professionals can therefore establish which stakeholder groups to communicate with and which ones require more attention. (Cornelissen 2008, 50-52.)



(Cornelissen 2008, 51)

Figure 10. Stakeholder salience model

There is a second model for mapping out stakeholders that is simpler than the Salience model, which tends to get complicated if the company has many different stakeholder groups. This model is called the power-interest matrix. In this model, the communications professionals can classify stakeholders in four different categories: A- Monitor, B -Keep Informed, C- Keep satisfied and D - Key Players to encourage and influence.



(Cornelissen 2008, 54)

Figure 11. The power-interest matrix

Investor relations

The definition for investor relations is the subset of public relations and corporate communications that deals with a company's relationship with the investment community. It relates both to the current investors and the potential ones who might make future investments in the company. (Doorley & Garcia 2007, 210.)

Large firms who are publicly held often have an investor relations department who deal with the demands of investors, regulators, stock markets etc. The investor relations' communication practitioners have a large role of coordinating closely with the company's financial unit, legal department as well as the media relations department.

Community relations

Community relations is a fairly new term adopted by companies. It is the strategic development of mutually beneficial relationship with targeted communities towards the long-term objective of building reputation and trust (Doorley & Garcia 2007, 185). The emphasis and the goal are to strengthen the relationship between the people and the company.

Often there will be a community manager whose task is to foster the community with the aid of communications and social media. The community manager ensures that the community has growth and engagement, that they are being listened to and that there is improvement (Forbes 2013). The community manager plans activities that involves the need of the community and company or organization (Doorley & Garcia 2007, 185).

Media relations

“An organizations should not communicate through the news media until it knows what the facts are...” (Doorley & Garcia 2007, 69) and it needs to communicate in a single voice.

To an organization’s constituencies, anyone from the organization who speaks about the organization is seen to be speaking for the organization (Doorley & Garcia 2007, 70) however, different people speak from different perspectives, using different vocabulary, and based on different levels of knowledge about an issues. This can be confusing, and even damaging to the reputation of the organization. When dealing with the media, it is important that the organization’s communications is aligned.

In mature organizations, media relations are often divided by responsibility including corporate media relations, product media relations, marketing media relations, financial media relations and regional media relations (Doorley & Garcia 2007, 70). These different media relations’ functions are all well organized in the company and usually report directly to the central administrations. The companies often have very clear policies for their employees regarding media relations so that employees know exactly how to relay and deal with media inquiries on any topic within the company (Argenti 2007, 111).

Crisis communications

A crisis, according to Doorley & Garcia (2007, 328-329), is not necessarily a catastrophic event, but rather an event that, left to usual business process and velocities, causes significant reputational, operational, or financial harm. A crisis is something that happens out of the ordinary that risks undesired visibility that in turn could cause significant reputational damage

The most important aspect of crisis communications is to manage any potential issues that can arise in a crisis. Crisis communications practitioners must do environmental scanning and identify any potential issues that can turn into crises. A SWOT analysis that looks into the company's strengths, weaknesses, opportunities and threats or a DESTEP analysis that analyses the audience's demographics, economics, social, technological, ecological, and political situations, are good tools in order to do so. (Cornelissen 2008, 218.)

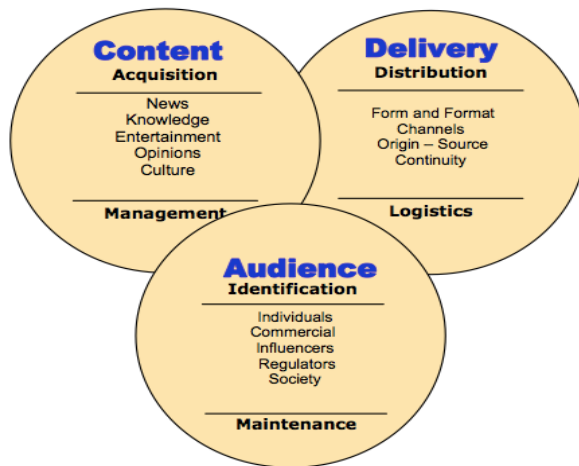
When it comes to responding to a crisis situation, most communications practitioners that specialize in crisis communications say that there are crucial elements that one needs to follow. The first guideline is to decide what to communicate out to the public. Then, the corporation should; "tell it all, tell it fast, tell them what you are doing about it, tell them when it is over and get back to work". (Doorley & Garcia 2007, 336-338.)

Integrated marketing communications

Integrated marketing communications (IMC) is a customer-centric, data-focused method of communicating with customers (Doorley & Garcia 2007, 269). The management of IMC aims to build a positive relationship with customers and stakeholders by building an effective brand and reputation. Schultz et al. (1993) claim that integrated marketing should always be developed from the top down and should always consider the stakeholder point of view.

In an ideal world, the Chief Marketing Officer and the Chief Communications Officer should be joined and work closely together.

One theory of IMC is called the three circles of IMC development created by Naik and Ramon (2003, 375). Figure 13 showcases how content, audience and delivery are all intertwined and work together.



(Naik and Ramon 2003, 375)

Figure 12. Integrated Marketing Communications

The following graph shows how marketing and public relations go together and it visualizes that they often serve the same audience.

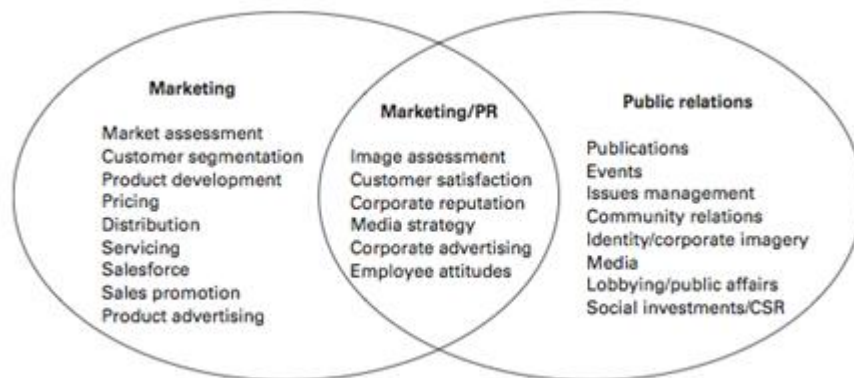


Figure 13. Public relations and marketing activities and their overlap

Corporate Social Responsibility

Corporate Social Responsibility was created so that companies could give a wider societal value beyond their normal business activities. Pursuing “public goods” such as environmental causes, human rights etc., can greatly impact the reputation of the company. It gives positive effects to the shareholder value, revenue, employee morale, and productivity. (Drobis 2002.) Corporate Social Responsibility often falls under communications in larger companies.

Global corporate communication

Because we live in a global competitive environment, it is crucial that corporations think globally. Global communications practitioners need to understand not only their own culture but also all the other cultures that they might encounter. The practitioners need to have understanding of culture, business practices, and communications styles as well as political and economic knowledge. (Doorley & Garcia 2007, 243.) Being global means understanding and listening to all your customers as well as choosing the most relevant form of delivery.

This concludes the section of external communications. External communications plays a large part of any company that has a product or service. They need to attract customers and make sure that all the stakeholders’ needs are met.

4.3 Internal communications

In this section, the focus is on the internal communications theories, which are equally important as external communications because companies need to ensure that the employees are working at an optimum level.

Employee communications

Employee communications is the function that aligns the “hearts, minds and hands” of the employees in the company by engaging and discussing with them (Doorley & Garcia 2007, 129). Many studies confirm the importance on employee communications. A

study from Watson Wyatt (2003-2004) confirms that effective internal communications boost market value and return on investments for shareholders. Good internal communications also affect the company's retentions and engage employees. Therefore employees are crucial stakeholders that the company needs to address in its communications.

A communications professional can influence the company leader in decision-making processes, although the decision lies on the leader. These tactics also depend on the company's culture. (Clampitt, DeKoch & Cashman 2000, 41-57.)

According to Cornelissen (2008, 206) certain factors affect the choice of communications strategies for internal communication, which Cornelissen describes as either a high or low need for communications efficiency. This all depends on the situation and on the leader of the organizations.

Employee communications and human resources are two departments that work closely together and all companies must take into account the company culture.

Company culture

Company culture or organizational culture is important because every single organization has one and the culture can greatly impact the atmosphere and the productivity within the company if the culture is negative or positive.

The culture is defined as the way people inside the organization communicate, how they interact, how decisions are made and conveyed. All together, company culture can be seen as an organization's belief system. Baker (1980, 8-13) calls this "some interrelated set of beliefs, shared by most of their members, about how people should behave at work and what tasks and goals are important".

According to Schein (1992, 9) organizational culture can be one of the most challenging attributes to change within a company. It can often outlast organizational products,

services, employees and leaders. Therefore it is important that the company builds a positive working culture right from the start.

Communications role

The role of a communications practitioner can be divided up by levels of seniority and tasks. Dozier & Broom (1986) presents with two conceptual roles of communications: technician and manager. The communication technician focuses on practical aspects like writing, editing, producing material, etc. whereas Dozier & Broom define the technician as “a creator and disseminator of messages, intimately involved in production and operating independent of management decision making, strategic planning, issues management, environmental scanning and program evaluation” (Dozier & Broom 1995, 22).

The communication manager, as the name suggests, is a managerial role and is the one who decides on the company’s communications strategy and policy. The communication manager can be seen as upper managers or the Chief Communication Officer as they are concerned with long-term solutions. Communications managers are typically part of the decision making process of an organization (Cornelissen 2008, 157).

