Entrepreneurship and Social Media
A Grounded Theory Investigation of Three New Ventures

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Research Report
Table of contents

Abstract ..........................................................................................................................6
Introduction ....................................................................................................................7
1.1. Defining the Terms: Perspectives on Social Media and Entrepreneurship ..........9
  1.1.1. A Perspective on Social Media .................................................................9
  Blogs .....................................................................................................................10
  Social networking outlets ...................................................................................11
  Microblogging outlets .......................................................................................11
  Social bookmarking outlets ...........................................................................11
  Video sharing outlets ......................................................................................11
  Photo sharing outlets .....................................................................................12
  1.1.2. A Perspective on Entrepreneurship .....................................................13
2. Methods .............................................................................................................15
  2.1. Research Processes ....................................................................................16
    2.1.1. Participant Selection ............................................................................16
    2.1.2. Social Media Inventory ......................................................................17
    2.1.3. Online Observations ..........................................................................19
    2.1.4. A Website Review .............................................................................19
    2.1.5. A Blogosphere Review ......................................................................20
    2.1.6. An Inventory of Online Social Media Presence ..................................21
    2.1.7. Synthetic comments ..........................................................................22
    2.1.8. Interviews .........................................................................................22
3. Case Reports .....................................................................................................23
  3.1. MásMovil ......................................................................................................23
    3.1.1. Online activities ..................................................................................26
    3.1.2. Summary of case ...............................................................................28
  3.2. The Silent Comedy .......................................................................................38
    3.2.1. Online activities ..................................................................................42
    3.2.2. Summary of Case .............................................................................53
  3.3. International Training House .......................................................................53
    3.3.1. Online activities ..................................................................................55
    3.3.2. Summary of activities ......................................................................58
4. Discussion .........................................................................................................59
  4.1. “Muddling through” as a strategy ..............................................................59
  4.2. Working ON the business vs. working IN the business .........................62
  4.3. Creating interactions between online and offline media .......................64
4.4. Enabling an open brand architecture ............................................................. 67
4.5. Positioning the company as an expert ......................................................... 71
4.6. Building a modular online structure .......................................................... 72
5. Conclusions ................................................................................................... 74
5.1. Communities of Practice .......................................................................... 75
5.2. The relationship of online and offline media ........................................... 76
5.3. Importance of a conversational model ....................................................... 77
Bibliographic references .................................................................................. 79
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Abstract
Social media is being discussed as one of the biggest shifts in how people interact and conduct business since the Industrial Revolution. While few disagree that social media is impacting business, very few empirical studies exist to substantiate the claims of social media’s influence and none exist that investigate the role of social media in new venture creation. This paper attempts to begin a conversation about social media’s influence on new ventures through a Grounded Theory investigation of three new businesses. The three companies are engaged in different types of businesses (mobile wireless service, entertainment and consulting), have different sizes (60 employees, 7 employees, 1 employee) and operate in different countries (Spain, the United States, and Belgium), yet all attempt to engage with social media in some way. Based upon nine months of observations and several interviews, this paper describes each case in some detail and offers six themes that appear across the cases: 1) muddling through as a strategy; 2) the challenge of working ON a business versus working IN a business; 3) the importance of creating interactions between online and offline media; 4) how companies build a modular online structure; 5) the advantages of an open brand architecture; 6) positioning the business as an expert. To explain the emergence of these six themes, the study concludes by suggesting future research in three key areas that might help theorize the existence of these themes: 1) communities of practice; 2) the relationship of online and offline media; 3) the importance of a conversational model of social media.

Keywords
Entrepreneurship, social media, grounded theory, communities of practice, open brand architecture, conversation, online and offline media
Introduction

Social media is being heralded as the biggest shift in the way people interact and communicate since the Industrial Revolution (Qualman 2009), and although its cumulative effects are still unknown, it is clear that social media is significantly changing how people work together. A fusion of technology and social behavior, social media emphasizes community, democracy, participation, conversation, and authenticity. Social media encourages content creation through writing and media production, and social media is subtly changing the way people read, process information, and think. While print technology facilitates forms of concentrated, sustained attention and thought, social media encourages distributed and plastic thinking. This shift is more than merely a change in the way we read and communicate; it marks a change in nearly every aspect of human affairs (Shiffman, 2009).

Business—and entrepreneurship in particular—is one of the most significant realms impacted by the social media revolution and the egalitarian ethos it espouses. In a recent issue of Wired Magazine, for example, Charles C. Mann argues that corporate giants, like the “Big Three” automakers in the United States, simply cannot compete against more nimble “industry ecosystems” that weave together small startup firms through cloud computing and electronic partnerships (Mann 2009). Indeed, even the smallest startup firms now recognize that they can compete globally and order from a global supply chain. This industry ecosystem model positions entrepreneurs in a powerful position to begin developing products, services and technologies that can contribute a small, niche component to a larger ecosystem and perhaps ultimately overturn the hegemony of the large corporate giants.

Perhaps the most significant thing, however, about the social media revolution is the way it connects people and builds “tribes” (Godin 2008) around ideas or concepts. As a practice, entrepreneurship fundamentally relies on connecting like-minded people in order to launch and build an enterprise. Historically, entrepreneurs engage in traditional networking—face-to-face meetings, networking conventions, personal relationships—to build interest in their ideas. Yet social media technologies give entrepreneurs greater audience reach at lower cost and lower risk than traditional media. Through free tools like blog-hosting services, video-sharing websites, and social networking communities, every entrepreneur has an opportunity to create their own messages and, paradoxically, share those messages broadly by targeting countless narrow, specific audiences as they build a core group of investors,
customers and collaborators. (Goetz & Barger, 2008). In other words, social media enables entrepreneurs to access a global audience at the same time that it enables them to pinpoint individual collaborators and to build global networks through online services like Facebook, YouTube and Twitter (at least in 2011 these are three key online platforms).

In short, social media marks a change in the way entrepreneurs undertake their activities and forces us to question the ways that this new, egalitarian and participatory model contributes to new firms. Indeed, collaborative projects such as Wikipedia demonstrate that a previously unexploited collective intelligence can be tapped when the right conditions are established and maintained (Bull, et. al, 2008), and as Burgess, Foth, & Klaebe (2006) argue, entrepreneurs in the new economy are rushing to connect with this human talent and creativity that lives within social networks.

