

Media attention as a facilitator of the relationship initiation between startups and their potential partners

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ABSTRACT

A study on how a startup initiated partnerships through the support of intermediaries revealed that in one case the startup found a partner by the help of media attention, which acted as a facilitator of the relationship initiation by taking a passive position. This paper aims to further investigate this phenomenon by finding out whether startups perceive media attention as important, whether it increases their reputation and whether startups can indeed find partners through it. Thus semi-structured interviews with six Dutch and German startups were held. The findings showed that startups are aiming to get into the media since through it a greater audience is reached which results in new customers, is good for getting new funding and for simply be known. Startups either actively approach media outlets or passively get attention since media outlets recognize their newsworthiness through events, funding rounds or existing articles. Moreover media attention can indeed lead to an increased reputation, mostly in the sense that the startups became more visible. The startups also agreed that they got feedback after being covered by the media and five startups got requests from potential partners. Three startups started an interaction with those: In none of the cases did that already result in a partnership, but two startups still negotiate with potential partners. Thus the outcomes of this study showed that media attention can indeed support a startup in finding suitable partners since through it other parties get aware of the startup and it is also in hindsight an information source to insure that the startup is an existing, reputable and credible company. However the study revealed that the importance of media coverage for a startup depends on its development stage, that media attention also has disadvantages and that it is actually perceived as more useful for finding customers instead of business partners.

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Keywords

Startups, media attention, relationship initiation process, organizational reputation, passive role of third actors, signaling theory

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9th IBA Bachelor Thesis Conference, July 5th, 2017, Enschede, The Netherlands.

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1. INTRODUCTION

Among many other problems, in the beginning startups usually face problems regarding the establishing of a reputation and establishing relations to resource providers (Evers, 2003).

In order to establish successful relationships with partners a third actor, that acts as a facilitator of the partnership, can be helpful. Oukes & Raesfeld (2017) undertook a case study in which they investigated how a startup established relationships through the help of thirds. They found valuable insights about the role of third actors for startups and that they can either have an active or passive position. The passive role is described as “only facilitating the initiation of new relationships through the generation of media attention for the startup” (Oukes & Raesfeld, 2017: 26). In the case of their study a potential partner got aware of the startup since two other partners of the startup spread information about its work in the media. This process is not explained in detail and neither is much literature found so far regarding the *passive position of a third actor* nor much on the *perceptions* startups have about the *importance and the effects that media attention* has for them. Therefore this paper contributes to this gap.

Based on the research of Oukes & Raesfeld (2017) it can be argued, that the attention a startup gains through media coverage can have an influence on the initiation of relationships. Furthermore literature review indicates that the organizational reputation a new venture tries to build up can be stimulated by media attention. Therefore, next to the concepts of *media attention* and *relationship initiation*, this paper also draws on the concept of *organizational reputation*. Reputation can be conceptualized as how “well known” a company is, which relates to the general visibility of and familiarity with a firm, as being known for specific attributes and as general favorability by another party (Lange et al. 2011). Literature on the importance of an organizational reputation is widely available, moreover many scholars have investigated it based on research on new companies. For example, Fischer and Reuber (2007) have investigated how new firms’ reputation can be created and found that it should be managed early on. According to signaling theory (Connelly et al., 2011), reputation, especially in the sense of general visibility, can be created if a sender sends positive information out to the audience. Deephouse (2000) approves that reputation can be raised through publicity by media outlets. The influence of media coverage on a company was addressed by a couple of scholars (Pollock & Rindova, 2003; Rindova et al., 2007). The media as a public information source (Aarikka-Steenroos & Halinen, 2007) can give information to a wider audience that otherwise wouldn’t have been addressed directly by a startup and thus media can make them aware of the startup (Petkova et al., 2013). Awareness, as related to reputation, in turn is named as crucial in many studies on how business relationships are initiated (e.g. Wilson, 1995; Ford, 1980; Dwyer et al. 1987). In the beginning the two parties usually aren’t aware of each other and need to get to know each other. Here a third actor, which acts as an intermediary between the two parties, can help and play a role (Aarikka-Steenroos & Halinen, 2007; Oukes & Raesfeld, 2017), which brings us back to our initial problem of finding suitable resource providers.

Following this logic it can be argued that the problems of the lack of reputation and lack of relations to resource providers can be overcome by creating media attention. Media attention increases the reputation of the startup, especially in the sense of generally being better known, and makes it more visible and attractive to receivers. Receivers of the information communicated by the media can be potential partners, who get

aware of the startup, contact it and therefore the relationship initiation might start. Thus media attention can be called an actor with a passive position, which means that it is not actively connecting two parties but taking a passive role as it gives information about the startup (Oukes & Raesfeld, 2017). Even though much literature exists regarding each of the concepts of this research - *media attention*, *reputation* and *relationship initiation* - and also some scholars investigated each of them from the view of new firms, little is known about how these are connected particularly in regard to German and Dutch startups. Thus this study aims to investigate whether startups *are receiving media attention and whether that improves their reputation*. Next this study questions *whether startups obtain feedback (regarding the information published by the media) from the receivers of the information and whether this entire process supports the initiation of business relationships*.

1.1 Research Question

In order to investigate the phenomenon previously described, the following research question will be raised:

How does media attention act as a facilitator of the relationship initiation between startups and its partners?

By answering this question, the paper complements prior research on the effects of media attention as well as on the role third actors play in the relationship initiation process. By investigating that it will be further looked at what role the concept of reputation plays in that, thus whether *media attention leads to increased reputation – especially in the sense of general visibility* - and *whether that then is crucial for the chance of finding partners through media attention*.

In order to do so, data will be gathered by interviewing Dutch and German startups and by analyzing the findings about their perceptions towards media attention and their experience with finding partners through it.

The structure of this paper is as follows: First of all, the literature regarding the concepts of this study is reviewed and based on that propositions are deduced and a theoretical framework is developed. In the methods chapter, the study subject is introduced, the data collection method is explained as well as the measurement and the analysis of the obtained data. The results derived from the gathered data are discussed interview per interview, are compared and conclusions are drawn. Next, the theoretical and practical implications, the limitations of this research and the future research recommendations are clarified.

2. LITERATURE REVIEW

The two constructs that are named in the research question are “*media attention*” and the “*relationship initiation between startups and its partners*”. Furthermore, it is assumed that there is another concept supporting the two previous ones: “*organizational reputation*”. In order to develop a theoretical framework, literature on these three concepts is reviewed. Moreover, signaling theory plays a role. Each of these topics is extensively covered in the literature in different ways, thus many different definitions and interpretations exist. In the following some of these will be shortly reviewed.

2.1 Definition of Media Attention

The media can be defined as an information intermediary that reduces information asymmetry. (Pollock & Rindova, 2003; Deephouse, 2000). It plays a role in transferring knowledge and beliefs, in concentrating the attention of the community on specific matters and in outlining topics by selecting certain matters and interpreting them, either in a negative or positive sense (Pollock & Rindova, 2003). In concentrating the attention

of the public on certain topics it is “agenda setting” (Kosicki, 1993): when the media addresses topics more often it attracts more attention and appears more often in the mind of the people (McCombs & Shaw, 1972).

Andrews and Caren (2010) define media attention as “*the amount and prominence of coverage that an actor, event, or issue receives*” (p.843). Other terms for media attention are media coverage, media exposure, media awareness and publicity (Mariconda & Lurati, 2014), which are used synonymously in this study. To be named by the media (to be recognized by the media as a first instance) requires that the new company already obtained some legitimacy and then being covered further increases this legitimacy (Pollock & Rindova, 2003). Thus conditions to be covered by the media could be the celebrity of a firm, its size and its newsworthiness due to being involved in events or standing out as extraordinary (Mariconda & Lurati 2014). Sources of the information transmitted by media outlets are press releases or public relations work by the firm itself, stakeholders who communicate their opinions to editors and journalists (Deephouse, 2000).