Some communications managers feel like they are not part of the C-suite club (the decision making room where all the Chiefs gather) and might even feel like they are not welcomed or consulted. Dozier & Broom (1995, 37-56) state that the senior management tend to treat communications as a tactical function as they are concerned with technical gathering of information and publicity campaigns to their external stakeholders.

It is important that communications professionals feel free to pass along negative comments and questions to senior managers without fear that the management will want to “kill the messenger” (Doorley & Garcia 2007, 74). To make communications functions run smoothly, it would be essential that the communications manager participate in all decision making process of the company.

This concludes the communications theory section. Along with startup and entrepreneurship theories, we have looked at corporate communications and external and internal communications. Later in this thesis, we will examine the theory again with new knowledge gathered from startups and communications practitioners working with startups.

5 Conducting the research: Methodology

This chapter will introduce the research approach used in this thesis: the research process from the gathering and analysing of data as well as the chosen methodology will be explained.

5.1 Constructive Research Approach

Constructive research was taken as a guideline as this research because it aims to solve real-life problems by giving a solution in an innovative construction (Lukka 2006, 112). In this thesis, I focus on real life problems that startups may have and I will create an innovative booklet as a solution for these problems, thus I have chosen to adopt the constructive research approach. I also aim for this research to be a great practical and theoretical contribution. Constructive research is used to define and solve problems, as well as to improve existing systems or performances, with the overall implication of adding to the existing body of knowledge (Oyegoke 2011, 574). My aim is to improve the communications functions in startups.

The figure below shows how the constructive research approach typically works. It starts off with finding the problem that has research potential through theory and practical experience. After knowledge and an understanding of the topic have been gained, a new solution is constructed. After creating the solution, testing, justification and validation is needed. It is important to note that this process is not linear but a dynamic and interactive process between the different phases (Oyegoke 2011, 580). Therefore, a researcher can jump back to a previous phase while developing a solution.

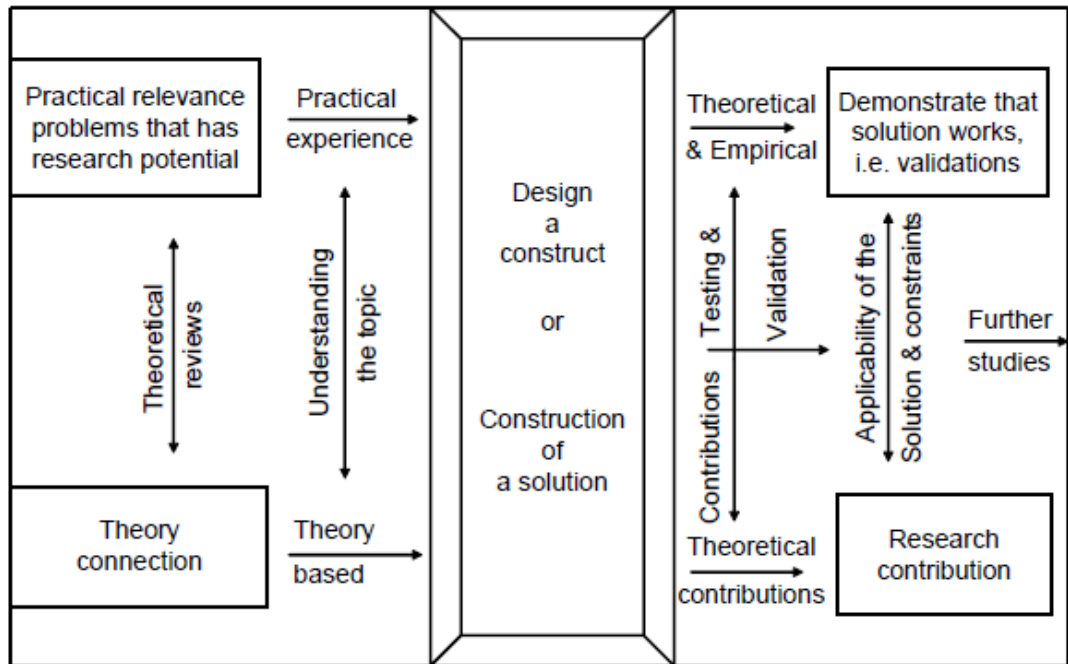


Figure 14: Constructive Research Mechanisms

Using constructive research as a guideline, I have constructed my own approach that I will introduce it next in the methodology section.

5.2 Methodological approach

A qualitative method was used in this research. The principles, procedures and strategies of research used in this research all constitute as the methodology. (Gray et al. 2007, 3) With consideration of the constructive research approach viewed in the previous section, this thesis' research can be broken down to six phases.

1. The preliminary gathering of data from startups in order to define the needs and challenges of startup communications
 - 1.1 Observation
 - 1.2 First Round of interviews
 - 1.3 Experience

2. Identifying the needs and challenges of startup communications
3. First draft of the Startup Communications booklet
4. Delphi Method & focus group with the communications experts
5. Second round of interviews: Startup Communications booklet testing for startups
6. Thematic Approach: final touches to the Startup Communications booklet

I shall further explain each process in more detail below.

5.3 Preliminary gathering of data from the startups

In order to examine what exactly startups need in terms of communications, it was important to do an initial preliminary research to identify the key elements of this study and to really understand the needs and challenges of startup communications. Three distinct activities were done to gather the initial empirical data: observation, interviews and experience. The three activities were combined in order to give an accurate picture of startup communications and in order to follow the different phases of the process and to reach different startups at different levels.

First, two young startups were observed who were both willing to hire a communication practitioner on their teams. The observation period was done in the spring of 2013. It was useful to see the day-to-day life of a startup and to see what kinds of challenges they face in their daily business. Company culture and employee interactions were noted during the observation phase.

Then, semi-formal interviews were conducted with two different startup CEOs that were on the cusp of hiring a communication person on their team. The interviews were conducted in July 2013. The purpose of the interviews was used to deepen the level of analysis by asking the CEOs communications related questions. The interviews aimed at recognizing the key communications needs that a startup might encounter. The participant CEOs were also able to offer their hopes and wishes of a well-run

communication program for their startups as well as give example of what their dream communications person would be like. Each interview was recorded with the permission of the startup CEOs with assurance that each company be kept anonymous. Each interview took around one hour and was later transcribed.

The third activity consists of years of experience working in the seed accelerator program, Startup Sauna in Helsinki. I have been counselling and helping young startup teams with their communications needs for over 5 years. This experience was crucial while observing and interviewing the startups as well as developing the solutions later on in the research.

Combining the data from my observations and interviews with my experience working with startups, I then came up with a list of all the needs and challenges of startups communications. 10 communications needs and 15 communications challenges were identified. The preliminary research will be described in more detail in section 6 of this thesis.

5.4 Drafting the Startup Communications booklet

After the needs and challenges were clearly identified, the next step of the research was to build a booklet for startup communications. The booklet of startup communications addresses all the communications challenges and needs that were brought forward by the literature review and by the startups that were observed and interviewed.

The booklet is divided in two sections. The introduction describes the importance of communications in startups. The second part is the startup communication process that I have developed within the booklet. It is designed specifically for both startups and communications practitioners working with startups. It enables startups to understand and identify the role of communications and improve their communications situations in order to reach their potential. This booklet also serves the communication

person in navigating the startup life, adjusting to startup company culture and translating their communications skills with what works in startups.

After many ideations, the Startup Communication booklet was brought forward to startup communications experts.

5.5 Delphi method and focus group with the startup communications experts

As one of the goals of this research is to augment the value of communications in the eyes of startups, the Delphi method was chosen in examining the side of the communications expert. The Delphi method allows the researcher to develop a solution while doing a continuous development process. It was chosen because it is one of the best ways to collect information from experts using a series of data collection and analysis rounds combined with feedback. The Delphi group size does not depend on numerical power, but rather on group dynamics for arriving at consensus among experts (Skulmoski, Hartmas & Krahm 2007).

The Delphi method is best used for structuring a group communication process to facilitate group problem solving, and to structure models (Linstone & Turloff, 1975), which was ideal for developing the Startup Communication booklet. The participants were chosen on the basis of their expertise in both the startup and communications fields in Helsinki, Finland. An adapted Delphi method was then applied to the communication experts.

Adapted Delphi Method phase

First phase: Communications experts answer questions individually.

Second phase: The Startup Communications booklet is rewritten based on the answers and comments of the communications experts.

Third phase: The booklet is presented to the communications experts and a focus group discussion follows.

Fourth phase: Adjustments are made to the booklet, based on the focus group discussion.

The three communications professionals' work background

| | |
|--------|--|
| COMMS1 | -Blogger for Finland's biggest startup blog - PR consultant (Primary task of working with startups) -Marketing communications in one of Helsinki's top 20 startups |
| COMMS2 | -15 years of communications at large telecommunications company -Communications Freelancer for startups -Communications agency targeting startups |
| COMMS3 | -10 years of Communications at large telecommunications company -Communications Freelancer for projects and startups -Sweat equity (shareholder) of multiple startups -Founder of startup |

Table 2. Delphi interview communications professionals

The number of communications professionals interviewed for this study was sufficient, considering the overall modest number of communications professionals working with startups in Helsinki. Also, the three experts chosen for this study are some of the most experienced in the Helsinki startup scene.