However, in spite of the opportunity that social media presents for entrepreneurs, very few scholars have formally studied the intersection of social media and entrepreneurship. Certainly many writers have expressed their opinions in blogs and trade journals, but these sources often present opinions and practices based on personal experience rather than empirical research. Of the research that does address entrepreneurship and social media, only Greve (2003) formally addresses the relationship of social media and entrepreneurship practice, and he found that social networks grow and contract at different times in the process of building an enterprise, with the beginning phases of an enterprise demonstrating the largest network. Social media utilities such as Facebook or LinkedIn are also mentioned quite often in entrepreneurship guides, most frequently as an example of a technology that meets the needs of particular audiences (Kuratko 2008), or as examples of ways to manage the growth of a new media start up (Loebbecke and Huyskens 2008). Finally, some researchers who have investigated entrepreneurship curricula argue that discussion of social media should be included in entrepreneurship programs, yet these authors don’t provide details on ways that entrepreneurs have actually implemented social media (Millman 2009).

This sampling of literature reveals a gap in the research on social media and entrepreneurship. Specifically the literature to date doesn’t examine how entrepreneurs engage with and utilize social media as an avenue for building momentum for their new ventures. Therefore, the major purpose of this study was to address this gap and asks, fairly simply,

_How is social media used in entrepreneurship, and specifically within the context of new ventures that seek to grow and expand?_
In what follows, I offer some perspectives on social media and entrepreneurship to help ground this study in a shifting landscape between these two terms that are themselves in flux. Following that background and the methods, I describe the cases in some detail and then discuss some themes and conclusions that emerged across the cases.

1.1. Defining the Terms: Perspectives on Social Media and Entrepreneurship

Perhaps one reason that scholars have yet to investigate the role of social media in entrepreneurship is that the very terms themselves—social media and entrepreneurship—remain in flux. Obviously, since social media are so new (at least online social media), scholars and pundits wrestle with the term on a daily basis as they attempt to craft best practices or define the object of study. While the history and theory of entrepreneurship is far more expansive than that of social media, the dialogue concerning the definition of entrepreneurship nonetheless continues to occupy scholars. In an attempt to place this article within this landscape, the next sections offer perspectives—not definitions—of these terms as they were employed throughout this study. That is, the sections that follow are not an attempt to define, or redefine, either term, but simply to limit the possibilities for discussion.

1.1.1. A Perspective on Social Media

The term, “social media” represents a broad range of concerns and technologies and has been applied to everything from newsgroups in the early days of the World Wide Web to Facebook and just about every online technology in between that enables people to post, share, comment or interact. In order to limit the term, this study begins with a concept from the groundbreaking work *The Cluetrain Manifesto* by Levine, Locke, Searls, and Weinberger (2009):

“Markets are conversations.”

That is, social media remediates (Bolter and Grusin 2000) naturally occurring, face-to-face human conversation while simultaneously amplifying the possibilities for representing ideas or beliefs. At its core, social media centers on engagement, participation and collective construction of knowledge just as good conversations do. Li and Bernhoff (2008) agree, arguing that the specific technology really doesn’t matter, that the real point of social media is connecting people as a means of building,
maintaining and strengthening relationships much in the same way that “old” online media like Bulletin Board Systems did in the early days of the World Wide Web (Kaplan and Haenlein 2006).

Of course, a general, popular consensus exists about what counts as social media and these categories definitely matter since the community itself has provisionally agreed on the definitions for social media outlets. In other words, in the spirit of conversation and allowing the community “to speak for itself,” we can initially identify these “Big Six” items as online social media:

1) blogs
2) social networking outlets (e.g. Facebook)
3) microblogging outlets (e.g. Twitter)
4) social bookmarking outlets (e.g. Digg)
5) video sharing outlets (e.g. YouTube)
6) photo sharing outlets (e.g. Flickr).

1.1.1.1. Definitions of the Big Six Social Media Outlets

Certainly, the different social media outlets bleed into one another. For example, Facebook allows video and photo sharing as well as microblogging. However, each of the five outlets listed here do have specific core purposes that allow us to differentiate among them. The distinctions below follow the lead of Tamar Weinberg’s useful classifications in The New Community Rules: Marketing on the Social Web (although other taxonomies are certainly available: c.f Kaplan and Haenlein 2009; Mangold and Faulds 2009).

Blogs

The power of blogs resides in the ability of individuals to become experts within a narrow area and to engage users in commenting on their ideas. However, a wide array of news services have now essentially become blogs and moved beyond into a “general reader” space rather than focusing on narrow communities of interest. For example, according to Technorati (itself the most influential blog about blogging), the Huffington Post is the most popular blog on the Web. The Huffington Post contains conversations on everything from serious international political and financial issues to the banal and absurd like jokes about bathroom signage. Certainly, having a story appear in the Huffington Post with an associated conversation would be a great accomplishment for any organization. However, unless a general reader is specifically searching for news on a particular topic, the broad coverage of Huffington only meets the needs of those interested in broad coverage.
The power of most blogs, by comparison, is narrow-casting, not broad distribution like Huffington and so the most popular blogs really are not about engagement, participation, and construction of a community of ideas. Really, most of the very popular blogs remediate the “push” mentality of network news and large newspapers like the *New York Times*, and so technically don’t fall within the narrow definition of social media as conversation. Smaller, domain-specific blogs, however, are more likely to be genuinely participatory and were considered in the study.

**Social networking outlets**

Social networking outlets exist for people to represent themselves to others and to connect with others who have similar interests. These sites are the most versatile of social media because they can include all other outlets, like video and photos, as a person constructs their online identity. The way that individuals construct their personas, then, enables them to connect with others and build networks of people who share some component of their identity (real or imagined). (Weinberg 150).

**Microblogging outlets**

Born from the world of instant messaging and text messages, microblogs evolved as a means for one person to share “what they are doing” with others in very short messages, usually a line or two. While the original point was to share actions, microblogging has evolved into a powerful force of immediate opinion sharing and collaboration, where people not only share “what they are doing” but genuinely dialogue with one another on topics (Weinberg 126).