Some scholars investigated the influence of media coverage on a company, e.g. Pollock & Rindova (2003) found that it has a positive relation to a firm’s performance in its initial public offering: The more information is given about a company, the less risky it is to invest. That in turn is stated to be more important for new companies since they generally are perceived as higher risk investments. Also in emerging markets, where entrepreneurial activities are normal (Liu et al, 2010), stakeholders usually face higher uncertainty, which is why media is regarded as important, as it plays the role of giving evaluations of the firms’ offerings (Rindova et al, 2007).

When something is repeatedly covered in the media, the familiarity with the object (Harrison, 1977) and the approval of the given statements (Hawkins & Hoch, 1992) are strengthened, whereas perceived risk is decreased (Heath & Tversky, 1991). Furthermore media can give information about a company to a large number of stakeholders that otherwise wouldn’t have been addressed since new companies themselves can only approach few stakeholders directly (Petkova et al., 2013). Deriving from this review, the first proposition states:

P1: Startups perceive media attention as beneficial, since it communicates information to an audience that the startups otherwise wouldn’t have been able to approach themselves.

2.2 Definition of Organizational Reputation

Many different definitions and interpretations of the term reputation have been put forward. For example, Fischer and Reuber (2007) define it as the opinions and judgments held by external parties about a company. Lange et al. (2011) imply three conceptualizations for the term reputation: 1) being known, 2) being known for something and 3) generalized favorability. The first concept conceives the general visibility of and familiarity with a company, the second relates to how well known and judged a firm is for any specific attribute, e.g. high quality, while the last deals with how a firm is overall judged favorably. Especially being generally recognized and visible is important as according to Lange et al. (2011) “*organizational reputation is stronger if awareness of the firm is broader and if perceivers have a more distinctive perceptual representation of the firm, irrespective of judgment or evaluation*” (p.155).

Literature on the importance and effects of reputation building is readily available. For example, Hall (1992) conducted a study on how executives in the UK value reputation and found, that they rated it as the most essential intangible resource. By forming an organizational reputation a company can become

more attractive to suppliers, employees, customers or investors, while reducing uncertainty and establishing trust (Fischer & Reuber, 2007).

2.3 Media Attention and Reputation

New organizations usually remain unknown to the public (Petkova et al., 2013). Furthermore, in general, it is found that new companies attract less media attention, while it can be a good resource for them to build their reputation and gain legitimacy (Rindova et al., 2007).

Organizational reputation and legitimacy of a company are closely connected, and likewise reputation is connected to the trust one company has towards the other one (Fischer & Reuber, 2007). Deeds et al. (2004) found that press coverage increases the legitimacy of biotechnological ventures in an emerging market which then increases the access to resources. Sanders & Boivie (2004) further concluded from a literature review on institutional theory, that “*for a new venture, legitimacy can be gained and perceptions of firms quality enhanced through secondary and potentially symbolic sources of information*”(p.169).

Mariconda and Lurati (2014) also researched how scholars investigated whether media visibility is connected to organizational reputation. Although there are exceptions, according to them, most scholars found that media coverage is positively related to an organizations reputation (e.g. Brammer & Pavelin, 2006; Meijer & Kleinnijenhuis, 2006, Philippe & Durant, 2011). Deephouse (2000) conceptualizes the term “*media reputation*” as “*the overall evaluation of a firm presented in the media*” (p.1097) which follows from the stories communicated about the company through the media.

Previously it was found that especially attention and visibility strengthens a company’s reputation (Lange et al., 2011). That is also essentially important for new companies to obtain resources, as found by many scholars (e.g. Deeds et al., 2004; Sanders & Boivie, 2004). Thus, based on the review of the connection of these two concepts and the idea that media makes a larger audience aware, the second proposition states:

P2: Attracting media coverage increases a startups reputation, especially in terms of making it more visible.

2.4 Signaling Theory

In order to better understand how the media can actually increase a startups visibility, which is one of the underlying concepts strengthening the reputation, it is furthermore looked at the signaling theory as described by Connelly et al. (2011).

Signaling theory deals with imperfect information that exists between two parties - individuals or organizations - and is concerned with how this asymmetry can be reduced (Connelly et al., 2011). It has been the subject of much research in different fields, e.g. to a great extent in literature on entrepreneurship (e.g. by Elitzur & Gavius, 2003 or Busenitz et al., 2005). Imperfect information can exist when one party is not aware of the characteristics of the other one or when it isn’t sure about the other ones intentions and efforts (Stiglitz, 2000; Elitzur & Gavius, 2003). The idea behind signaling theory is that one party is the sender that may act in a specific way to send signals to the other one, the receiver, who lacks information. The sender is defined as an insider who has information about the product, individual or organization. The receiver is an outsider that is missing information but is interested in getting some. Usually signaling theory is concerned with transmitting positive signals, thus positive organizational attributes in order to reduce the information asymmetry. Based on the signals the receiver receives, he can

convey countersignals (feedback) (Connelly et al., 2011). The signaling timeline as described can be found in Figure 1.

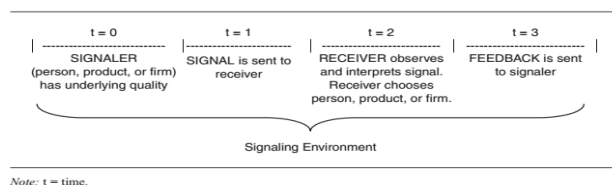


Figure 1. Signaling timeline (Connelly et al., 2011)

As Connelly et al. (2011) find, literature on signaling theory in the field of entrepreneurship usually call a startups' leader (Zimmerman, 2008) or entrepreneurs (Elitzur & Gavius, 2003) the signaler. Among others, signals might be communicated because companies are aiming to obtain legitimacy (Certo, 2003). Receivers in entrepreneurial research are normally defined as existing or potential investors. These have to pay attention and scan the environment in order to receive signals. Nevertheless, it is also found that media outlets that report about press releases given by a company might misinterpret these and thus can distort (Connelly et al., 2011).

Nevertheless in this study it is tried to investigate if, even though media outlets are called a distorting factor by Connelly et al. (2011) and are not defined by any scholar as the signaler, media outlets – or rather the journalists behind them - can also play the role of the signaler in itself. Aarikka-Steenroos (2007) states, that thirds can transmit information through public media. Thus in regard of this study it is believed, that this is the case if the media picked up the startup as a topic of interest and gives information about them without the startup actively seeking for it, e.g. by directly giving out press releases. In this construct the media outlets act as the signaler and thus as an agent representing the startup by transmitting information and creating publicity. Next to a startups own action this might be supportive in increasing the startups visibility and will bring the startup into the consideration of potential partners. This will be questioned and thus the following proposition is developed:

P3: Media outlets can act as signalers transmitting information about the startup by own interest and without the startup actively advocating it.

2.5 The Relationship Initiation Process

It can be argued that if a potential partner got aware of a startup through the signals sent by the media, he might want to establish a partnership and contacts the startup to start the initiation process. How business relationships in general are developed is intensively considered in the research literature and many models are obtained (e.g. Ford, 1980, Wilson, 1995). Regarding this study, it will be looked at how important awareness building is for this process and on the role a third actor can play within it.

2.5.1 The Importance of Reputation and Being Visible for the Relationship Initiation Process

Potential partners that want to get into an alliance first have to recognize each other's presence and accessibility (Pollock and Gulati, 2007). By reviewing prior research, Pollock and Gulati (2007) follow that next to signals that decrease uncertainties regarding the reliability of the other party, whether a company gets into an collaboration depends "*in part on its visibility within the industry, the perception that it has something useful to offer partners and the expectation that the firm will be able to deliver on its commitments in the future*" (p.341).