5.6 Second Round of Interviews: presenting the Startup Communication booklet to startups

After the new booklet was properly polished with all the comments and feedback from the experts, it was then introduced to the same startups CEOs that had been either observed or interviewed in the first phase of the research. The booklet was sent to the startups, asking them to print it out, read it and make notes and comments on it. Later, more individual interviews were conducted with the CEOs.

5.7 Finalizing the Startup Communications booklet

A thematic content analysis was done after the Delphi Focus group and the interviews, in order to locate themes within the data that were important and reoccurring. The point of view of the startups was compared with that of the communications practitioners. A thematic analysis allowed me to improve and make changes to the booklet. The themes will be discussed in the discussion section of this thesis.

5.8 Reliability, validity, limitations, ethical & other considerations

Two startups teams interviewed and two others were observed for this thesis. Timing was of an issue, because the author was looking for startups that were interested in hiring a communication person for their startups and not too many startups in the region was at that level.

The limitation is that all the startups in this research had a similar “startup education”; they all went through the Startup Sauna program in Espoo, Finland and have similar kinds of thinking. Also, all the startup founders know the author well so a friendly laid back approach was taken when conducting the research.

Another limitation of the study is potentially geographical based. The findings might only be applicable in a specific region, as startups and media outlets may act differently.

Protecting the privacy of the startups had to be considered. Some startups might had to disclose information about their practices in the first part of gathering data. However, in this research, the author decided to give the startups and the communications professionals’ total anonymity.

6 Preliminary research: the needs and challenges of startup communications

After observing two startups and interviewing two startup CEOs, ten startups communications needs and 15 communications challenges were identified. They are depicted in their own separate chapter as the needs and challenges are important to understand before discussing the testing of the booklet.

6.1 Main startup communications needs

Before we address any communications challenges that startups and communications practitioners might encounter, it is important to tackle the communications needs of startups. This list was put together after interviewing, observing and working with startups. 10 startup communications needs have been identified. The list is in no specific order of importance.

| 10 Communications Needs of Startups |
|---|
| -Communications to be aligned with the startups' strategy |
| -Customer acquisition |
| -Customer fostering |
| -Improving relations with stakeholders |
| -Influence venture capitalists, investors, angels, board members, media |
| -Transparency in the brand, reputations and practices |
| -Making a big impact with a limited budget and small team |
| -Understand the right delivery of the message for the intended audience |
| -Understand the right tone of message for their right audience |
| -Knowledge transfer within the team and company |

Table 3. Ten communications needs of startups

I will briefly discuss each need that the startup might have concerning communications. Later on in the thesis, I will explain how communications practitioners can address these needs. Though some of these needs can be general goals for all corporations, it is important to note them specifically for startups. Startups need to be practical as well as flexible when thinking of their goals.

-Communications to be aligned with the startups' strategy

The startup needs to have all external and internal communications aligned with their strategy. This needs to be communicated toward stakeholders and employees. Most often the startups' strategy is under construction therefore the communications also needs to be accommodating and flexible.

-Customer acquisition

As for any company, communication plays a large part in attracting more customers. Startups often need to be reminded of this fact and need to understand that communications can bring visibility and publicity to a startup as well as more customers.

-Customer fostering

After acquiring customers, it is very important that the startup keeps the customers happy and therefore transforms the customer into a repeat customer, which means that the customer will continue to buy the startups' product or services. Communications plays a large part in fostering the startups' customers.

-Improving relations with stakeholders

Startups have many different stakeholders, such as buyers or sellers. The startup also has to maintain relations with its funders such as venture capitalists or organizations such as Tekes or Finpro in Finland.

-Influence venture capitalists, investors, angels, board members, media

Communications can help the startup get more funding by influencing future venture capitalist, investors etc.

-Transparency in the brand, reputations and practices

The communication in the startup needs to be transparent when it comes to their brand, reputation and practices because the startups' ecosystem and the business community are typically tight-knit and honesty and transparency are very important.

- Making a big impact with a limited budget and small team

The communication role in a startup needs to understand that the startup has a limited budget and limited resources such as a small team. But the startup needs to make a big impact with little resources in order to make a difference; this can be quite the challenge.

-Understand the right delivery of the message

The communications need to always have the right delivery of the message that it gives out to the public. This is also relevant for choosing the right channel or method of delivery.

-Understand the right tone of message for their right audience

The tone of the message is also very important for the startup to capture the right kind of audience.

-Knowledge transfer within the team and company

Communication plays an important part internally in the startup. Communication helps transfer knowledge inside the team and it can make the team run smoothly. It can also help future employees develop themselves inside the company.

These are the 10 startups communications needs identified. Later in the thesis, we will see how the startup should address these 10 needs and what communications practitioners can do to fully support startups.

6.2 Main challenges of the startup communications

Taking the same order with the communications theory, I will now discuss the main challenges that startups might encounter when dealing with communications.

Communications strategy and planning in startups

When we look back at Cornelissen's (2008, 97-98) three schools of thought about strategy, startups often adopt the "strategy involves a general direction and not simply plans or tactics". If we take into account Steve Blank's (2012) definition that a startup is on the search for a business model, it is often the case that startups don't have a clear mission or vision at the beginning phases. Therefore, startup communication needs to be lean and very flexible because it might change in the future. Startups don't typically think about a communications strategy. Any kind of strategy in a startup might change instantly. Because startups are still searching for an adequate business model, a strategy might be difficult to materialize.

A communications strategy in a startup needs to be as agile as the startup itself and not be afraid to change on a moment's notice. However, some communication strategy is needed because it is beneficial for the startup to gain some publicity at the early stages. Early publicity is good to attract the first investors into the company and also to attract the first customers.

Challenge 1: Startups' business model is unclear at the beginning phases, therefore the communications planning and strategy is done in an ad-hoc manner.

Communications process

When it comes to making decisions in a startup, one of the first things that a startup looks at before anything else is the budget. Startups often don't have any finance and if they do, the money often goes to the development of their product. As seen earlier in the traditional process of developing communications campaigns, the budget is one of the last things that the communications practitioner considers. They usually have a large budget to pull off different campaigns throughout the year.

The process of preparing a communications campaign is different in a startup and a more mature company. As cited above, the communication department prepares for a campaign by evaluating the messages and the audiences, the last step is arranging budget. The financial situation in a startup is tight because they might not have any money, or the money that they do have goes to the development of their product or services.

Challenge 2: Startups' financial situation makes communications planning different from mature company.

6.3 External communications challenges for startups

Stakeholder communications for startups

Both models of the salience and the power-interest matrix are important to map out for startups. For example while using one of these models, the startup can decide different segments of customers that they would target for their product or services.

The challenge is that startups are on the search for a sustainable business model and therefore might change stakeholders often.

Challenge 3: Startups' stakeholders can change dramatically in a short period of time.

Investor relations challenges in startups

Investors have a slightly different meaning in startups compared to mature companies. Rather than being publicly listed companies, startups are in search of finances to fund the growing companies. Investor relations have a very important part in the startups as it fosters the current investors that might guide or advise the startup. This also could attract more investors in the future.

It's the CEO's or founder's role to take care of the investors in a startup. It is usually their job to get the investors to invest in the startup in the first place, and then they have to foster the relationship and report back to the investor on a regular basis.

Challenge 4: Startups' definition of investor relations is different than a large corporation.

Community relations

Community relations are one thing that startups do well. In fact, many startups rather hire a community manager than a communications manager. Community managers are usually young with the role description of managing social media affairs to foster the customers. However, if the startup only hires community managers, there will be a missing aspect of communications that might hinder the startup.

Challenge 5: Startups with only community managers might not have the skills or the capability to deal with other communications related issues.

Media relations

As startups change their customers often until they find a sustainable model, their audiences might not be so clear. So when startups think about media relations, they might be confused of why they should be doing media relations in the first place. If their audience is not clear, they might not know how to target them either. If they do get help from media relation's professionals such as an agency, the startup might not have clear outcomes or clear goals to achieve. Before resorting to outside help, some

startups also tend to not know when is the best time they should outsource to a PR agency or freelancer.

Three challenges have been identified for startups' media relations.

Challenge 6: Startups don't have a clear audience making media relations difficult.

Challenge 7: Startups don't have a clear outcome or vision with media relations

Challenge 8: Startups don't know when they should outsource the media relations to a PR company rather than do it themselves.

Crisis communications

Startups usually consist of a very small and young team. If a crisis situation arises, the team is unprepared and does not have the experience to be unable to deal with the crisis. Because the team is busy working on their startup, there is no time to evaluate or prepare for any potentially dangerous situation.

Challenge 9: Startups don't have the means or capabilities of dealing with a crisis situation.

Integrated Marketing Communications

Startups who tend to be on a boot-string budget will sometimes resort to hiring a person who can do both the marketing and the communications. Sometimes this is wise for the startup to do because marketing and communications does go hand-in-hand. However what often happens is that the IMC practitioner for startup has his/her plate very full with all the marketing and communications activities.

Challenge 10: With limited resources, Startups' IMC practitioner might be overstretched in his/her duties.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is typically placed in large organizations to build goodwill and to improve the company's image and reputation. In a startup, CSR is not on a prime objective. However, there is a breed of startups that is different from the technology driven startups. These startups' mission is to do good in communities. These types of startups are usually called "social startups."

Challenge 11: Startups doing CSR work are called social startups and are a different breed of startup.

Global communication

For startups located outside of North America, using local language might be the norm. Either they are testing the local region with their products or services or they are uneasy to use a second language such as English. If this is an example of a scalable startup, (a startup that wants to reach international markets) then the startup needs to be global from the very beginning.