**Social bookmarking outlets**

One perennial challenge on the World Wide Web is remembering where you found an interesting website. Social bookmarking sites allow you to record where you found something interesting and share it with your friends. These sites allow users “to tag” stories, store the link and share the link with the community and so the most popular websites and stories then form a community-based information portal. In comparison to a blog like Huffington Post, that is, the users themselves determine the content by “voting” for a particular website by tagging it or bookmarking it. The more tags a website has, the more popular it becomes and the more popular it becomes, the more likely that website will appear on the main page of the particular outlet. Weinberg distinguishes between social bookmarking and social news sites, but I’ve combined them since both are about tagging stories that people feel are important, creating a “wisdom of the crowd” (Weinberg 197; 225).

**Video sharing outlets**

As technological improvements have enabled people to produce videos easily, the desire to share them has likewise increased. People will create a short video of just
about anything—their kids, their dog, their trip to Barcelona with their kids and their dog—and then because that experience was important or funny or memorable to the creator, they want to share it with others. Videos, like photos, express who we think we are and open an opportunity for sharing with others. These websites allow us to load brief snapshots of our experiences as they occurred in time and enable others to post (sometimes) pithy commentary on the videos or to share links to those videos with our community (Weinberg 267).

Photo sharing outlets

From a technical standpoint, photos and videos differ quite significantly. Video captures motion in action and photos capture things in a more framed way. That does not mean videos aren’t staged, of course, but videos do show something “as it is happening” rather than a still life. In much the same way as video sharing sites, photo sharing sites enable us to represent ourselves to others and share our experiences without describing them in words. What’s better, a photo of a unique building or my verbal description? Perhaps the ideal is both verbal and visual, which is why these sites allow for extensive captioning. These sites also allow people to “tag” others or places, so that one user can see all of the photos where they appear on their friends’ sites. Again, the point is sharing the experience, or perhaps re-living a shared experience from the past (Wienberg 268).

Classifications always present problems. Indeed, Facebook is all of these things rolled into one—which might explain why it is so wildly popular (at least for now). Indeed, all of these outlets have one primary purpose—sharing ourselves with others in a way that initiates and sustains ongoing conversations, to follow the perspective offered in *The Cluetrain Manifesto*. But these outlets also differ, mostly because they limit which media are available. Whereas Facebook aggregates content types AND encourages participants to generate new content AND enables extensive dialogue, these other outlets focus (mostly) on content of a particular type (e.g. 140 text characters or video) while enabling dialogue about that content. In the end, the distinctions are somewhat slippery and intuitive, but Facebook is not Twitter is not Digg is not YouTube is not Flickr. The key point to remember is that in the end, the technologies don’t matter because they will change. What does matter is understanding the purpose and function of these technologies which is to encourage people to build and share their identities through interactions that remediate through electronic means our most fundamental form of interaction, face-to-face conversation (Kock 2005).
1.1.2. A Perspective on Entrepreneurship

Just as no single definition exists for social media, perspectives on entrepreneurship continue to evolve. The conversation about what counts as "entrepreneurship" can be traced back more than 200 years to the French economist, J.B. Say who wrote that, "The entrepreneur shifts economic resources out of an area of lower and into an area of higher productivity and greater yield" (qtd in Drucker 1986, p 21). This idea of shifting, of perpetual change, permeates nearly all definitions of entrepreneurship, and received one of its most famous articulations when Joseph Schumpeter described entrepreneurship as “creative destruction” in *Capitalism, Socialism, and Democracy*. In short, according to Schumpeter, small companies would perpetually battle larger companies, and in order to differentiate themselves, the smaller companies would be forced to introduce radical improvements in the economic order. In other words, “...With capitalism, we are dealing with an evolutionary process....Capitalism, then, is by nature a form or method of economic change and not only is but never can be stationary” (Schumpeter 2010, p. 82). The new perpetually competes with the old in a continual cycle of innovation: creative destruction.

Nearly every perspective on entrepreneurship since Schumpeter has adopted this process orientation where something new seeks to displace something old in a perpetual cycle of competition. For example, Drucker’s own perspective on entrepreneurship echoes Schumpeter’s although with a resonance of rationality and organization less apparent in Schumpeter’s schemes. Drucker called entrepreneurship “Systematic innovation...that consists in the purposeful and organized search for changes, and in the systematic analysis of the opportunities such changes might offer for economic or social innovation” (Drucker 1986, p 35). Compared to the disembodied, somewhat chaotic social process proposed by Schumpeter or Say, Drucker’s perspective paints a picture of a wilful, conscious search for opportunities according to observable, empirical changes including demographic changes, new knowledge, or an incongruity between what is and what ought to be (Drucker 1986).

In the field of entrepreneurship education, many, such as Kuratko (2009), have adopted a view much like Drucker’s although they have added a management twist. Specifically, entrepreneurship is viewed as a process (Schumpeter), is considered to be a rational process of search and discovery (Drucker), and includes the ability to construct a solid business model and team around the opportunities (a new evolution). An additional component in this literature considers entrepreneurship as the wilful acceptance of risk in pursuit of opportunities. To quote Kuratko (2009), “Entrepreneurship is a dynamic process of vision, change and creation. It requires an application of energy and passion towards the creation and implementation of new ideas and creative solutions. Essential ingredients include the willingness to take
calculated risks...the ability to marshall needed resources; the fundamental skill of building a solid business plan...” (p 5). Shane’s (2003) much-cited definition of entrepreneurship echoes the same concepts: “Entrepreneurship is an activity that involves the discovery, evaluation, and exploitation of opportunities to introduce new goods and services, ways of organizing, markets, and raw materials through organizing efforts that previously had not existed” (p. 4).

Many other perspectives exist, of course, because entrepreneurship has been viewed from the perspective of economic theory (e.g. Casson 2003), psychology (e.g. Baum, Frese and Baron 2006) sociology (Thornton 1999), management (Saravathy 2003) and most recently from communication (Williams 2010). Many scholars (e.g. Gartner 1990; Rispas 1998) have also articulated interdisciplinary perspectives, arguing that given the complexity of entrepreneurial activity, no single discipline can describe what really occurs. As a way of summarizing the complexity of perspectives available for understanding entrepreneurship, Thakur (1998) recalls an Indian anecdote about the difficulty of six blind men trying to describe an elephant by touching different parts of the animal. In short, they’re all necessary which leaves us in a bind to arrive at a single definition that satisfies all the perspectives.