The process of how these alliances are developed is widely investigated by scholars and it is extensively stated that

awareness building is a necessity for a relationship initiation (Ford, 1980; Dwyer et al. 1987).

For example, Dwyer et al. (1987) developed a framework for initiating buyer-seller relationships with five phases: 1) awareness, 2) exploration, 3) expansion, 4) commitment and 5) dissolution. In the awareness phase the two parties notice that they might be possible partners for exchange. It is argued that buyers usually first become aware of sellers in their direct environment and through media they regularly read or view. In the following phases the interaction between the parties start, they become dependent on each other and finally fully committed to each other until they eventually breakup the relationship. However, Dwyer et al. (1987) argue that the parties can withdraw at every point.

Mandjak et al. (2015) developed a similar framework, but in this case they only consider the very start of the initiation process. The relationship emerging flow starts with the phase where first the two players co-exist and haven't recognized each other. Next one party gets aware of the other one and considers the other one as a potential partner that he might contact. That "*may happen directly or indirectly with the help of a third person*" (Mandjak et al., 2015: 36). If positive feedback is received from the other party the relationship initiation might further proceed and the parties start interacting. The researchers also found that here among others, reputation and visibility are triggers for the awareness building. That is line with other scholars: Reputation is also regarded as an important variable for partner selection (Wilson, 1995), it is mentioned as a precondition for the relationship formation by Larson (1980) and also Aarikka-Steenroos and Halinen (2007) found that "*awareness is build with reputation*" (p.11).

Following from the review of these models and the importance of getting aware of each other as a precondition for initiating a relationship, the next proposition states:

P4: Through increasing its visibility by being named by the media, potential partners get aware of the startup and contact it, which starts the relationship initiation process.

2.5.2 The Role of the Third Actor

Nevertheless, partners firstly somehow have to get aware of each other because relationships between business partners rarely start "*through direct contacts or by cold calling*" (Aarikka-Steenroos & Halinen, 2007: 2). Often they don't have contact to each other and thus use intermediaries that make the two parties aware of each other and provide access. Like Mandjak et al. (2015), who was previously cited, many other scholars find that a third actor can have the role of a facilitator who fosters the initiation of partnerships (Holmen & Pederson, 2003; Aarikka-Steenroos and Halinen, 2007) and that this can have valuable benefits for the startup.

According to Aarikka-Steenroos and Halinen (2007) any stakeholder association, including the media, can be a third actor. That is in line with Oukes & Raesfeld (2017), who investigated how a startup in the medical device industry established business relationships through the support of third actors. One of the relationships got initiated since another party got aware of the startup through the media attention it got. In this case media attention played a passive role in the relationship initiation. The possible passiveness of a third actor is supported by Aarikka-Steenroos and Halinen (2007). They argue that there are four modes of a third actor visible: active, reactive, inactive and passive. The passive mode is defined as the situation in which the third actor permits to use its name in marketing, but doesn't facilitate actively. She furthermore cites one interviewee, who got business relations due to media coverage of his work in Japan. Furthermore, Aarikka-Steenroos

and Halinen (2007) developed twelve roles a third actor can play in the relationship initiation process and classified them into four main categories: awareness, access, matching and specifying the deal. It can be assumed that a third actor with a passive role, that media attention is defined as, can at least act as awareness builder that brings the startup into the recognition of the other party by providing information since “*awareness can be build more passively through references or publicity*” (Aarika-Steenroos & Halinen, 2007:11).

As this study builds up on the study of Oukes & Raesfeld (2017) where a startup got into a new partnership since the other party got aware of the startup through media attention and also in the case of Aarikka-Steenroos & Halinen (2007) it was mentioned that someone got business relations through media coverage, the last proposition is as follows:

P5: If business partners got aware of each other through media attention and the interaction process is started, it results in successfully established partnerships.

2.6 Conceptual Model

Based on this literature review a conceptual model (Figure 2) is constructed. It implies the following thoughts and assumptions: The 1st proposition is a more general proposition and stands above all the others. It deals with the startups overall perception of media attention. If the startups wouldn't regard media attention as beneficial and it wouldn't make a larger audience aware, neither would it make sense to investigate the other propositions. The arrow between “media attention” and “reputation - general visibility” reflects the 2nd proposition: Through media attention a startups' reputation is increased, primarily in terms of general increased visibility and thus awareness. The field displaying the signaling theory reflects the 3rd proposition: media outlets can act by themselves as signalers signaling information to any receiver (e.g. potential partners), which helps increasing the reputation, especially in terms of the general visibility of the startup. Connected to that is the 4th proposition, which is shown in the second big arrow: The receivers, e.g. potential partners, give feedback (contact the startup) since they receive the signal, regard the startup as existing and reputable and hence became aware. Therefore the relationship initiation process starts. Finally, the 5th Proposition can be found in the last big arrow: as previously stated the relationship initiation process is started and finally if facilitated by media attention this results in successfully established partnerships due to the previously elaborated effects of media attention. The fields on the bottom display the stages proposed by Mandjak et al. (2011) and should help in illustrating the process.

3. METHODOLOGY

In the following section the subject of the study, the way the data collection method, the measurement of the data and lastly the analysis type is addressed.

3.1 Study Subject

The subjects of the study are startups that fulfill the condition of

having received some kind of media attention. Using convenience sampling, which means sampling those that are most easily reachable (Bryman, 2012), it was planned to find five interview partners in the region of Twente and Western Germany. Names and contacts of startups were obtained via the help of friends and own research on the Internet. In a next step, by using Google News and LexisNexis it was investigated whether these startups already got some media attention. If a startup fulfilled this criterion it was contacted via Email and telephone. In that way it was reached out to 14 startups. Some of them couldn't be contacted via telephone and didn't reply to mail requests. A couple of startups that were reached refused to help due to limited time and people available. Nevertheless, in the end six startups agreed to participate. These are in the following chapters numbered in the order of the interviews.

One employee of each of the startups was interviewed. They were all male and besides one case, all the participants were founders of the startups, who then obviously were part of the startup since the beginning and thus could give elaborate insights. In the case of the 5th startup that was interviewed the participant was an R&D engineer who became part of the startup 2,5 years after it was founded.

3.2 Data Collection

As a “how” research question is provided, which is generally more explanatory, conducting a case study is appropriate (Yin, 1994). Thus in order to test whether the proposed model proves true and to get valuable results, interviews were held. These were semi-structured because this method gives more room to flexibly ask questions in another order or ask additional questions in order to get more detailed information during the conversation (Bryman, 2012). One interview was conducted via telephone, while the remaining five interviews were done face-to-face. Of these, four interviews took place at the offices of the startups and one took place in a room at the university.

Before the interview the participant had to sign a consent form (see appendix 10.1) which explained certain things, e.g. that the interview is recorded and that the anonymity of the startups is kept. After the participant agreed on this consent form the background of the study was introduced and then the interview started. The interviews lasted between 35 and 50 minutes. The answers given by the participants were written down during the interview and were also recorded. Recording is helpful because one can repeatedly listen to the interview and thus make sure that really all answers are included and understood and thus analyzed in detail (Bryman & Bell, 2015).

3.3 Measurement

In order to obtain valuable results next to some questions regarding the background of the startups questions concerning the different underlying concepts of this research were asked.

Therefore firstly it was questioned whether the startups are generally aiming to get media attention, why they regard it as important and what they expect from it. They were asked about the type of media outlets in which they were covered, whether it was reported rather positive or negative about them and whether

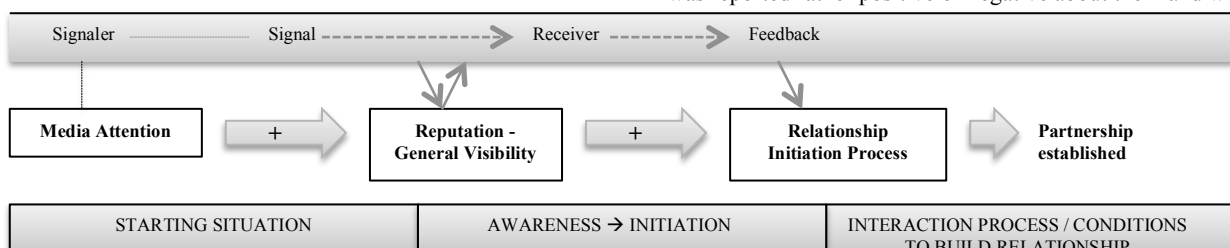


Figure 2. Conceptual Model

the startups actively approached media outlets or whether the journalists picked up information themselves.