Challenge 12: Startups might be uncertain to start using a global language from the start.

6.4 Internal startup communications challenges

Employee communications

The advantage that the startup has over employee communications is that startups usually have very small teams. Usually a startup team can fit around a table or be in the same room. Still, a lot of decisions are made in a short amount of time and often not all of these decisions are relayed back to the team.

Challenge 13: So many decisions and changes can happen in a short period of time that the startup has no time to properly communicate to its team.

Company's culture

In my experience, startups' company culture is something that benefits them greatly. Startups' culture can be truly better than a large company and they are a small team and can sometimes work better, faster and more efficiently than a large company, as they do not need to climb the intricacies of bureaucracy.

As startup founders are so passionate about their startup, it is sometimes hard to translate this excitement to an outsider. Communications practitioners – especially those who come from a corporate background – might not share the same enthusiasm as the rest of the entrepreneurs in the team. Later on in the thesis I will discuss how it might be difficult for professionals who have this corporate culture attitude to work in startups.

Challenge 14: There is a disconnect between the communications practitioner and the entrepreneurs.

Communications roles in startups

If we return to the communication manager vs technician theory offered by Dozier & Broom (1995), what often happens in startups is that even if the communications persons are experts and consider him/herself a communication manager, the CEO often plays the part of “communication manager” and the communication person is left to do the technician work. The CEO decides on the strategy and is primarily concerned with the big picture of the company, while the communications person deals with the everyday functions of communications.

Challenge 15: Manager / technician role can be a struggle between the startups' leader and the communications managers.

6.5 Summary of 15 challenges of startup communications

| | |
|--------------|--|
| Challenge 1 | Startups' business model is unclear at the beginning phases, therefore the communications planning and strategy is done in an ad-hoc manner. |
| Challenge 2 | Startups' financial situation makes communications planning different in a mature company. |
| Challenge 3 | Startups' stakeholders can change dramatically in a short period of time. |
| Challenge 4 | Startups' definition of investor relations is different than a large corporation. |
| Challenge 5 | Startups with only community managers might not have the skills or the capability to deal with other communications related issues. |
| Challenge 6 | Startups don't have a clear audience making media relations difficult. |
| Challenge 7 | Startups don't have a clear outcome or vision with media relations |
| Challenge 8 | Startups don't know when they should outsource the media relations to a PR company rather than do it themselves. |
| Challenge 9 | Startups don't have the means or capabilities of dealing with a crisis situation. |
| Challenge 10 | With limited resources, Startups' IMC practitioner might be overstretched in his/her duties. |
| Challenge 11 | Startup doing CSR work are called social startups and are a different breed of startup. |
| Challenge 12 | Startups might be uncertain to start using a global language |

| | |
|--------------|--|
| | from the start. |
| Challenge 13 | So many decisions and changes can happen in a short period of time that the startup has no time to properly communicate to its team. |
| Challenge 14 | There is a disconnect between communications practitioners and entrepreneurs |
| Challenge 15 | Manager / technician role can be a struggle between the startups' leader and the communications managers. |

Table 4. Startup Communications Challenges

I have decided to list 15 main challenges that are somewhat general for the general technology startup. We must realize that all startups are not created equal and some startups might have fewer challenges and others might have much more.

6.6 The challenges of communications practitioners

As we look back on Figure 15, we shall discuss the challenges that one might have when working with startups. These are challenges that communications practitioners might have when working with startups.

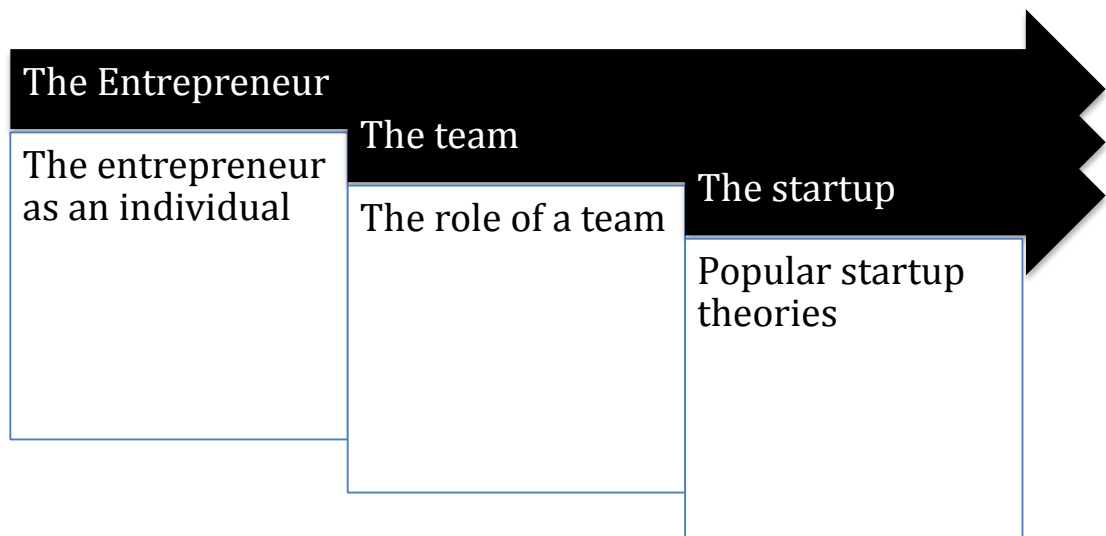


Figure 15: The three levels of startups

The entrepreneur and the communications practitioner's challenges

The practitioners might not have the same attitude or enthusiasm as the entrepreneurs.

They might not have the same passion for the company as the founder has.

Also there might be a struggle between the communications professional and the entrepreneurs when it comes to communications strategies.

Therefore I bring forward 2 challenges that were seen above for startups (challenge # 14 and # 15) and suggest that these challenges are equally challenging for communications professionals as they are for startups.

| | |
|----------------|--|
| Challenge 14 * | There is a disconnect between communications practitioners and entrepreneurs |
|----------------|--|

| | |
|----------------|---|
| Challenge 15 * | Manager / technician role can be a struggle between the startups' leader and the communications managers. |
|----------------|---|

The team and the communications practitioner's challenges

Fitting in a startup team can be a difficult thing for someone who has no startup experience. The company's culture comes into play in this segment, as everyone on the team, including the communications practitioners are able to influence the culture and the atmosphere. The communications person needs to be mindful and aware of this.

The Startup and the communications practitioner's challenges

Learning all the different startup related methods and theories could take a while for someone who does not know about them. Also startups might have some different business practices that big corporation would not even dream of. This could be an issue and a learning curve for the communications practitioner.

I have now listed all the needs and challenges that startups might have regarding communications and also the challenges that practitioners might also have working within startups. In the next section, I will discuss how I formulated a booklet to address all of these needs and challenges and to help both parties.

7 Findings: Testing the Startup Communications booklet

In this chapter the results of the testing of the booklet will be discussed as well as the improvement made to the booklet. To recap, after gathering the preliminary research on the needs and challenges of startup communications, I formulated a booklet to help startups and communications professionals achieve their communications goals. After writing many drafts of the booklet, I met with both communications experts and startups to get their comments on the booklet. An adapted Delphi method was implemented to the communications experts and interviews were conducted with startups to get feedback. In this chapter, we will be discussed the findings that were made evident after the Delphi method and the interviews. I will also discuss the changes made to the booklet after the testing was completed. The last part of this section discusses how the booklet addresses the needs and challenges identified in the preliminary research.

7.1 Thematic content

After reviewing all the comments and feedback from the process of consulting communications people and startups, I have identified certain themes and re-occurrences. Based on these themes, I have made specific changes and alterations to the new startup communications booklet. Five main themes were found that I classified as finding to make the booklet better. I also discuss the changes brought on by these five classifications of findings.

Reinforcement that the booklet is needed

The biggest outcome that was received from both the communications experts and startups was that they all thought that the booklet was needed and important. Both the communications professionals and the startups had very positives things to say about the booklet.

“This subject was needed and that the booklet should be publicity available.”

COMS3

”This booklet should be printed and put in to the hands of every startups,”
COMS1

”It should be its own website with printed pamphlets handed out to all new startups” STARTUP5

Some of the participants were caught up in the semantics of the booklet and already thought that the booklet was ready to publish:

”You can tell that this was built in (Microsoft) Word, you should get a designer to make it into a book” STARTUP4

These comments signify that the participants were excited to see such a booklet being created and wanted to see it succeed.

One of the most positive reinforcements came from the startups:

”I already picked up a few tips on what to do with my own startup” STARTUP3.

These sorts of comments made it all worthwhile for me as an author to realize that I was actually making an impact and a difference in someone’s company.

Using the same terminology and definitions

After consulting both the startups and communications experts, I realized that I needed to make communications terminology clear so that there would be no assumptions made by either parties on what kind of communications is needed in startups.

The startups’ interviews reveal that there may have been some confusion over some of the terminology such as the term communication itself. This strengthens the fact that my booklet is needed and that startups and communications needed to be on the same page when it comes to defining communications.

”Maybe expand a bit more on what is communication? One thing that I’ve found is that often startups think communication is about posting something on twitter, when something like the bill you send to customers is saying a lot more.” STARTUP4

A new section called “What does communications look like in a startup” was added

This section was put in the first part of the booklet to end any confusion of what the communications functions in a startup should look like.