Even from within this difficult position, there is hope. Specifically, I subscribe to Hindle’s (2010, p. 100) generalized perspective:

“Entrepreneurship is the process of evaluating, committing to, and achieving, under contextual constraints, the creation of new value from new knowledge for the benefit of defined stakeholders.”

This perspective retains the four elements of opportunity (Shane and Venkataramon 2000)—existence, discovery, evaluation and exploitation—and it likewise covers different types of entrepreneurship, such as social entrepreneurship (c.f. Kiva; Worldreader; One Laptop Per Child), intellectual entrepreneurship (c.f. Wikipedia, Unesco, Transparency International), as well as the different scales of entrepreneurship outlined in the Global Entrepreneurship Monitor 2009 Global Report (Levie and Bosma 2010): “factor-driven” economies in the developing world, e.g. Uganda and Venezuela; “efficiency-driven” economies in industrialized nations, e.g. China and Argentina; innovation-driven economies, e.g. United States and Spain.

In short, Hindle’s definition is flexible enough to accommodate both the evolution of thinking in entrepreneurship as well as the current state of global entrepreneurship practice.
2. Methods

The method known as “Grounded Theory” formed the basis of this study since this method was highly suitable to exploring data sets where hypotheses don’t yet exist. The origins of Grounded Theory reside in the work of two sociologists, Barney Glaser and Anselm Strauss, who offered this new inductive approach to research in *The Discovery of Grounded Theory* (1967). In their work, Glaser and Strauss argue that qualitative data should accrue from repeated samplings of empirical data and that through cycles of data-gathering, interpretation, and synthesis, theories begin to emerge from the data themselves. In short, rather than examining existing data through a lens, the data itself suggests the lens to the researcher.

Following Glaser and Strauss’s 1967 book and later individual works by each author (e.g. Glaser’s *Theoretical Sensitivity* (1978) and Strauss’s *Qualitative Analysis* (1987)), Charmaz (2006) offers this summary of Grounded Theory’s key concepts:

- Simultaneous involvement in data collection and analysis;
- Constructing analytic codes and categories from data, not from preconceived logically deduced hypotheses;
- Using the constant comparative method, which involves making comparisons during each stage of the analysis;
- Advancing theory development during each step of data collection and analysis;
- Memo-writing to elaborate categories, specify their properties, define relationships between categories, and identify gaps;
- Sampling aimed toward theory construction, not for population representativeness;
- Conducting the literature review after developing an independent analysis (p. 5-6).

Additionally, Grounded Theory prefers small initial samples that gradually increase as categories become “saturated,” that is, “gathering fresh data no longer sparks new theoretical insights, nor reveals new properties of these core theoretical categories” (Charmaz, 2006, p. 113). By discerning categories, and then saturating these categories with novel data, Grounded Theory moves from pure description to explanatory conceptualizations.

For the purposes of this study, Grounded Theory was most appropriate because it coincides with the descriptive and exploratory nature of research where no significant theories exist to be tested. That is, unlike other qualitative methods, such as case analysis, that seek to test and modify a theory, Grounded Theory provides strategies to understand and interpret the world in its multiplicity and relativity (Charmaz, 2006) by moving from unstructured data and working toward a principled understanding of that
data. In the words of Martin and Turner (1986), Grounded Theory “is an inductive, theory discovery methodology that allows the researcher to develop a theoretical account of the general features of a topic while simultaneously grounding the account in empirical observations or data” (p. 141).

2.1. Research Processes

Within the frame of Grounded Theory, the research tracked five individual cases—three are reported here—to reach saturation. The study progressed through multiple stages, beginning with participant selection, and continuing to a social media inventory to determine precisely what channels of social media were most appropriate to investigate for each participant. Finally, as Charmaz (2006) reminds us, multiple types of data provide better explanatory power of a particular phenomenon, social media in this case, and so this study employed observations, interviews and document analysis to arrive at an understanding of the way social media is used within these start-up firms. I outline the stages and types of data in more detail below.

2.1.1. Participant Selection

The participants in this study represent a range of business types, levels of business maturity, and countries. Additionally, each participant explicitly engages with social media as part of their business strategy, although in different ways.

**MásMovil (MM),** officially launched in 2008, is a Spanish mobile phone service provider that participates in a newly de-regulated Spanish mobile market. They compete against several other low-cost providers (e.g. Yoigo and Simyo) in a market historically dominated by very large providers such as Orange, Telefonica and Vodafone. They currently employ about 60 people.

**The Silent Comedy (TSC),** is a musical group founded in San Diego, California in 2007. Unlike most start-up bands, members of TSC conceived of their band as a business from the beginning and they frequently speak in “business concepts” including things like profits, branding, and client services. They currently have a national following although the majority of their work occurs in the Southwestern United States. The business consists of the five band members and three support staff.

**International Training House (ITH)** was founded in 2007 as an individual consulting business operating near Antwerp, Belgium. The business consists of a sole proprietor and a network of “consulting trainers” who can assist as needed on projects.
The primary business includes training courses on communication, leadership, retail sales, and employee motivation.

Although the cases do represent very distinct types of businesses in different sectors in different countries, they certainly do not represent a random sample. Instead, they should be regarded as a convenience sample because I contacted each business through my personal network of start-up companies. That is, either I know the founders, or I met the founders through a mutual connection. Each business was approached, presented with the opportunity to participate, the requirements to participate (e.g. willingness to be interviewed and the time requirement for reviewing observations) and each agreed. The individual companies are profiled in more detail in the case reports section.