Following from that it was asked whether they believe that through the media attention a greater audience was reached and to what extent it is important for the startup to be well-known or otherwise being known for specific attributes or being generally judged favorable. Then it was questioned whether they believe that through the media attention their reputation increased. Furthermore, a question concerned the fact whether the startup received feedback from the media coverage.

Lastly it was asked whether partners are important for the startups and whether the startup got contacted by potential partners. If so, this was further investigated by asking about how that went, whether the partnership was actually established, whether there were problems in this process and whether it was felt that an active intermediary was missing. In case they didn't face this phenomenon it was questioned whether they at least believe that it might be possible and what they regard preconditions for that.

The interview questions are shortly summarized in table 1. Since the interviews were semi-structured, a couple of follow up questions regarding specific answers given by the respondents were individually asked.

Concept	Interview Questions
Media Attention	<ul style="list-style-type: none"> - General importance of media attention? Why is it important? - Expectations towards media attention? - Covered by which kind of media outlets? - How intense and frequent? - How did the media outlets get aware of the startup? Actively approached or not? - Positive or negative tenor?
Reputation	<ul style="list-style-type: none"> - Greater audience reached than without it? - Importance of being well-known/ being known for something/ judged favorable? - Did the reputation increase through media attention? In which sense? - Feedback received through media attention? - Is reputation essential for that?
Relationship Initiation Process	<ul style="list-style-type: none"> - Importance of partners? - Contacted by potential partners? <u>If yes:</u> <ul style="list-style-type: none"> - Relationship got established? - Problems (e.g. regarding trust)? - What role played the media? - Was the initiation process missing any intermediary with an active role? <u>If no:</u> <ul style="list-style-type: none"> - Is it possible to find partners through media attention? - Preconditions for that?

Table 1. Concepts and Interview Questions

3.4 Analysis

After conducting the interviews based on the audio records a detailed and complete transcript of the interview was written down. Then the data was analyzed based on the framework proposed by Miles and Huberman (1994): 1) data reduction, 2) data display and 3) conclusion drawing.

The software atlas.ti was used for coding data and to envision relationships between the findings. While analyzing the data it is always important to constantly take a look back at the propositions and ensure that the analysis stays focused on the data relevant for the research question (Yin, 2003). Thus codes were developed in regard to the theoretical framework and propositions in order to reduce the data. Then the network

function of atlas.ti was used to visualize relations between the codes and the main findings were organized into a table (see appendix 10.3). The findings were analyzed and described case by case and based on the table and constant revision of the reduced data the cases were compared according to the propositions. Thus it was possible to draw conclusions. Moreover, the interviewed startups were provided with the table and asked for feedback in order to validate the findings (Miles & Huberman, 1994).

4. RESULTS

For the purpose of this study six startups were interviewed. As seen in table 2, the participating startups were part of different industries, namely parking/ smart mobility, medical technology, software and services for education, photo and video equipment, bird control and digital health (called as such by the participants themselves). Moreover they differed in their development stage - ranking from testing the prototype to scale up-, their age and the number of employees. The startups all got some kind of media attention, which was the precondition for interviewing them. Nevertheless, they were covered by different types of media outlets and the media exposure ranked from local to national to international coverage. As seen in the 5th column of table 2, only two of the startups were in international media so far. One of those is already entering international markets with their service, while the other one is also shipping their product internationally. The remaining startups are only focusing on their own national markets right now, which is most likely the reason for their solely national coverage. Moreover, as seen in the 6th column, besides one startup they all agreed that they got covered quite intensively.

4.1 Results per Interview

Similarly to the differences in the context of the startups, they also vary in their perceptions of and experiences with media attention. The interview findings will be shortly explained case by case in the following. It can be compared to the table in appendix 10.3, which summarizes the main findings.

4.1.1 The First Startup

The 1st startup that got interviewed is already quite mature. They started selling their service firstly under their own brand B2C. By now they are also distributing it B2B to other companies that have their own labeled product and sell it to users. Thus next to B2C attention it became more important that the partner products are getting attention. Furthermore for them media attention is useful for fundraising as it gives credibility. The startups representative also made clear that they reached a greater audience by the help of media attention. For example, the interviewee stated *"we had a 1000 users in one week, that was really doubling our current user base at that point"*, which was the case when they introduced their service in a German city and got featured in the local newspaper. In the beginning they more actively reached out to the media: they gave out press releases and called newspapers. Now they also get covered without triggering it, e.g. they were in a parking app comparison and never talked to the journalists that wrote it. Next to reporting about existing partners, they got a lot of media coverage when a well-known company became an investor and when they got featured by a big German TV show. Thus by now the relation between actively influencing and randomly getting covered is about 50:50. Next, information given by the media so far was evaluated as positive or partly critical, which is also regarded as beneficial because then it doesn't sound like advertising. The interviewee further stated that through media attention the startups' reputation was increased, but for them the media isn't seen as the main driver behind getting a reputation. Rather the fact that they are already

	Industry	Founded	Development Stage	Employees	Examples of Media Outlets that covered the startups	Intensity
1	Parking (smart mobility) B2B/ B2C	April 2014	Scale up phase (product live since 2 years)	30 (23 full-time)	Online & print newspapers; radio: local when starting in a new city; National media like "Handelsblatt" & "Wirtschaftswoche" Some TV spots, biggest one: German shark tank	Few months more, few months less; steady coverage
2	Medical Technology/ Dental B2C	Aug 2015	Prototype developed, not tested yet	5	Scientific publications, e.g. a graduate thesis National media: blogs, finance magazines, journals regarding dental industry	Quite a lot but depends on events
3	Software & services for education B2B	Early 2015	Product on the market (scale up)	2 (and contractors)	"Surf magazine" (industry specialist magazine; national) (3 times); White papers; "UTnews", blogs (2 from university, 1 other); Some radio interviews: local and regional	Quite a lot
4	Photo & video equipment B2C	Spring 2016, officially Oct 2016	Market entry: first batch of products will be delivered next month	4	Mainly subject specific blogs and internet pages, websites that randomly share videos that went viral One Dutch and one German TV show, BBC feature shared via social media; 2 or 3 magazines, e.g. Dutch "Playboy", English mountain biking magazine; Local newspaper "Tubantia"	A lot, especially during funding round
5	Bird control services B2B	Dec 2012	Scale up, projects since about 2 years	20	Biggest ones: TV e.g. "Een van dag", radio; International tech websites, e.g. "Tech Crunch", "Wire"; Subject specific magazines; Scientific publications; Local newspaper, e.g. "Tubantia"; International: Canadian media e.g. radio interviews, British media e.g. financial times	A lot
6	Digital Health B2B	2014	Scale up	8	Only national: Online and print, local newspapers e.g. "Tagesspiegel", "Morgenpost", online portals e.g. "Gründerszene", subject specific like "HiMSS Europe", blogs	Less, could be more; more after events

Table 2. Overview of the startups and the media coverage they got

working together with known companies in the industry and have reputable investors is supportive and increases their credibility. The media is an additional factor that reports that to the audience and makes them aware of it. In regard to finding partners, all kind of visibility is certainly good to get into the first contact with partners, while then afterwards other things matter more. Indeed, next to feedback in comment boxes under articles published on social media and by existing and interested customers, they got requests by potential partners. Currently they are negotiating with two potential partners that contacted them after they got aware due to the reports about the big investor and the feature in the German TV show. The interviewee said that he knew the companies since they are well known and reputable and thus didn't shrink back from talking to them. Also there are no problems in the interaction process so far: they are regarded as trustworthy and have enough information about each other. Obviously they are promising leads. It is found that partners are generally important for the startup, certainly even more since they establish a B2B market. That might be a reason for starting the negotiations next to the belief that these potential partners are valuable.