It states “Communications is much more than just blog writing, and social media monitoring. It’s about publicity: getting the message out from the startup and getting more customers through communications. It’s about keeping up relations with journalists, blogs and press (have a more proactive approach than a reactive) content producing for website and social media and developing internal communications process ” (Appendix II)

A new section called “Should you hire a community manager, evangelists, or marketing person?” was added.

This section explains the difference between all three and how they relate to the communications person. In short, the three different roles are great to have in a startup, but cannot fulfil the communications functions on their own.

Agency vs freelancer

During the Delphi method with the communications professionals, there was quite a heavy debate on separating the “agency” from the “freelancer” section and having the freelancer be its own course of action. At first, I had decided to lump the “agency” and the “freelancer” together. The reasoning was that both the agency and the freelancer are outside services that the startups have to buy. After discussing with the communications professionals, I decided that the freelancer would be its own section as the section has enough bases to stand independently.

It is important to note here that when I asked the startups their opinion on this matter, all startups did not have any opinion and had not considered any difference. I came to the conclusion that the communications experts that I talked to had been working in both roles of agency and freelancer and felt quite strongly that they should be separated.

“Freelancer” is made its an own and separate section in the booklet

Previously, the agency and freelancer were grouped together, as it both are outside help that a startup can hire. After discussing this matter with the communications professionals, they all felt that the freelancer should have its own separate section stating that agencies and freelancers are completely different to each other. Changes were made accordingly.

Why communications experts and startups should work together

The communications experts were all very curious of the startups’ thoughts and comments on the booklet- they all agreed that:

”It will be interesting to see what the startup says” COMS1

Communications experts are very well aware that sometimes people in startups don’t understand communications people.

On the flip side, startups are fully aware that most people don’t fully understand the startup world. This is often what brings and bands startup people together.

”In a perfect world, the engineers will understand the business people, the business people will understand the designer.” STARTUP3

Startups understand that they should make an effort to understand and work properly with communications practitioners but there is sometimes just not enough time to do so.

“As a startup CEO, there is just not enough time to do anything!” STARTUP4

Communications practitioners also feel banded together with other experts that work together with startups. I would say that it is a special breed of communications experts that decides to help startups.

“Many of my former colleagues thought that I was crazy when I first branched out to startups.” COMS3

However, all communications experts decided that it was important to have more communications people work with startups.

“It’s your job to help them, we want Finnish startups to succeed, and this also creates more potential work for us.” COMS1

A paragraph to “why communication people should be thinking about startups” was added

This paragraph was added to the ending of this specific section to add more importance and to add more weight to the subject. ” It essentially boils down that startups are not thinking about communications because they are too busy or they might just be bad at it.” (Appendix II). It was added to give more gravity to the situation of why communications people should be helping startups.

“Communications persons’ checklist” was changed to “Everybody’s checklists”

After reading this section, the startup exclaimed: “that everybody should be doing this –not just the communications people”. A strong point was made, as the lists includes

- Talk to experts from the field about the startup specific industry.
- Do a thorough market analysis
- Research about the field
- Search other startups or companies that are roughly doing the same the things.
- Find out who are the competitors.
- Study the target customers. Understand what they need and want.

- Understand the startup ecosystem by reading blogs, news articles etc. and by talking to startups.
- For the communications person, make sure that you as passionate as the other team members about the startups product or services. Find out about the other team members beforehand.
- Have real expectations for the coms person's duties and roles
- Have realistic expectations of what kind of publicity can be achieved and in what kind of media and channels it can be featured in. (Appendix II)

Since all these points are important to both startups people and communications people, the heading of this section was changed from "Communications person's checklists" to "Everybody's checklists"

Make the booklet more "startup-like" and provide more examples

When one is immersed in the startup world, there are certain terms, slang and culture that the startup is part of. Startups often use a different vocabulary.

"You should use more startup lingo words like pivot and execute and as right now this booklet is pretty academic" STARTUP3

As I was writing this booklet with the thesis in mind, I believe that it influenced the choosing of words used in the booklet.

One startup commented that the word "tips" should be changed to guidance or guideline.

"Tips sounds like you would not take it too seriously whereas guidelines sounds a lot more official." STARTUP4

All startups mentioned that they wanted more concrete examples relating to communications.

“I was also kind of looking forward to some more advanced approaches / example of what happens when startups don't communicate properly.”

STARTUP4

”In the advanced section, for example, you mentioned briefly that one might want different communication strategies for different stakeholders, like investor, customer, users...and what the messages should be for each. This would be interesting to expand upon.” STARTUP3

”It would also be interesting to see what happens when communication is not done properly using examples.” STARTUP3

7.2 How the Startup Communications booklet addresses the 10 communications needs of the startup

This section shows how the booklet addresses the 10 communications needs of startups. Figure 7 below reminds us of the 10 communications needs of startups that was identified earlier.

| 10 Communications Needs of Startups |
|--|
| -Communications to be aligned with the startups' strategy |
| -Customer acquisition |
| -Customer fostering |
| -Improving relations with stakeholders |
| -Influence potential customers, stakeholders, venture capitalists, investors, angels, board members, media |
| -Transparency in the brand, reputations and practices |
| - Making a big impact with a limited budget and small team |
| -Understand the right delivery of the message |
| -Understand the right tone of message for their right audience |
| -Knowledge transfer within the team and company |

Table 5. Ten communications needs of startups

As several of the needs are similar in 10 startup communication needs, I shall link some of them together and address how the booklet gives solutions for these needs.

The 10 Communications needs of startups

| |
|---|
| -Communications to be aligned with the startups' strategy |
|---|

The communication function needs to be aligned with the startups' strategy and one good way to do this, as the booklet suggest is to have the communications person (if the startup has one) participate in the important decision making.

Another way to ensure alignment is to build communications structures:

- You need to actively build communication structures. Lay down rules and daily/weekly routines to get the whole team on board of what is going on. Try to unify communications channels as much as possible (I.e. try having only one tool for internal chat, only one system to store docs etc.). Make sure that information flows clearly inside the company. Without you systematically and actively doing that the communication is bound to be chaotic, and important bits of information could fall through the cracks.
(Appendix II)

| |
|-----------------------|
| -Customer acquisition |
|-----------------------|

| |
|---------------------|
| -Customer fostering |
|---------------------|

In the section called "Checklists for everybody" found in the booklet, the emphasis is put on the customer. The booklet urges the startup to really do some due diligence on the customer and identifying the customers is crucial.

| |
|--|
| -Improving relations with stakeholders |
|--|

| |
|---|
| -Influence potential customers, stakeholders, venture capitalists, investors, angels, |
|---|

board members, media

The booklet gives plenty of tips in the section called The Essentials. For example:

-View Communications as an opportunity. Every time you interact, win the heart of your partner.

-Media relations demand keeping up relationship with the press on a constant basis. Communications is a about relationship building.

-Relationship with media takes effort with keeping up the hype. Therefore you cannot treat communications as a project, but it has to be continuously be fostered.

(Appendix II)

-Transparency in the brand, reputations and practices

-Making a big impact with a limited budget and small team

In the last part of the booklet, called execute and assess, it states the importance of always assessing the situation. The booklet encourages, all transparency especially between the communications person and the CEO.

-Every few months, address the communications function and see if it is working as it should be. This is a time where the CEO of the startup and the communication person should sit down and talk about the goals, tasks and issues of the communications function.

-Always ask for feedback. The communications person should be asking for feedback constantly, as well as giving it.

(Appendix II)

| |
|---|
| -Understand the right delivery of the message |
|---|

| |
|--|
| -Understand the right tone of message for their right audience |
|--|

These needs are addressed in the section called “The Essentials- Best Practices in Startup Communications – What every startup should have regarding communication.”

(Appendix II)

Messaging and storytelling are prime examples and the booklet gives tips such as

-Always have a story to tell. Story telling is so important; it helps to capture the audience and makes the startup more memorable. Storytelling makes the startup stand out from other competitors.

-Have different messages & stories for different stakeholders. It’s all about good pitching. It’s about identifying the audience and their channels. (Appendix II)

| |
|--|
| Knowledge transfer within the team and company |
|--|

Communications is an excellent vehicle to transfer knowledge within the startup. By putting down communications structures, practices and processes, the communications functions can ensure that knowledge is sufficiently transferred within the company.

These are just a few prime examples of how the Startup Communication booklet addresses startups needs. Of course each startup is different, so the booklet encourages them to take what is needed and beneficial for them as well as giving the startups valuable tips on what is truly needed for startup communications.

7.3 How can the booklet help communications practitioners address the startups' communication needs?

Before a person takes on the communications function in a startup, (freelancer, agency or employed) the startup first needs to decide what kind of communications is needed and what kind of functions will be provided. There is an evaluation part in the booklet that asks some critical questions such as

- How much publicity are you getting right now or aim at getting?
- Evaluate the next 6 months of the startup cycle, will there be a launch soon?
- What kind of communications challenges do you foresee?
- What kind of communications needs does the startup have?
- How is the state of internal communications within the team? Can it be improved?

Once the startup has evaluated its situation, there are 5 courses of action that the startup can take:

- Do nothing
- Coms DIY (extend the roles of members of the startup)
- Hire an agency
- Hire a freelancer
- Hire a communications person

Others: Community Managers, Evangelists, Marketing people and more!

(Appendix II)

In the booklet, there is a list of tips for each one of these functions. Therefore, the freelancer working part time with a startup can go consult the freelancer section in the booklet and so on.