2.1.2. Social Media Inventory

As noted in the introduction, the term “social media” is far from having an authoritative definition. However, the online community has generally agreed that blogs, social networking, microblogging, social bookmarking, video sharing, and photo sharing are currently the major manifestations of social media. Assuming these distinctions are relatively sound, the question becomes, “which are the most significant players in each of these categories?” Analyzing all the social media channels would be impossible; there are simply too many (and besides, new ones are born each day and old ones die each day). Limiting the number of sources was a pragmatic necessity for the study, but it also enabled equal treatment across the cases. That is, having a specific set of channels enabled an observation of the ways each participant engaged—or not—with that specific channel. The outlets uncovered according to the methods outlined below produced a snapshot in one moment of time for the most significant social media resources at the outset of the study (August 2010) divided into the five major categories of social networks, microblogging, social bookmarking, video sharing and photo sharing. Each of the five categories contains five channels, for a total of 25 data points for each participant, excluding blogs and the website itself, which are separate data categories.²

The process to determine the “Best Five” in each category occurred following these concepts:

1. The outlets must be available in English (which automatically introduces a considerable bias);

² The process described below to determine the Best Five actually resulted in 24 because the microblogging category produced only four results that met all the criteria. In theory there should have been 25, but in reality only 24 total data points were included in the inventory.
2. The purpose of the outlet should accord with the categories above. For example, a general website such as www.apple.com has components of all the outlets but its purpose is promoting the Apple Corporation so it was excluded;

3. The outlets must be publicly available to participants. That is, any tool for use behind a company firewall was eliminated (for example, present.ly exists for employees to microblog within an enterprise);

4. The outlets must be appropriate for general business purposes. For example, “Adult Friend Finder” is a very popular social networking outlet with a respectable Google Page Rank, but it would likely not be used by general entrepreneurs. The same logic applies for excluding other forums, like those dedicated strictly to computer programming or information technology.

Starting from these general criteria, I performed the following procedures for each of the categories to isolate the “Best Five:”

1. I conducted a general search in Google for “best {category name} websites”, for example, “best social networking websites.” From the search results, I visited at least three different websites to generate a preliminary list of outlets that appeared across the websites. While not all outlets appeared on all the website searches, this part of the method generated a considerable list of possible candidates for further analysis.

2. After constructing a list of unique outlets for each category, I visited the websites for each outlet to confirm that they met the baseline criteria (e.g. English, not for use behind a firewall, appropriate for business, etc), to further limit the pool to at least 20 outlets but not more than 30.

3. For each outlet in each category, I secured two different ratings, the Google Page Rank, and the Alexa rank. The Google Page Rank is a complex algorithm used by Google to determine the relative importance of a website. When web developers discuss the concept “search engine optimization” they usually mean Google Page Rank. In spite of some people’s negative views about using this metric, the fact remains that for most marketers and web developers, a high Google Page Rank signifies a website’s relative importance. The higher the number on a scale of 1-10, the “more important” the website.

   The website Alexa.com exists solely to rank websites. It relies on millions of users installing their toolbar and so measures the activities of actual users. It also measures some objective factors, including numbers of links into a website. For this measure, I recorded the actual page rank of all websites, so the page could rank from 1(best in the entire world) into the millions.

4. After assigning both a Google page rank and an Alexa ranking, I sorted the lists, first by the Google ranking and second by the Alexa ranking. This generated a ranked list of the websites.
5. I determined the “Best Five” based on two measures. First, the site had a Google Page Rank of 7 or higher because sites with a GPR of 7+ are the most influential (c.f. Laszlo 2003) on the 80/20 rule for the Internet). Second, the Alexa rank was required to be in the top .001% of all websites or in the top 1200 websites worldwide. So the “Best Five” were required to have a Google Page Rank of 7 AND an Alexa rank of 1200 or less. In many cases, this generated a list of more than five possible candidates and when this was the case, I used the five outlets that performed best on both rankings. In the case of the category “Microblogging,” only four outlets met both criteria.

While this method is perhaps not perfect, it is transparent and repeatable with some sense of logic for limiting the vast array of social media channels available to marketers. The main players are not a surprise, but this inventory does provide a baseline for the outlets that have the most influence in the social media space, at least when the study begin in Fall of 2010.

2.1.3. Online Observations

Once the initial matrix of possible online social media outlets was created, observations of these 24 different analysis points began. In addition to these 24 points of analysis, each organization possessed an “old-fashioned” website, so the website served as another point of observation both for quantitative data such as Google Page Rank, but also for qualitative review. Finally, because blogs form a cornerstone of the social media landscape, the analysis considered how each participant performed in the blogosphere from both a qualitative and quantitative perspective.

In short, the online observations contained four main parts:
1) a website review, quantitative and qualitative
2) a blogosphere review, both qualitative and quantitative
3) an inventory of online social media presence at 24 different points, mostly quantitative but also with subjective commentary
4) synthetic comments on each organization and notes across all instances.

The detailed process for each of these appears below.

2.1.4. A Website Review

An organization’s website serves as an “anchor” in the online world since it presents key brand information, enables commerce and contacts, and generally builds the online persona of the organization by combining all sorts of various media and interactive elements. In this particular review, I commented on the general components

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3To determine the top .001%, I used the number of registered domains—122,282,869 at the time of the search (www.whois.com/internet-statistics)—since the number of actual websites is infinite.
of the website, what it contained, its appearance and other high-level topics. This evaluation revealed the core online presence of each organization, based upon the assumption that the website is an organization’s (or individual’s) “official presentation.” As primarily a “push” technology, websites remain firmly in the hand of the creators and are not necessarily meant to be interactive.

The quantitative analysis is a bit more straightforward and reveals a site’s popularity or influence by measuring its Google Page Rank and Alexa Page Rank and number of links into the site. The Google Page Rank (GPR), a highly sophisticated algorithm, favors sites with many links and frequent updates, for example. Similarly, Alexa ranks websites on various factors, although these factors are user-driven. That is, rather than disembodied bots crawling the web to find which sites are most influential, Alexa measures actual user activity. Based on this, each organization has four different numerical rankings for its website:

1) Google Page Rank
2) Absolute Alexa Page Rank
3) Number of external links into the page
4) Local Alexa Page Rank.

These numerical items were recorded at regular intervals (22 total observations) over the course of the nine-month study to build a richer picture of evolution in the organization’s core online presence.

2.1.5. A Blogosphere Review

Blogs possess the longest history in the social media world outside of “regular” websites, and as such, they are a bit easier to quantify than other media outlets. We can measure the number of blog posts that mention an organization, for example, using Google Alerts, and we can trace the relative influence of blogs by searching through the rankings in technorati.com, perhaps the most comprehensive listing/ranking/evaluation of blogs currently available. We can analyze these blogs by many qualitative features, including what kinds of information they contain—news for example—or by the degree of interactivity as indicated by the number of comments that appear with a particular blog post, or by the frequency of postings. Blogs, therefore, present us with an opportunity to see an organization’s identity and way of interacting by reviewing both the types of postings and how a prospective audience responds.