4.1.2 The Second Startup

As seen in table 2, the 2nd startup is the least advanced startup of the interviewed ones. They just developed their prototype and are now about to test it and to get the needed standards to enter the market, which is necessary since their product is highly technical. For them media attention is not that important as it is not very convenient to extensively get covered right now and get many requests for interviews. Therefore they got the code "to some extent important", (see column 2 of the table in appendix 10.3). Regarding the benefits of media attention, it was stated that surely more people were reached due to the coverage. Most notably media attention was already beneficial as it showed investors that they got attention. Next, also due to their development stage, media attention wasn't actively triggered so far, but they consider doing that at a later stage. By now all coverage was based on events such as the international dental show where they participated in or due to their financing round. Next, the interviewee stated that the information given by the media was so far positive or critical. In his opinion their reputation is increased via media attention since experts are talking in articles, interviews, etc. about new technologies in the

industry and name the startup. In that way they became more visible, which they regard as important if it is at the right time and place, especially since it is important for them to be known as a provider of a high-quality device. The latter is, due to the development stage, currently not yet communicated via the media, but certainly general visibility in terms of that the technology is developed is transmitted. That in turn is seen since the startup got feedback from interested customers and also from competitors that wanted to discuss the technology with them to see whether it also has other application fields. Nevertheless, it was stated that right now they only look for feedback of readers and people that come forward to test the prototype – not yet for customers. The startup didn't get requests by what they regard as potential partners, they didn't start an interaction and obviously found no partners through media attention. Certainly their development stage might be a reason for that. It was also stated that they got their current partners, mostly manufacturing partners, by directly approaching them since specialist knowledge is important. However the interviewee believes that it might be possible to find partners through media attention.

4.1.3 The Third Startup

The 3rd startup that got interviewed called media attention a "door opener" already when they answered to the interview request. Certainly it is important for the startup to be covered by the media, especially in their beginning. They operate on a B2B market with about 25 potential customers in the Netherlands, that by now all already heard them. The interviewee agreed that a greater amount of people got aware of them which can be seen since some people that contacted them stated in their mails that they read about them in a magazine. In the startups' opinion media attention is beneficial to keep ones name out and since it verifies in the long term that the startup exists and is a valuable partner to do business with. Similar to the previous startup this one only reacts to requests by media outlets. For example, they were asked for interviews since they have a blog and due to events where they participated in. That might be related to the fact that they operate on a very small market and are already quite known. There is simply no need to be active. The published articles were so far positive, neutral or critical. Critical reports are also beneficial since if the weak points of the service are named people better understand whether it really

fits their needs or not. That saves time because the sales circle is long and thus some clients immediately step back if they get more information about it via the media. It was also valuable that through the media they became more visible, because it got communicated that there is their very new and unique solution on the market. For them it is additionally important that they are known to the sense that their service is already used reliably. That both was transmitted and thus it is believed that the media attention increased the startups reputation. That is also seen since they were contacted by interested customers and potential partners. The startup started interacting with two potential partners. Once it didn't work out but in the other case they still negotiate. This partner might be valuable since it helps the startup to break into a new market. The startups' representative stated that especially the media coverage that they got after they were in an entrepreneurial competition was valuable. Without that that partner wouldn't know them. The other company also already provided the startup with promising leads and assured others that it is trustworthy. It wasn't known before, but there were no problems so far and the entrepreneur felt insured that the other party can be trusted. It also wasn't felt like there was any active third person missing in the interaction process. Finally, the interviewee summed up the role of the media attention for them as follows *"Most importantly getting our name out there, legitimizing us as a company by a third party which is trusted universally, so we would have some bases of credibility to make our statements on and just establishing the market essentially. We are a small startup and you cannot just create your own market or at least it is very difficult besides selling something also selling the problem."*

4.1.4 The Fourth Startup

The 4th startup is just about one year old but is about to ship the first batch of products to the people that preordered it online. Media attention is very important for the startup. As their product is a very new solution, media attention is a good marketing tool and if they get covered by the media they see that there are new customers. Thus clearly a greater audience is reached through media attention. Especially in the beginning during their kickstarter campaign the startup was actively looking for media attention and wrote Emails to hundreds of journalists to get attention and find investors. By now they also simply get covered by media outlets that saw other articles and picked it up. Furthermore, so far the information given by the media was only positive. Everyone is very excited about the product. But according to the startups' representative that might change when the product is sold and people review it. It was also said they got a reputation in the sense that they are the company doing that product and that getting well-known by as many people as possible was the startups main goal in the beginning. The startup got feedback but in contrast to the other startups mainly because they asked their kickstarter investors for it. On the other hand, as already mentioned, new customers became interested and bought the product. They also got requests by "promoting partners" (called as such by the interviewee). These wanted to get the product for free in exchange for promoting it, e.g. on social media. That was always refused and thus there were no interactions with any potential partners so far. As existing partners three brand ambassadors and manufacturing partners were named and other than that they have no plans with other parties. If they want to have other "promoting partners" they will target more well-known people and these most likely don't contact the startup, here the startup has to contact them. Also regarding manufacturing partners the startup reached out to them personally. Nevertheless, the interviewee believes that it is certainly possible for startups to find partners other than

customers and investors through media attention. That might depend on the industry, product or development stage.

4.1.5 The Fifth Startup

The 5th startup mentioned in the beginning of the interview that according to some classifications they aren't considered a startup anymore, but they still consider themselves as one. They sell a service that is related to an invention, which is often considered as very "cool" and therefore many people simply think they can buy the product. Thus for the startup most important regarding media attention is that their specific message is getting across: they aren't selling the product itself, they sell the service that comes with it. Since they are frequently asked for interviews they always consider what is worth it to do and what they can gain from it, thus it can be found that media attention isn't too important for them. It is less expected to find new customers; rather potential customers that were contacted before but were reluctant should get aware again and become actual customers. Also it was mentioned that it is beneficial for fundraising as one can create a media portfolio to show to investors. The representative agreed that certainly a greater audience is reached since, e.g., every time the startup is covered by the media they get more Facebook likes. However, it might not be the right audience, thus for them it might not be the main benefit of media attention. The startup actively reaches out to media outlets by giving out press releases and directly calling and mailing journalists since then they can control the message. But they are also constantly asked for interviews or are simply covered without ever hearing from the journalists, especially after their last funding round. The information given was so far evaluated mostly as positive, but it wasn't necessarily the right information that the startup wanted to be communicated. In case media outlets are randomly writing about the startup without contacting them it is more difficult to control the information. The interviewee mentioned that through the media attention people got a better opinion of them, but that was again not necessarily increased reputation of the right audience. Still, general visibility in the sense that they are known as existing is important, but media attention that provides the startup with visibility in the right industry and that transfer the right message to the right people is preferred. For example, industry specialist magazines are preferred over interviews at the local radio station. Otherwise they get hundreds of phone calls by people that simply want to buy their product and don't understand the details. Next to this less useful feedback the startup also unexpectedly got one or two new customers through media attention. They additionally got requests by people that wanted to help build up their business in another country. Next to R&D partners these were previously named as important. Since they are aiming to establish their service on foreign markets, it is reasonable that they are responsive to some of the requests. Nevertheless, so far none of these turned out to be suitable partners. The startups' representative couldn't give more information about the interaction process as he wasn't part of the direct conversations. But he could state that those potential partners weren't known before. Also, it was mentioned that there is a difference between if one meets someone during an event or exhibition, where it is known that he is aware of the industry, and when they are simply contacted by anyone from another country. Reasons for their deliberate exposure to the media and their intense number of requests might be that they are a more mature startup that got a lot of media coverage on all kind of levels.