7.4 How the Startup Communications booklet addresses the 15 communications challenges.

Now that we have seen that the booklet addresses the communications needs of a startup, we will look at how it addresses the communications challenges.

| | |
|-------------|--|
| Challenge 1 | Startups' business model is unclear at the beginning phases, therefore the communications planning and strategy is done in an ad-hoc manner. |
|-------------|--|

Startups will learn how to properly plan and have a communication strategy with the new communication models in the hands. Both startups and communications people learn that they need to be flexible and agile in their communications strategy. The planning part of the booklet gives examples and templates of tools to use to map out their communications in startups.

| | |
|-------------|--|
| Challenge 2 | Startup financial situation makes communications planning different in a mature company. |
|-------------|--|

The booklet states that the first thing that startups need to address is their financial situation when starting to plan their communications needs. The booklet teaches the startup and the communication function that the startup needs to take into account their financial situation first and foremost and then plan the communications accordingly.

The planning section of the booklet explains the startup communication process, which has 5 parts that all take into account the startup vision.

Startup Vision

1. What is the budget?

2. Establish the target audience
3. What are the appropriate channels of delivery that the budget can afford?
4. Develop a message style and theme
5. Execute, evaluate and ideate.

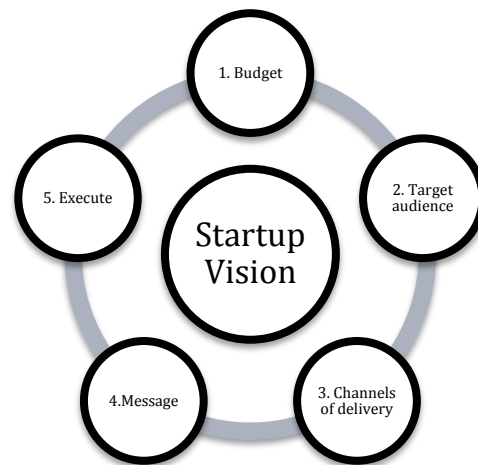


Figure 16. Startup communications process

| | |
|-------------|---|
| Challenge 3 | Startups' stakeholders can change dramatically in a short period of time. |
|-------------|---|

As well as being ready, agile and flexible, the communications in startups needs to constantly address the stakeholders and be prepared for changes.

In the planning section of the booklet, there is a template of a startup stakeholder communications plan. The template helps startups and communications people to identity their specific stakeholders and how to address them.

An example of an easy to use stakeholder template is found in the booklet and it can be used to establish the startups' target audience, messages and frequency.

A simple template such as the stakeholder template, can be built in a shared excel file and it will greatly help the startup decide who is important in all their stakeholders, and

more importantly, decide who communicates to whom and how the messages is conveyed.

| | |
|-------------|--|
| Challenge 4 | Startups definition of investor relations is different than a large corporation. |
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As seen above in the previous challenge, the booklet gives a stakeholder template example that the communications person and the CEO can work on. Usually, the startup CEO takes care of the investors. Having this written down in the template makes it transparent to all the team members that it is the startups' CEO's job to message the investors.

| | |
|-------------|---|
| Challenge 5 | Startups with only community managers might not have the skills or the capability to deal with other communications related issues. |
|-------------|---|

This challenge was addressed in the “Should you hire a community manager, evangelists, and marketing person instead of a communications person?” section. It gave the definition and the roles of all three people mentioned above in a startups and discussed the problematic situations that each might face.

| | |
|-------------|--|
| Challenge 6 | Startups don't have a clear audience making media relations difficult. |
|-------------|--|

Again, the Stakeholder template found in the booklet can help with this issue. With the help of the booklet, startups can map their stakeholders, making their audience clear, which helps to deliver the message to their specific audience.

| | |
|-------------|--|
| Challenge 7 | Startups don't have a clear outcome or vision with media relations |
|-------------|--|

After reading the booklet and using the tools and template, startups will have a better understanding of media relations. They might realize that they need outside help to better achieve their media relations' goals. If they decide to get outside help, the booklet gives ample of tips on how to deal with agencies and freelancers.

| | |
|-------------|---|
| Challenge 8 | Startups don't know when they should outsource the media relations to a PR company rather than doing it themselves. |
|-------------|---|

The startup communications model booklet gives ample examples for both startups and PR agencies on how to deal with each other. In the checklists section, the startups can use a specific checklist to decide how to fulfil their communications needs.

| | |
|-------------|---|
| Challenge 9 | Startups don't have the means or capabilities of dealing with a crisis situation. |
|-------------|---|

This challenge was also addressed in the "Should you hire a community manager, evangelists, marketing person instead of a communications person?" section, as it gives an example of what the startup should do if a crisis occurs. It states that if there is no professional in the startup that has experience with the matter that the startup should seek professional counsel.

| | |
|--------------|--|
| Challenge 10 | With limited resources, Startups' IMC practitioner might be overstretched in their duties. |
|--------------|--|

In the "Should you hire a community manager, evangelists, and marketing person instead of a communications person?" section, the marketing person's role is discussed.

| | |
|--------------|---|
| Challenge 11 | Startup doing CSR work are called social startups and are a different breed of startup. |
|--------------|---|

Social startups can also read the Startup Communications booklet and receive guidance and tips. This booklet was not designed for any specific industry of startups but for startups as a whole. Any young team with a great idea that might change the world will greatly benefit from the Startup Communications booklet. Professionals working with social startups should understand that startups are in a different league than the typical tech startups and should be treated as such.

| | |
|--------------|--|
| Challenge 12 | Startups might be uncertain to start using a global language from the start. |
|--------------|--|

Startups should be attentive to their audience and their stakeholders. If the startup is trying to achieve global competitions, it is only natural to use the English language in the company from the start.

| | |
|--------------|---|
| Challenge 13 | So many decision and changes can happen in a short period of time that the startup has no time to properly communicate to its team. |
|--------------|---|

The Startup Communication booklet gives a lot of examples of tools for process and templates. Every startup is different and needs to establish their own routine and process that works for them.

| | |
|--------------|---|
| Challenge 14 | Manager / technician role can be a struggle between the startups' leader and the communications managers. |
|--------------|---|

This challenge is quite perplexing because often, the communications person comes to the startup as an expert but is not treated as such by the startup leader. This happens because the startup leader, who is often the founder, has been the lead in all communications matters. The booklet teaches the startups about communications and gives examples on how to properly deal with different communications situations.

| | |
|--------------|---|
| Challenge 15 | Disconnect between communications practitioners and entrepreneurs |
|--------------|---|

By reading the booklet, startups will be able to better understand the roles of a communications person and vice versa. The booklet explains to communications people that startups are not small versions of large companies and thus, should not be treated the same way.

The Startup Communications booklet offers solutions for all 15 of these identified challenges and offers more tips on how to address these challenges. The booklet is a guide that can help startups at different stages of their cycle and it is not a one-time-read. It acts as a guidebook for both startups with their communications and communications people working with startups.

More importantly, the booklet helps fulfill the gap between startups and communications people by helping them understand each other.

7.5 Final remarks on the booklet

Finally, after conducting research on communications professionals and on startups, the Startup Communications booklet was completed on the basis of this thesis. The structure remained the same, but almost every section was improved with new

thoughts and new perspectives. It is important to note that this booklet will be constantly changing. As time evolves so will the communication strategies taken by startups. The motto that the author takes in relations to this booklet is “always ready, never finished” as it can go even deeper regarding the type of industry of the startup etc. Because the field of entrepreneurship is rapidly growing and expanding, this Startup Communications booklet needs to grow with it.

7.6 Discussion

The purpose of the preliminary research was to seek out the needs and challenges of startup communications and it answers the first research question of this thesis: What are the communications needs and challenges of a startup company? The Startup Communications booklet was written based on these findings of the preliminary research. After many ideations of the booklet, I showed it to startups and communications experts to get their opinion and feedback by interviews and by applying the Delphi method. It was an eye opening experience to sit down with startups and communications experts to discuss these issues. More studies should include both communications experts and startups.

I have demonstrated that the Startup Communications booklet can address all of these needs and challenges and I have built a process, which startups can follow in order to decide how to run communications inside their company. The booklet creation answers the second research question of this thesis: How can a booklet be developed based on the needs, challenges and knowledge of startup culture to improve communications in a startup? This booklet is by far, at the moment, one of a kind and is one of the first documentation in Finland to help startups with their communications. I hope other young academics will build upon it and make it better in the future.

The third and last research question was how can communications practitioners address these needs and challenges that startups face with their communications? I have discussed the needs of the startup and I have showcased how the booklet that I have developed helps both the communications practitioner and the startups address these needs. There are plenty of tips for both the startups and the communications people working with startups inside the booklet.

On a side note, a personal question that I had was how to raise the value (and awareness) of communications in Finnish startups who are product-oriented? Putting the booklet in the hands of communications people, (employees, freelancers, agencies) and in the hands of entrepreneurs will be able to solve this problem. I spent a lot of time and effort developing the booklet and my surrounding has benefited, as the booklet has reached the startups participating in the Startup Sauna program. I also plan to do many presentations on this topic and consult both startups and communications professionals.

This research focused on startups communication functions, as this type of research is paramount for young early-stage startups, where information and communication technologies are intertwined with our social and working lives. This research finding, the Startup Communications booklet will help guide the future startups and consult them when they are dealing with their communications functions. It will also help communications professionals to better understand working with startups.

This research hopes to break the ice between entrepreneurs and communications functions. I hope that there will be a lot more communications research for startups because as we must remember “Startups are not small versions of big companies” (Blank 2012).