For this analysis, I analyzed the organizations’ own blogs (if they had one) both qualitatively and quantitatively. For the qualitative analysis, I read for general type of content and reviewed the degree of interactivity that occurred as indicated by the number of comments that occurred with postings. For the quantitative analysis, I
measured each organization on two different measures to determine how that organization appeared in the blogosphere more generally:

1) The number of blog posts ABOUT the organization from other blogs;
2) The number of news postings ABOUT the organization.

These numerical items were recorded on the same interval as website reviews, for a total of 22 observations. This long period of observations showed how an organization’s popularity waxed and waned over a long period of time.

In sum, based upon these qualitative and quantitative assessments of the organization, we can build a picture of how just how networked the organization is within the blogosphere, an indicator of the organization’s relative importance, because if others are talking about and talking to the organization, they have built a rich network. As Laszlo (2003) reminds us, those with denser networks tend to be more influential.

2.1.6. An Inventory of Online Social Media Presence

In addition to the 22 observations of the websites and the blogs, I reviewed each organization in depth on all 24 data points at four different periods throughout the course of the study. Specifically, as described in “The Inventory of Different Social Media Possibilities,” I divided the online outlets into five different categories:

- Social networking (e.g. Facebook)
- Microblogging (e.g. Twitter)
- Social bookmarking (e.g. delicious)
- Social video sharing (e.g. YouTube)
- Social photo sharing (e.g. Flickr).

In each of these five outlets, I described the organization in the “Best Five” instances of each outlet (although microblogging only had four instances that qualified). This created the opportunity for 24 possible observations. The grid below graphically demonstrates the approach and includes the outlets examined under each heading.

<table>
<thead>
<tr>
<th>Social Networking</th>
<th>Microblogging</th>
<th>Social Bookmarking</th>
<th>Social Video Sharing</th>
<th>Social Photo Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>Twitter</td>
<td>Digg</td>
<td>YouTube</td>
<td>Flickr</td>
</tr>
<tr>
<td>Linked In</td>
<td>Buzz</td>
<td>Stumbleupon</td>
<td>Vimeo</td>
<td>Picasa</td>
</tr>
</tbody>
</table>
Each organization, therefore, has 24 entries about their performance in a category and in a particular instance of that category. I recorded numerical data, as well as described the instances commenting, for example, on the content of an organization’s YouTube Channel, or the types of content that appeared on the organization’s Facebook presence. I also commented on the degree of interactivity each instance demonstrated, for example, whether people were commenting on videos or engaging in dialogue on the organization’s Facebook "wall."

2.1.7. Synthetic comments

After completing the website review, the blogosphere review, and the social media inventory, I created a document that synthesized the findings for each organization. These synthesis documents describe, in broad terms, the nature of the organization’s online presence, its relative challenges, and questions that arose as a result of the analysis. In line with the general principles of Grounded Theory, the questions generated by each individual analysis served as guideposts for future commentary and established a continuum of concerns for future observations. These synthesis documents, along with the entire review, were made available to each organization to examine and annotate as they wished. In most cases, the organizations did not comment on the observations.

Finally, each of these in-depth analyses generated a single, private synthetic document where I recorded theoretical questions that linked all the studies, such as "what is the relationship of the individual and the organization in entrepreneurship?" These questions helped to create interview questions for the individual entrepreneurs, but they also helped to frame the theoretical concerns associated with social media and entrepreneurship. In total, the study generated 16 synthesis and reflection documents with countless concerns and questions distilled into the concepts that appear in the Discussion Section which follows the presentation of the individual case reports.

2.1.8. Interviews

Finally, in addition to the observations of the online presences, each case participated in three structured interviews to gather more information on the company
and its operations. The first interview investigated company history, mission and strategies as well as the founders’ definitions of “entrepreneurship.” The second interview specifically addressed each company’s engagement with social media, their particular strategies and management techniques as well as their definition of “social media.” Finally, the third interview focused on synthesizing observations about each organization, and asked that they reflect first, on documents prepared for their review specifically about their company; second that they comment on themes that emerged across the study; and third that they clarify any outstanding questions that existed or arose at the end of the study.

3. Case Reports

3.1. MásMovil

Officially, MásMovil began in 2006 as a response to the deregulation of the Spanish mobile phone market that occurred about that time. Prior to this time, the Spanish market had been monopolized by a few, very large operators such as Orange and Telefonica and the deregulation enabled small companies like MásMovil to begin moving into the mobile provider market. Recognizing the opportunity to create a low-cost operator in Spain, the co-founders, Maini and Chris, decided to create a new type of mobile phone company in Spain, one that would focus on maintaining low costs, that would perpetually innovate, and most importantly, that would remain close to the customer. In the market prior to deregulation, the mobile phone providers paid little attention these three categories, quite simply because they didn’t have to: they were the only game in town and they could make all the rules. Deregulation changed that and MásMovil was born as a response.

In 2008, after about two years of intense negotiations to secure bandwidth from one of the providers (Orange) that owned the mobile infrastructure, and more negotiations to secure the funding they needed to start a mobile phone company, MásMovil launched publicly with the goal of introducing a new culture in the Spanish mobile marketplace, one based “on transparency of pricing, closeness to clients and focus on

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4 As part of the research for this study, I became a client of MásMovil during the fellowship that sponsored the project. Consequently, some of my data derives from knowledge obtained as an actual customer, not just a researcher.
small details and innovations.” According to Maini, MásMovil “wanted to push the boundaries of what is possible in the market.”

MásMovil appears to be living these values in its offerings and partnerships. For example, in May 2011, the company began a collaboration with Gowex, a wireless communication company, to provide access to WiFi communications in the cities of Spain, beginning with Madrid. The partnership is the first of its kind in Spain and seeks to clear some of the congestion in the mobile phone networks by moving traffic of smart phones such as Androids and iPhones to WiFi infrastructure. In other words, as mobile devices and their users have become increasingly complex in their data access needs—who uses a mobile phone just as a phone anymore, after all—bandwidth has become more scarce. This partnership enables MásMovil clients to choose the Gowex WiFi network rather than use the traditional mobile phone infrastructure.