4.1.6 The Sixth Startup

Finally the last interviewed startup is the only one that mentioned that they didn't get much media attention so far and that it could be way more (see table 2). The interviewee stated

that media attention is certainly very important for them, although not war deciding. He agreed that through media attention their startup reached a greater audience. It was mentioned that most likely traditional advertising would have a similar effect but so far they are not doing that. Thus media attention is cheap advertising simply because more people see the startup and it gets attention. Moreover in the beginning they send out press releases and directly approach journalists, but by now also media outlets just pick up information about the startup themselves. They got more intensively covered by the media especially after their funding round when they got two investors and after events like a startup competition. Furthermore, so far the articles written about them were regarded as rather positive, but also some were critical which the startups representative still considered as good since comments about it kick off. It was stated that the startups' reputation is increased, which is recognized especially in the sense of a better image that other people have of the startup. In the interviewees opinion that is most increased by the media coverage they got, but also of course general visibility is increased. More people get to know the startup and its product and recognize that there is this certain solution. That is important to get customers, but also to find investors and employees. Next, the startups' representative mentioned that they got feedback, especially from friends and family members, but also simply through comment boxes and also from interested customers. Some of these might actually have bought the product. The startup also got requests by what they regarded as potential partners. These were mostly HR companies that wanted to sell something to them but they didn't talk to them further since they aren't interested in that. Thus the startup didn't start negotiating with potential partners and got new partnerships through media attention. The participant stated that for them partners in the sense of investors and other hospital software producers are important but other than that they aren't dependent on partners. The partners they have were met through other instances than based on media attention. However, after these first got aware, these partners might searched online for information about the startup, found articles and recognized that the startup is already bigger and represented in the media. Thus during negotiations with partners media attention might be a soft factor. Nevertheless, the startups representative thought that one could certainly find partners through media attention as a first instance but then it has to be really filtered out which request is useful or not.

5. DISCUSSION AND CONCLUSIONS

By comparing the previously elaborated interviews in the following section the propositions as well as the most interesting issues that came up are discussed.

5.1 Discussion of Propositions

5.1.1 Perception of Media Attention

The 1st proposition derived from the literature review generally dealt with the question why media attention is perceived as important by startups. The assumption was that it is mainly beneficial because through media attention the startup reaches a greater audience, which means that more people get aware of it than without media coverage. Since all startups admitted that media attention is an important topic for them (see Appendix 10.3) and they certainly aim to get media attention, one can indeed conclude that media attention is beneficial for a startup. That is especially seen when looking at the latter findings of this study: the startups named many reasons why they regard media attention as important - such as for finding investors and customers, as cheap advertising and for getting the name out. It can be further seen that it caused visibility, feedback and

especially requests by potential partners and interested customers. Thus it certainly had positive outcomes and that can all be attributed back to the media attentions function of making a larger audience aware (Petkova et al., 2013). Nevertheless, as seen especially in the case of the 5th startup, it might be more valuable to aim to get into industry specialized media to reach the right audience since specialized and general media have different effects on legitimization (Petkova et al., 2013).

Moreover, the development stage seems to play a role in how important media attention is for a startup and in how visible the startup wants to be. The least mature startup clearly stated that during their current phase they don't want to constantly get requests by the media and get covered (see 4.1.3). Hence they not actively approach media attention, they don't look for customers right now and it can be considered as a reason for the fact that they are the only startup in this study that didn't get requests by potential partners. That companies might behave and think differently due to their development stage is in line with findings of different researchers: e.g. it was found that management priorities differ according to the companies life cycle (Smith et al., 1985) and companies worry more about getting sufficient capital at an early stage than later (Dodge et al., 1994). However in contrast to the previously mentioned startup other startups stated that especially in the beginning they actively aimed to get in the media. Thus there is a difference in the behaviors, nevertheless it is also seen that they acted different according to their development phase.

5.1.2 Media Attention leading to Reputation

The 2nd proposition derived from the literature review dealt with the idea whether media attention leads to an increased reputation, especially in terms of a general greater visibility. As seen in the findings all startups that got interviewed agreed that media attention increases a startups' reputation, which confirms the proposition and is coherent with the findings of Deephouse (2000) and other scholars. It is also supported by the fact that five startups got new customers through it as well as requests by other parties that wanted to do business with them. Thus it underlines the fact that the startups were indeed more visible and perceived as interesting and trusted enough to contact them or buy their products. But actually in describing what reputation means to them, also other terms than becoming better known were named. In line with the review of Lange et al. (2011) the startups also mentioned that they got a better reputation due to the fact that people got a better image/ better opinion of them, they got better known as reliable company or better known and judged favorable since experts named them in interviews. However, increased general visibility is seen and confirmed by all startups. Since that strengthens an organizations reputation (Lange et al., 2011) one can argue that in this sense it was especially the result of media attention. And certainly it has to be true that if a startup isn't visible, people can't get aware, can't form an opinion nor contact it.

5.1.3 Media Outlets as Signalers

The 3rd proposition of the study concerned the signaling theory and assumed that not only startups can be seen as signalers transmitting information about themselves to any kind of receivers, which Connelly et al. (2011) proposed, but also that the media outlets and thus the journalists or bloggers can take this position. As seen in the main findings of this study (see Appendix 10.3) the startups not only actively try to get in the media by sending out press releases and directly call or mail journalists, they also react to requests of media outlets that want to do interviews with them or want to get additional photos, material, etc. That is especially seen in two cases: the startups aren't actively approaching the media, however they still got

covered. Interestingly, one of the startups also got requests by potential partners and started the relationship initiation process. Thus the study revealed that in getting requests by potential partners it doesn't seem to matter whether a startup actively aims to get into the media or not. Events such as fairs and startup competitions as well as funding rounds were named as ways to raise attention without actively approaching the media by all of the startups. Hence a company has to take any kind of action since otherwise the media can't get aware and report about it (Deephhouse, 2000), e.g. the startup has to participate in an event where it can be seen by the media. Therefore events can indeed make a startup newsworthy, as also found by Mariconda and Lurati (2014). Moreover as seen particularly in two cases in which startups actively approached the media from the beginning on it seems that if startups are getting more mature the media more and more picks up information about the startup itself. It can be argued that this is partly the case since the startup is already more legitimate (Pollock & Rindova, 2003), more information is already available and other media outlets can more easily find it newsworthy as well, report about the startup and thus further increase its legitimacy.

Nevertheless, as seen in one case it can be also acknowledged that the media can be a distorting factor as proposed by Connelly et al. (2011): One startup reported that if they aren't controlling for it and the media is just writing about them without previously talking to the startup, often the wrong message is getting across and thus the audience gets a wrong idea of the startups offer. It can be argued that in this case the "signal fit" (Connelly et. al, 2011, p.59), which is the extent to which the signal relates to the unobservable quality intended to be transmitted, isn't high. The signaler (here the media) communicates a wrong or not complete signal that runs counter the information that the startup wants to provide. Interestingly that shows that media attention can also have drawbacks. The fact that media attention increases the number of people that get to know the startup means that, if a startup is not controlling in which outlets it is covered and what information is given, all kind of people that aren't the target get aware and the startup might get useless requests. Thus this study reveals that if the media acts as a signaler by itself it can also be unfavorable.