8 Conclusion and recommendations

Of course, the first suggestions for both startups and communications professionals would be to carefully read the Startup Communication booklet. From my research, there is no such book, website, guide that helps both parties work together.

For Finnish startups, I suggest that they start thinking immediately about their communications tactics with a more western approach (for example, Silicon Valley's startups) In Finland, it seems that marketing communication is more of an after-thought as most startups, as they are much more product oriented. But if these companies want to compete on a global level, they need to start competing like their competitors.

Startups need to invest in communications (and be aware of what can go wrong if they don't take communications into account) and communications people should be thinking about startups. The booklet states the importance of why these two fields should cooperate. At the very least, startups should understand the basic elements of communications and communications experts should know about life in a startup and how it differs from most companies.

Once the startup has evaluated its communications functions and needs, it needs to decide on the appropriate course of action to fulfil their communications needs.

The booklet offers 5 different courses of action:

- Do nothing
- Coms DIY (Communications Do-It-Yourself)
- Hire an agency
- Hire a freelancer
- Hire a communications person

Do Nothing

As implied in the title, doing nothing means literally that the startup takes no course of action towards communications. This is the least favourable action and should be avoided. However, the author made a choice to include it in the booklet because it demonstrates to the startup the dire consequences of doing nothing and brings light to the fact that many startups are in fact “doing nothing” in terms of communications. This will make the startup realize the fact that communications is important and should be carefully examined.

Coms DIY (Communications Do-it-yourself)

Coms DIY are for young startups that are eager to get their message out. They need publicity but do not have the money to hire a professional to take care of their communications needs. Or they are not at the level yet to be able to hire one, meaning that they might have some communications needs but they are in such an early stage that they might not have enough communications related tasks to fulfil a position.

Coms DIY explain how to extend the roles of the team members to include communications and how to integrate communications well into the startup from the start.

Hire an agency

Startups may have the choice of hiring an agency. When referring to an agency for startups, one is referring to a communications agency or a public relations agency. The agency offers vast amount of experience and contacts and the startups will be paying a premium for their fees. Because the agency is usually on contract basis, the startup is treated as a project. The agency can help position the message and image that the startup wants to give, and spread the word about the startup internationally.

Hire a freelancer

The next suggestion is hiring a freelancer. The difference between hiring a freelancer as opposed to an agency is that the startup can shop around for a potential freelancer. Of

course the startup can also shop around for an agency, but typically the agency will assign a team to the startup and will treat the startup as a project. (Often, the startup won't be able to choose the individuals that they work with inside the agency) Over-time, a freelancer can become close with the team and can become a fulltime employee. Hiring a freelancer is a good course of action to try out a person. However, the challenge is that a freelancer might have other projects that they are involved in and might not have the appropriate time or resources to dedicate to the specific startup.

Hire a communications person

The last course of action and the ultimate is hiring a communications person inside the startup either full-time or part-time.

The role of a communications person is described in the section “What does communications look like in a startup?”

Finally the last suggestion is that the startups and the communications experts should always assess the situation because communications situations are dynamics and should be changed on a regular basis. This booklet conveys the message that communications can make or break the startup. It can make the already bumpy road that the startup already travels smoother or it can destroy the vehicle.

This journey of creating the Startup Communications booklet has brought me many opportunities to further help the startups of Finland and the Baltics. I plan on further developing the booklet by introducing it to more startups with communications needs and by continuing the dialogue between communication experts and startups.

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II Startup Communications booklet

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Appendix II

Startup Communications booklet

**Communications guide for startups & advice
for communications people working with
startups.**

Natalie Gaudet

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Preface

Introduction

Why startups should be thinking about communications.

Why communications people should be thinking about startups.

Startup communication process

1-Best practices in startup communication- the essentials

2-Checklists

3-Plan

4- Execute & assess

Conclusion

Preface

This booklet is for startups and communications practitioners who are working with startups. It is for startups that want to learn more about the importance of communications and want to improve their current communications situations to ultimately reach their startups potential.

For the communications person, this booklet is to help navigate startup life and to translate their communications skills to help startups succeed.

Introduction

This booklet introduces a startup communication model and is divided in 4 sections. Each section will help the startup evaluate what kind of communications is needed for their company and give tips on the best communications practices.

Finland's perspective

Finland has an excellent reputation of engineering and examples such as Nokia and Linux are a good proof of this engrained engineering culture. With great engineering on hand, Finnish businesses and individuals tend to be very product -oriented. Finnish engineers-turned-entrepreneurs make excellent products. Sometimes these products are the best quality in the world. The problem with some Finnish engineers-turned-entrepreneurs is that they are so product-oriented that they sometimes forget the marketing communications part until the very last minute.

A big difference between startups from the Nordic-Baltic region as opposed to some western startups is that startups from the west tend to

start their startups with marketing communications in mind. Some of the Silicon Valley teams can sell air to customers and get investors on board with only a few power point slides.

This booklet hopes to bring light to the importance of startup communications and to help fill the gap between communications professionals and startups.

Why startups should be thinking about communications.

Companies can't fly without communications! If no one knows about the company, then no one will buy their services or products. Communications help startups product or service get publicity and attract customers, investors etc. towards the company. Great products won't survive if no one knows about them. However, mediocre or even bad products that have great communications can be sold.

-Communications can help the sales team get more customers investments

-Consider communications almost like free marketing! The piece of news article that you get inside a newspaper is as valuable as an advertisement inside that same newspaper.

-Employee communications makes your teamwork smoothly and efficiently.

-If you don't speak for yourself (i.e. have proper communications), someone else will and you won't be able to control the conversations

What does communications look like in a startup?

-Communications is much more than just blog writing, and social media monitoring.

-It's about publicity: getting the message out from the startup and getting more customers through communications.

-It's about keeping up relations with journalists, blogs and press (have a more proactive approach than a reactive)

-Content producing for website and social media

-Developing internal communications process

Why communications people should be thinking about startups.

In Helsinki, startups have been booming in the last couple of years. Companies such as Angry Birds and Supercell are leading the way.

From the ashes of Nokia, Helsinki has emerged as a thriving tech ecosystem which is now home to many startups.

Slush, a two day conference, was called internationally as a startup conference to be reckon with. And Startup Sauna, the seed-accelerator program has been awarded one of the best “young” seed accelerator.

Startups are growing and investors from all over the world are keeping a close watch on this Northern country.

Finland needs its startups to succeed in order to be competitive on the world scale and startups need communications skills to survive and strive.

It essentially boils down that startups are not thinking about communications because they are too busy or they might just be bad at it. As communications professionals- it's your job to help them.

Startup Communications Process



1- The Essentials- Best practices in startup communications

What every startup should have in regards to communication.

Messages and Storytelling

-Always have a story to tell. Story telling is so important, it helps to capture the audience and makes the startup more memorable. Storytelling makes the startup stand out from other competitors.

-Have a one-liner. Have one sentence that explains the mission of the startup. Have the core message follow the one breath rule and it should be memorable.

-Have different message & stories for different stakeholder. It's all about good pitching. It's about identifying the audience and the best channels to reach them.

- Start developing good and interesting content: It's everybody's business, it must be planned, and distributed wisely. Book monthly sessions for content ideas with the whole team.

-Content is king and will help the startup get visibility.

-View Communications as an opportunity, every time you interact, win the heart of your partner.

Media Relations

-Media relations demand keeping up relationship with the press on a constant basis. Communications is a about relationship building.

-Have a simple PR kit ready which included basic information of your company. Media still needs and appreciate the valuable information written down.

-Don't forget local media. Even if you don't have audience on a local level, international media will always look if you got published on your home base. (And remember most journalists are interconnected)

-Relationship with media takes effort with keeping up the hype. Therefore you cannot treat communications as a project, but it has to be continuously be fostered.

Online Communications

- Establish/analyze online (digital) presence, depending whether you already have it or not.

-Even if the startup don't have anything the on the web yet, it's good to reserve the domain, FB-group, Twitter account, TW-handle, LinkedIn presence

-Research the media space and follow the journalists in your field. Find them on Twitter, add them to one list so you can always see what they are tweeting about. Engage with their tweets and articles to establish

some kind of connection. They might not pay attention but at least you would know about the journalists' interests.

-Once the startup is public, it's crucial to have great web pages & Social medial presence.

Long-term thinking

-Don't do ad hoc PR tricks so plan, (keep the startup visions your guideline.) But understand that not all the plans might go accordingly, adopt a trial and error attitude.

-Understand hot trends (visual, short, mobile, distributed (not by demographic and sex, but rather, interest and values), targeted, emotional, personal, etc.)

-If you have a communications person, have them sit in on the decision-making sessions so that they know what is going on but also that they have some great insights that are important.

-Find interesting investors, board members, or advisors that finds communications valuable. These people will be able to help and steer the startup.

What communications people needs to know about startups.

-Startups run very fast and are constantly changing. Flexibility is the key.

-Startup don't typically have any money. They might try to get free work from the communications person. They might also give a share of the company called sweat equity

-The CEO might be the person that have done the communications beforehand as one of his/hers numerous tasks. Don't be alarmed that the communications was done in an ad-hoc manner and last minute.

-Make startups understand that good communications cannot be treated as a short-term project. It has to integrate well in the entire company and

it needs to be fostered constantly. Don't sell yourself as a onetime deal nor a short term project!

-The person needs to be patient, but flexible and prepared: things in startups change so fast yet some things take longer than expected. Sometimes a news release you are planning for may be delayed, or it might change altogether cause the product changes or it might suddenly be needed to do NOW so you need to be prepared but ready to be flexible and act fast when the opportunity arises.