MásMovil’s business model itself also shows how a focus on customers, price and innovation connect. Specifically, the company was the first mobile phone provider in Spain to offer “prepaid” service without contracts. MásMovil also offers multiple pricing platforms based upon the way clients use their mobiles and clients can choose either a classic prepaid account, an account that automatically recharges at a certain level, or a standard contract. In other words, not only does MásMovil offer the cheapest rates in Spain, but they also offer clients multiple ways to engage their services according to the needs of the specific user. Figure 1 below demonstrates this since three different rate plans exist, and each plan has two or three methods to pay. The idea, in short, is that MásMovil provides options for their customers since one of the main reasons for the company’s existence was a reaction to the companies that dominated the market prior to deregulation which felt no need to provide options to customers. MásMovil is clearly different from these companies.
In addition to its technological and business model innovations, MásMovil has created several programs in line with their values of customer engagement that imagines clients as more than just paying customers. Indeed, MásMovil has created a brand around living an engaged lifestyle that places value on engaging the community. Most notable among these projects was their “Sports and Solidarity” contest (Premios Deporte Solidaridad). In short, the contest made awards of 2500€ to individuals who had improved their communities by using sports to teach values such as respect for others, honesty, perseverance and humility. The prizes were not restricted to Spain, either. The April 2011 award, for example, was given to a group in Mozambique who used sports to teach the value of public engagement and to build a sense of civic pride, in this case by creating a network of city-level sports leagues. Not only does MásMovil demonstrate their value of innovation through their technologies, but they also seek to encourage others to innovate. In the case of Sports and Solidarity, the innovation extends to improving real communities.

According to Maini, because MásMovil’s goals are so concrete, assessing their success is fairly simple. MásMovil has three articulated goals: to offer the best prices, to present the best customer care, and to provide the most innovative services. Measuring price is obvious: compare the cost of service to other providers and beat
their prices. Currently the company is about 1/2 the price of the large companies yet maintains a 99% coverage and connection rate in Spain. Measuring innovation is also fairly easy: compare the services and products offered to competitors. For example, MM is the only company to offer Skype/voice over IP for their mobile clients and they have partnerships with Spotify (a music provider) and Fring (a utility that enables users free access to things such as video and voice chat available in social networks like Facebook). Measuring customer care is a bit more difficult, yet MásMovil conducts extensive customer service interviews and questionnaires and the results of those studies show “MásMovil has a 95% approval rating, particularly as measured by the number of people who would recommend the service to friends,” according to Maini.

Finally, when asked about his definition of entrepreneurship, Maini, the co-founder of MásMovil, revealed exactly how the company embodies his view of entrepreneurship. Specifically, according to Maini, entrepreneurship is “Doing what you like to do and contributing to society.” The values, programs, and services of the company truly reveal this perspective as MásMovil is more than a business; indeed it is a lifestyle that promotes creativity and community engagement, values that are present in MásMovil’s products and partnerships. They engage with their community, both their community of users as well as the larger global community, and they do both of these things by providing innovative services and technologies that their partners and clients have identified that they’d like to have. MásMovil is making some money and engaging their communities.

3.1.1. Online activities

Among the cases, MásMovil clearly has the most mature social media program that includes extremely active presences on Twitter, Facebook and YouTube managed by a staff of five, full-time employees. That MásMovil has a staff for social media is itself a distinguishing factor among the cases. The company also demonstrates what Baym (2011) has discussed where the “normal” website serves as a “stable anchor in an ever-changing system” where social media activities revolve around the website core. Finally, MásMovil’s online activity demonstrates a strong community focus and could be viewed as a model for engagement with social media according to the developing wisdom on the topic (c.f. Edelman, 2010; Weinberg, 2009; Godin, 2008; and Shiffman, 2008) as outlined in what follows.

3.1.1.1. Web Presence

The primary function of MM’s website is to provide information on the services that the company offers, to enable interested individuals to become clients, and to provide a portal for customer service. For example, as show in Figure 1 above, the website
provides information on the various service plans that are available for clients. The site also contains many text-heavy pages that provide promotional information such as that shown in Figure 2 which describes the factors that differentiate MásMovil from its competitors.

![Figure 2](image)

In addition to the informational content, the website enables individuals to become clients of MásMovil through online subscriptions to the various rate plans. Each of the different rate plans has an associated subscription/purchase form as shown below in figure 3 that enables clients to subscribe completely online, again demonstrating one of MM’s values—to make everything for clients as easy as possible.
Finally, the third major component of the website was customer service. Several mechanisms for customer service exist on the website including textual information such as “Frequently Asked Questions,” an online “helpdesk,” and Marta the virtual assistant (who only “speaks” Spanish). However, the most important customer service component is the client space called YOSOYMAS (which means “I am MásMovil” in English). From this portal, shown in Figure 4 below, clients can change billing data, contact customer service, change rate plans, access usage information and many other items.
These three features remained constant over the course of the study as did the general appearance and functionality of the site. Although these features remained static, their implementation did change, so, for example, the subscription page as shown in Figure 3 appeared midway through the study, and most notably, the site continued to add content in multiple languages throughout the study such that by the end, all the content was available in Spanish, Catalan, German and English. At the beginning of the study, only the Spanish version was complete.

The site also remained fairly consistent in its quantitative performance as well. The website carried a Google Page Ranking of 5 through the duration of the study and posted Alexa rankings consistently between 70,000 and 80,000 globally. In Spain in particular, the site also remained in the top 2000 sites, normally hovering around 1500 of all Spanish websites.

To summarize MásMovil’s website, it demonstrated consistency and stability. It served as a solid anchor in their online strategy that connected their other media, including their blog, their Facebook activities, and their twitter posts. Additionally, it served as a consistent point for existing and potential customers to interact with the company.

3.1.1.2. Blogosphere

MásMovil maintains an active presence in the blogosphere, managing their own blog, YELOU, and maintaining strong ties to others. According to Julio, the director of

5 The quotations from Julio are translated into English here from their original Spanish in which the interview occurred.
their blogging activities and relationships, the company “seeks out people who have good blogs and places advertisements on those blogs in exchange for press once and a while.” Julio himself was a well-respected blogger on mobile technology in Spain (Vidas en Red “Life on the Network” in English) and was hired by MásMovil specifically because of his reputation and position as an opinion leader—a so-called “influential”—in the mobile networks context.