5.1.4 Feedback and Interaction Process

The 4th proposition investigated the next step of the proposed conceptual model. Due to its increased reputation in the sense of general visibility based on media attention that got actively advocated or randomly received, the startups get feedback and especially get contacted by potential partners with which they start interacting. As seen in the main findings (see appendix 10.3) all startups got feedback regarding the articles and the information given by those. Nevertheless only in three of the five cases the startups actually started interacting with the potential partners that contacted them. In the remaining two cases (see 4.1.4 and 4.1.6) it appeared that reason for not starting an interaction were that business partners weren't that important, thus it wasn't named that they aimed to get into the media because of that. Nevertheless, finding customers through it is a common goal and further similarities between them are that they both stated that media is good and cheap marketing and they are classified as both active and reactive towards media attention. When taking a look back at the framework of Mandjak et al. (2015), it can be argued that in these cases the potential partners didn't get positive feedback from the startups and thus the relation initiation didn't further proceed. That is also coherent with the findings of Dwyer et al. (1987): One of the parties can withdraw from the process, which can happen at any stage of the relationship initiation. Thus in these cases the exploration stage wasn't reached. It can be concluded that

startups can receive feedback/ requests due to media coverage, but that after a potential partner gets aware of a startup due to media attention they not necessarily start an interaction. As seen in the cases of the two startups, reasons for that can be that there is simply at the moment no need for the kind of partnership proposed.

5.1.5 Partnerships through Media Attention

As seen in the results section, getting visibility due to media attention clearly not necessarily leads to successfully established partnerships, as proposed in the 5th proposition and seen in the example case of Oukes and Raesfeld (2017). Only in two of the six investigated cases did the startups find valuable partners (see Appendix 10.3), however even though these seem to be promising, both startups are still negotiating with those parties. Thus they are currently in the "exploration stage" (Dwyer et al., 1987). It can be seen that both startups are quite mature and got a lot of media coverage. During the interview the founder of the 3rd startup made clear: *"otherwise without that media coverage we got, that partner would have never known about us"*. The factor that it increases a startups visibility and makes it more reputable was also underlined. In the interviewees perception people that want to do business with them get to them in one of two ways: 1) they read an article about the startup and contacts them or 2) talk to the entrepreneur during an event, later try to find information via the internet that verifies the startups work and then contact it again. Thus interestingly, media attention has not only immediate benefits so that only immediately a greater amount of people gets aware of the startup. It can also be helpful in the long term by acting as a credible information source. That is in line with Pollock and Gulati (2007), who stated that companies that consider becoming partners with startups look for signals that increase the startups visibility and decrease doubts regarding the credibility of the startup.

However, in contrast to the expectations, the startups don't even regard media attention as very important for finding partners. It is believed that it is possible, but so far partners were rather found through directly approaching them, meeting them at events or through network contacts. As seen in the cases where startups currently talk to promising partners, whether a startup regards partnerships as useful and aims for that also has an influence. Huston and Levinger (1978) confirm that by proposing based on their study on interpersonal attraction and relationships that a relation only follows from liking another party if one wishes to enlarge ones connections and hopes for positive responses from the other party.

Nevertheless, as seen in table 3, besides the least mature startup (for which customers aren't yet important) all startups got new customers through media attention. Thus media attention was regarded as effective way to affect investors and customers

New customers: Evidence from Interviews

1	"Companies are writing to you: 'I want a business card for all my company cars'"
3	"About 4 clients stated that in their 'hello'-mails, that the first contact was that they read an article"
4	"I get notifications on my phone when somebody orders one and when I get 3 or 4 within like one afternoon (...). Something must have happened. Usually I find out about the media by the traffic we get on the website"
5	"We got maybe 1 or 2 customers through media attention which was actually by accident, like 'in my free time I was watching this and I thought it is really interesting for my business'"
6	"There were also some customers calls, that saw us and didn't know us yet. (...) I think 1 or another did (buy it)"

Table 3. Evidence that Startups got Customers

interest to invest/ buy, which is coherent with Pollock and Rindova (2003), who found that in the IPO market media-provided information has a higher credibility to impact investors behavior than material given by the companies. The founder of the 2nd startup also mentioned that if people got to them instead of that they tried to reach out, it took less time to convince the potential customer of the concept and that it works since they already read about it in the media. Thus in this way uncertainties that are involved (Ford, 1980) were decreased.

5.2 Conclusions

This paper tried to answer the research question: “How does media attention act as a facilitator of the relationship initiation between startups and its partners?” Six startups were interviewed and valuable findings were gathered in order to be able to answer the research question at this point.

Based on the outcomes of the study it can be found that media attention can indeed facilitate the relationship initiation between startups and potential partners, thus the example described by Oukes and Raesfeld (2017) is not an isolated case. Nevertheless, none of the interviewed startups already established a partnership. Two are currently in the negotiations with potential partners, which seem promising; one startup started an interaction, but that wasn’t favorable. The greatest factor as to why startups can find potential partners through media attention is that by reporting about the startup - either by the startups own approach or by the media outlets action -, it is seen by a greater amount of people, that otherwise most likely wouldn’t recognize the startup the startup. Thus the startup becomes more visible and gains a reputation. Interested investors or companies that want to do business with the startup become aware and contact the startup. If the startup is interested they might start an interaction. Nevertheless, the startups aren’t necessarily interested and also some requests by potential partners not necessarily turn out to be serious and useful. According to one startups representative one “need(s) to be lucky maybe as well, that the right partner picks up the message”. As preconditions that support the process of finding partners through media attention the articles written about the startup might have be of a high quality, give the right information and target the right audience. At best, the feature already states that the startup is looking for partners.

It is found that media attention can also help in hindsight for initiating relationships. If someone wants to learn more about a startup he somehow recognized or got into first contact with, one can easily search online and find information, which verifies that the startup exists and already got attention. During negotiations with potential partners – even though these were approached actively – that can be a credible source and thus increase the urgency to become partners. The two previously named ways on how media attention can be useful in facilitating the relationship initiation are illustrated in figure 3.

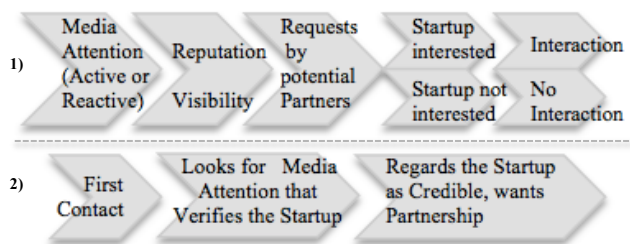


Figure 3. Two Ways How Media Attention can Support the Relationship Initiation

However, other than making potential partners aware of the startup and being a credible source to prove the startups

legitimacy it isn’t found that media attention plays another role during the relationship initiation process. The founder of the 1st interviewed startup concluded: “If you get a warm intro, that’s very good. When somebody introduces you that has trust, credibility (...) - that can be done via the press. (...) But after that, you’re on your own. I think once the first contact is made the press coverage cannot really help anymore, I think then it’s just a soft factor, nice to have (...). Maybe it creates a bit of an urgency (...). But it’s always good to have press coverage in terms of so that you just don’t talk about it and in the negotiation it doesn’t seem like you are making things up because it was in the press, so it was really official.”

Nevertheless, it also has to be said that the startups didn’t necessarily aimed for media attention to explicitly find (what they called themselves) new business partners. Most of the startups stated that their partnerships so far were rather actively approached through direct contact or their network. Thus media attention seems to be rather an additional factor that can bring the bonus of suitable partners but is not seen as a main factor driving it. On the other hand it can also lead to too many requests by interested companies that are simply not fitting the needs of the startup. Hence media attention can also have drawbacks. Media coverage was regarded as important, but certainly it depends on the development stage. Furthermore, overall it was found that the startups goal was rather to trigger investors or find customers through it, which was indeed achieved. Thus the conclusion can be drawn that especially in the first named way (see figure 3, 1. way) media attention is more efficient to find new customers and investors, but - even though it is certainly possible –not always a valuable way to find other partners.