-The person also needs to be speaking the language and know the audience well. Ideally, this person should be in love with the startups service or product and act like an evangelist. They need to know how to communicate to the specific audience.

-Have the startups mentality and mindset. Start talking to startups to see what it is like to work in a young company. The traditional communication person that has worked years in a large corporation might find it hard to adjust.

-Understand that some startups have a different company culture than other companies. Be aware of the culture change.

2- Checklists

For the startup

How does the startup need to fulfill the communications function?

Evaluate the current state of communications in the startup.

-How much publicity are you getting right now or aim on getting?

-Evaluate the next 6 months of the startup cycle, will there be a launch soon?

-What kind of communications challenges do you foresee?

-What kind of communications needs does the startup have?

-How is the state of internal communications inside the team? Can it be improved?

Once the startup has evaluated their situation, there are 5 course of action that the startup can take:

→Do nothing

→Coms DIY (extend the roles of members of the startup)

→Hire an agency

→Hire a freelancer

→Hire a communications person

Others: Community Managers, Evangelists, Marketing people and more!

Do nothing - Checklist

- Understand the dire consequences of not doing anything about communications.
- Even if you have a good product or service, no one will know about it.
- But remember to not complain that you can't get investments, nor publicity.

Do at least this:

- Talk to other entrepreneurs to see what their coms strategy is.
- Read this booklet again from start to finish.
- Consider at least Coms DIY 😊

Coms DIY checklist

- Extend the roles of members of the startup. Don't think of communications as a task of only one person. Every person from the startup is an ambassador to the team and therefore part of the communications process. For example, have each member of the team rotate and contribute to a blog or go to trade shows.
- Understand where is the point that you will have to hire either a communications person or an agency.
- Constantly evaluate the situation of the startup and be prepare to change.
- Understand that talking to investors is not the same as talking to customers. There is a chance of getting too "cocky". Startups' CEOs can get overconfident because they get to pitch to investors and they might be getting good feedback from these investors, this

entails that their ego gets stroke and they might think that just because they have won the investors over, does not mean that they will win the hearts of customers.

-Customers have a different language than the rest of the startup ecosystem. (Other startups enthusiast, investors, early adapters etc.)

For the agency- Checklist

-Decide on a sort of startup package if needed. A “one-shop stop” will attract startup towards your agency. A startup package should be concrete in order to entice the startup. Selling PR package on an hourly basis would not be attractive for startups as most are results-oriented. Consider a flat fee for the startup, this might entice the startup entrepreneur to go with your agency. Also include different services at different price variation.

-The agency should evaluate what kind of industry startup that the agency will cater to. Startups range from gaming to tech, so it might be a good idea to find a startup niche and only cater to that specific industry.

-Make available for the potential startups the list of reference of the past startups that you have worked with. Startups always talk to each other.

For the startup regarding the Agency

- Shop around to find the best agency, make sure you ask other startups that have worked with the agency for recommendations.
- Think about your own plan before entering any meeting with the agency. The first meeting is often a sell pitch so don't get distracted.

Freelancer- Checklist

- Have several meeting beforehand with the startup before agreeing anything
- Write down everything that is expected from you and write a detailed contract that both of you signs.
- Follow the Communications person checklists and Everyone's checklists.

Communications person in a Startup – Checklist

- Expect that their job description will change from the beginning.
Be flexible and ready.
- The relationship between the CEO and communications person is equal, respected etc.
- See the role of a communications person more of a coach to the team to educate them on the importance of good communications.
- Tools: Choose the best tools to communicate with every single stakeholder and don't forget tools for inside your team. But don't have too many communicating tools and don't overload on email. (Email fatigue is a real thing!) Play around with different tools and don't be afraid to kill off any tools that is not working.
- Finland is very product oriented. (Caused by the heavy engineer skills that you find in the country) Know the difference between

the cultures because the rest of the world has more of a marketing communications mentality and can start running faster ahead

- You need to actively build communication structures. Lay down rules and daily/weekly routines to get the whole team on board of what is going on. Try to unify coms channels as much as possible (I.e. try having only one tool for internal chat, only one system to store docs etc.). Make sure that information flows clearly inside the company. Without you systematically and actively doing that the communication is bound to be chaotic and important bits of information could fall through the cracks.

Checklists For everybody!

-Before joining the startup, some due diligence is required. Talk to experts from the field about the startup specific industry.

-Do a market analysis, research the field- search other startups or companies that are roughly doing the same the things.

-Find out who are the competitors.

-Research the target customers. Understand what are their needs and wants. Find out their problems and their pains and how the startup can remedy this pain.

-Understand the startup ecosystem by reading blogs, news articles etc. Talk to other startups and attend local events.

-For the communications person, make sure you have the same level of passion as the other team members about the startups product or ser-

vices. Also it is a good idea to find out about the other team members beforehand before committing to the team.

Have real expectations for the coms person's duties and roles

Have realistic expectations of what kind of publicity can be achieved and in what kind of media and channels it can be featured in.

Should you hire a community manager, evangelists, and marketing person instead of a communications person?

Community managers are the trend now for startups- instead of hiring for instance a PR or coms person, the startup will opt out for a community person to take care of their customers and social media needs. In short, this person take care of the reputation of the startup. For example, gaming companies often have community managers.

Community people are often young and inexperienced but passionate about the startup they are working for. Though, it might be good to have a community manager to foster the community, they will not have all the ability to run communications function as well as a professional.

Evangelists (a bringer of good news) is often early customers that love the startups' service or product so much that they are telling the world about it. If your startup is lucky enough to have evangelists, make sure you foster them and cater to them, they will be able to help the startup immensely.

Marketing people of course does marketing of the product or service. Marketing and communications play together well. There is a trend now that integrates communications and marketing together under one roof: they call it integrated marketing communications. Though this is very handy to have it together, the person in this role might be over stretched in their duties, and part of the job might suffer.

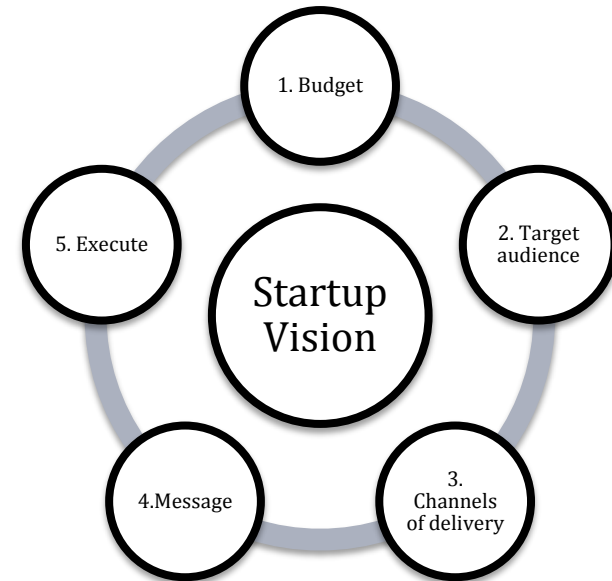
If there were some sort of unlikely crisis emergency in the startup, a community manager, evangelist or marketing people would not have the competence to deal sufficiently with the situation. A good communications person would know how to handle it. If you are doing Coms DIY, and there is such a situation that arises, make sure that you seek professional counsel. There are many agencies for example that have a crisis number to call.

3- Plan

Communications strategy and planning in Startups happens differently than in large companies. What is more noticeable in a startup is the budget situation. There is usually a lack of money for communications campaigns. Therefore, the first thing that startup needs to address after the startup vision is address is the budget, which is the key component of communications making decisions.

Startup Vision

1. What is the budget?
2. Establish the target audience
3. What are the appropriate channels of delivery that the budget can afford?
4. Develop a message style and theme
5. Execute, evaluate and ideate.



Stakeholders and Messaging

Establish stakeholders and their specific messages. Here is an example of an easy to use template to establish your target audience, messages and frequency.

| Stakeholders | Message | Channels | Frequency | Who does it |
|--------------------------|---------|----------|-----------|-------------|
| Investors (current) | | | | |
| Investors (potential) | | | | |
| Customers | | | | |
| “” | | | | |

-A Communications calendar plan

Take a calendar (draw a huge one or use an online tool) and mark every big expected event that will happen in the calendar year.

From these event, you can roughly set out the communications tasks that each event or situation needs.

4- Execute & Assess.

Once the startups have decided on a course of action: Just do it!

Communications needs to take clue from startups, if something is not working: pivot!

For startups/communications people

- Have a plan/ even if it's just trial and error.
- Think about SEO
- Content is king! So remember to update it regularly.
- Have realistic expectations and realistic metrics and criteria for the communications. Understand if the metrics are truly valuable or just for show. These metrics should translate well into the business. The metrics should reach both short-term goals and long-term goals.

Assess

Is the state of communications working in the startup?

Every few months, address the communications function and see if it working as it should be. This is a time where the CEO of the startup and the communication person should sit down and talk about the goals, tasks and issues of the communications function.

Always asks for feedback. The communications person should be asking for feedback constantly as well as giving it. It should be a two-way street.

Talk about the sort of publicity that happened previously. How did it happen? And how can it be improved for the next time.

The relationship between the CEO and the communications person should be strong.

Conclusion

Communications can make or break the startup. It can make the already bumpy road that the startup already travels smoother or it destroy the vehicle.

Whatever the startup choose- a communications person, an agency/freelancer, or doing it themselves, understand the value of communications.

Best of luck!