6. PRACTICAL AND THEORETICAL IMPLICATIONS

This study contributed to research on why media attention can be beneficial for companies and on how media attention is connected to an organizations reputation by investigating startups. Furthermore, it added value to research on the role of thirds in initiating relations between startups and established companies. It revealed that media attention can indeed be beneficial for startups, that it leads to an increased reputation and thus can be supportive if a startup aims for that early on. Additionally it substantiates that media attention can be useful in finding partners and thus that the media can act as a third actor with a passive role. However it exposed that it is an even more efficient way to find customers than to find business partners. Finally, the study shed light on the fact that whether a startup perceives media attention as important and actually gets valuable requests also depends on the development stage of the startup.

Next, the study also has practical contributions. It was shown that if startups want to get known by a greater audience and increase their reputation media attention is helpful. They don’t even have to actively take the action and approach media outlets, if they participate in events such as startup competitions the chances are high that the media picks it up. Even more than for finding business partners, media attention is valuable to find customers and investors. Nevertheless, the right audience should be targeted. If startups explicitly want to find partners through media attention they should make sure that that is communicated in the articles and that the right information is given so that they only get useful requests. Additionally, startups should consider whether media attention is useful for them based on their development stage.

7. LIMITATIONS AND FURTHER RESEARCH

The study is object of a couple of limitations. Firstly the study is limited due to the restricted timeframe. Thus only six startups were interviewed which certainly is a small sample size and restricts the generalization of the findings. Therefore further research regarding this topic should be based on a larger research sample. That might also be supportive when it comes to further investigations regarding interesting outcomes of this study, e.g. the influence of the development stage. This study clearly revealed that the development stage played a role. Nevertheless due to the small sample conspicuous findings in individual cases couldn't be compared. Moreover this study didn't reveal many details on how the relationship initiation proceeded and if the media played further roles in it since only in three cases the startups started an interaction and the representatives couldn't give much detailed explanations of it. Therefore, further research can regard this more in detail when examining more startups that indeed got partnerships through media attention. Also, further research can look at whether different types of media have a different influence on finding partners in case a longitudinal study is conducted. That was beyond the scope of this study, thus it couldn't be distinguished in greater detail what type of media outlets or specific articles had which influence, if there is especially a difference between general and specialized media, and thus which media outlets should be most targeted by startups.

8. ACKNOWLEDGEMENTS

I would like to thank my two supervisors, Dr. Ariane von Raesfeld Meijer and Tamara Oukes for their feedback and guidance. Furthermore, my gratitude goes to the startups that participated in this study. I really appreciate the time and effort they put into providing me with valuable insights. Lastly, I would like to thank my family, friends and fellow students for their support during the duration of this bachelor program.

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10 APPENDIX

10.1 Interview Consent Form

Research Project Title: “Media attention as a facilitator of the relationship initiation between startups and their potential partners”

Research Investigator: Meike Kleinberns

Research Participant Name: _____

- the interview will be recorded and a transcript will be produced
- the transcript of the interview will be analyzed by Meike Kleinberns as research investigator
- access to the interview transcript will be limited to Meike Kleinberns and her supervisors Dr. Ariane von Raesfeld-Meijer and Tamara Oukes
- any summary interview content, or direct quotations from the interview, that are made available through academic publication or other academic outlets will be anonymized so that you cannot be identified
- the actual recording will be destroyed
- any variations of the conditions above will only occur if you explicitly agree to it

By signing this form I agree that:

- I am voluntarily taking part in this project. I understand that I don’t have to take part, and I can stop the interview at any time;
- The transcribed interview or extracts from it may be used as described above;
- I don’t expect to receive any benefit or payment for my participation;
- I can request a copy of the transcript of my interview;
- I have been able to ask any questions I might have, and I understand that I am free to contact the researcher with any questions I may have in the future.

Participants Signiture

Date

Researchers Signiture

Date

Contact Information:

Researcher: Meike Kleinberns

Tel.:

Email:

10.2 Interview Template

1. Signing of Consent Form/ Explanation of the setup of the interview

2. Introduction to the topic/ Background information of the thesis

-Bachelor topic: how media attention can facilitate the relationship initiation between startups and their partners.

-Based on a study of Tamara Oukes and Ariane von Raesfeld-Meijer (2017): investigated how one Dutch startup established partnerships through the help of third actors

-One of those partnerships got established because the startup got media attention which made another company aware and thus it contacted the startup and they became partners

-Based on that in my thesis I want to find out whether startups perceive media attention as important and are aiming to get into the media and whether that can really help in finding new partners

3. Interview Questions

General Questions:

- Year of founding:
- Number of employees:
- Industry:
- Development stage:
- Job function of the participant:
- Part of the startup since:

Questions regarding the concepts:

- In general, how important is media attention for you? Are you aiming for it? Why?
- What are you expecting from media exposure?
- By what kind of media outlets were you covered so far?
- Where you covered multiple times by media outlets? Over a longer timeframe?
- How did the journalists get aware of you? Did you influence that?
- Was the information given by the media about you rather positive or negative?
- Do you believe negative evaluation in the media is also beneficial for you? Why?
- Do you believe through this media attention you reached a greater audience?
- How important is it for you to be well-known, to be generally visible? Why?
How important is it for you to be known for specific attributes, e.g. high quality?
How important is it for you to be generally judged favorable by another party?
(Which of these concepts is most important for you? What do you think, what is most transmitted by media coverage?)
- Do you believe you gained reputation by the media coverage? Why/ In which sense?
- Did you receive any general feedback from anyone after you got covered by the media?
If yes: by who?
- How important are partners for you? For which purpose? What kind of partners?
- Did potential partners get into contact with you after the media attention and wanted to become partner with you?
If yes:
 - Have you heard of them before?
 - Was it a problem that they knew about you, but you didn't know much about them?
 - Was there a problem regarding trust between you and the other party?
 - Were there any other problems during the relationship initiation process?
 - Did you actually establish a partnership with them?
 - What do you think was the role of the media attention in this?
 - Do you believe the initiation process was missing an active intermediary supporting the process?
If no:
 - Did you instead find new customers through the media attention?
 - Do you believe a startup can generally find new partners through media attention?
 - In your opinion, what would be the preconditions for that?
 - (In your opinion, what role does the media play in that case?)

10.3 Table Main Findings

	Perception of media attention	Benefits	Trigger for media attention	Approach towards Media Attention	Evaluation of signal	Effect of media attention	Received feedback	Started Relationship Initiation	Outcome
#1	Important	Greater audience B2C & B2B attention/ customers Good for fundraising	Events Funding round Existing partnership Press release Direct calls	React Act	Positive Critical	Increased reputation General visibility	General feedback In comment boxes Existing and interested customers Requests by potential partners	Interaction	Pending
#2	To some extent important	Greater audience Shows potential investors that there is attention	Events Funding round	React	Positive Critical	Increased reputation General visibility Experts opinion	General feedback Competitors Interested customers	-	-
#3	Important	Greater audience Keep name out there Verifies that company exists and that it is valuable to do business with	Events Blog	React	Positive/neutral Critical	Increased Reputation General visibility Known for being used reliably by other customers	General feedback Interested customers Requests by potential partners	Interaction	Pending
#4	Important	Greater audience Good for fundraising Good Marketing tool New customers	Events Direct calls	React Act	Positive	Increased reputation General visibility	General feedback Asked kickstarter investors for it Requests by potential partners	No interaction	No partnership
#5	To some extent important	Greater audience Good for fundraising Getting message across Convert potential into actual customers	Funding round Press release Direct calls	React Act	Positive	Increased reputation General visibility Better opinion	General feedback Interested customers Requests by potential partners	Interaction	No partnership
#6	Important	Greater audience Cheap advertising New customers	Events Funding round Press release Direct calls	React Act	Positive Critical	Increased reputation General visibility Better image	General feedback In comment boxes Family & friends Interested customers Requests by potential partners	No interaction	No partnership