YELOU itself, shown in Figure 5, is primarily a “push tool” for MásMovil and not a means of encouraging interactions. For example, throughout the study, almost no posts on the blog solicited commentary by readers. The content on the blog ranged among promoting MásMovil services such as the relationship with Skype (in Figure 5), offering advice on best practices for mobile technology (such as ways to extend battery life), and finally news items, such as when the company signed the partnership with Gowex to provide customers access to the public WiFi network.

![Figure 5](image-url)
Finally, perhaps as a result of their active attempts to gain notoriety in the blogosphere, MásMovil averaged 19 blog mentions per week over the course of the study. That is, two or three different blogs mentioned the company every day, in addition to the four news stories that appeared on average each week for MásMovil. In short, not only is MM itself active on their blog, but they employ a model of distributed opinion leadership that engages at least 19 other voices each week speaking on behalf of the company.

3.1.1.3. Social Networking

The social media team at MásMovil has driven a very successful campaign in social networking sites, most importantly in Facebook. According to Julio, MM chose to become active with Facebook, because “it has the greatest user base.” The social media team at MM has exploited Facebook quite well, more than doubling the number of fans from just below 7000 at the beginning of the study to over 15,000 by the end and growing the numbers of posters—and postings—regularly. For example, the total number of Wall posts rose from 127 to 441 for a sample one-week period taken during the four scheduled audits and the number of unique posters in a sample week rose from 33 at the start of the study to a high of 78 at the end.

Perhaps most significant among the numerical data, though, is the percentage of MM replies compared to the total number of posts. Termed “conversation quotient” in this study, this concept shows that 67% of MásMovil’s postings on Facebook were replies to others. That is, two of every three messages were directed specifically to a user as a response to a message that had been posted. The other important numerical feature is the number of postings made by MásMovil compared to the total number of postings. Termed “total conversation” in this study, this concept shows that MásMovil moved from contributing 33% of the total number of postings at the beginning to 17% of the postings at the end. Combining both conversation factors, we can easily see that MásMovil does not dominate the conversation in Facebook. Instead, the fans control the majority of the conversation.

Of course, “conversation” is a relative term because really, the majority of the postings on MM’s Facebook site are not so much conversations as shared commentaries. A portion of the postings, however, are conversations, in the sense that they have multiple turns. Figure 6 demonstrates both categories of postings from one day of postings (the names of users have been blocked).

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6 The term “conversation quotient” was adapted from a website, Tweetmetrics http://stats.brandtweet.com/ that calculates the “Conversation Quotient” as the number of posts by the company divided by the total number of posts. In the case of this study, the term refers to posts that are expressly replies to other posts, not messages pushed, so the conversation quotient equals the number of replies by the company divided by total number of the company’s posts. In short, how many of their messages were responses rather than messages being pushed.
Specifically, what we see in this posting is that J asked a question, X replied as did MásMovil. Other postings are complaining that the users cannot vote on the most recent contest, and finally, MásMovil has a posting that is completely unrelated to anything concerning mobile phones.

The bulk of the chatter on Facebook for MásMovil followed a similar pattern where clients assist other clients, MM assists clients, people post messages (either praising or complaining), and MM posts “interesting stories” unrelated to the actual business. Overall, an average of 58 unique authors post messages per week on MM’s Facebook wall, and of those, according to Julio, “about 20 are really regular.” Similar to the activity that appears in the blogs for MásMovil, then, Facebook, when judged strictly by the wall and not even including all of the user-posted videos and photos, engages a diversity of people. The idea of distributed opinion leaders evident in the blogosphere applies equally to Facebook.
Finally, while MásMovil claims to be undertaking an active campaign for LinkedIn, the evidence of that campaign’s effectiveness remains to be seen. Over the course of the observations, MM moved from having no connections to just 36 connections at the end, nine months later. The number is hardly noticeable when compared to the activity on Facebook. The remaining media were almost completely inactive, and MM was neither mentioned nor participated in Orkut, MySpace, or LiveJournal, the other social networking platforms.

3.1.1.4. Microblogging

According to Julio at MásMovil, Twitter is not only the most important microblogging platform, but is also the single most important tool in the MM social media strategy. He commented that, “Twitter is fast and includes lots of touches with lots of people….Twitter enables much more rapid penetration of messages from re-tweets, etc., and so is more valuable [than Facebook]."

Curiously, however, Twitter is less active and engages fewer users than Facebook in actual numbers. For example, only 2015 people follow MM on Twitter compared to the more than 15,000 on Facebook. Additionally, on any given day, only about 20 postings appear with the term “masmovil” and many of these are complaints. Finally, MM engages in fewer conversations on Twitter than they do on Facebook, with an average of just ten unique outgoing contacts per month compared to the average of 47 contacts on Facebook.

Qualitatively, the conversations are strikingly similar between Facebook and Twitter. Figure 7 shows, for example, that people are asking questions to MM about their technology (“…una consulta…”), MM is pushing information about its products (…vives en la Communidad de Madrid…), that others are acknowledging MásMovil through retweets and that MM posts messages of general interest (…trabajan en una interfaz invisible…). In total, the depth of the “conversation” is pretty shallow, although a good bit of chatter does circulate around MásMovil, although arguably less (and less positive as shown in figure 8) than on Facebook.
Entrepreneurship and Social Media. A Grounded Theory Investigation of Three New Ventures

Sean D. Williams


Figure 7
3.1.1.5. Social Bookmarking

Social bookmarking seems to be something that doesn’t concern MásMovil. In the interviews about social media, MM never mentioned this outlet as a priority even though there are a number of links to MM pages and articles, about 120 in all among the various bookmarking sites. The majority of these links connect to blogs or news items that mention MásMovil, but aren’t specifically about the company. The remaining items primarily link to customer service topics such as ways to recharge your SIM card (add more money to your account), how to activate roaming, or the extent of MM’s coverage network.

Given MásMovil’s extensive presence in other media and their large customer base, the relative absence within the five social bookmarking sites demonstrates the insignificant role this channel plays in MM’s communication strategy. However, MM does have a presence here while none of the other participants did which confirms the distributed nature of MásMovil’s online community.
3.1.1.6. Video Sharing

One of the most important confirmations of Másmovil’s distributed online community, though, appears in their presence in video sharing sites, and YouTube in particular. For example, an unrestricted search on the term “masmovil” generates well over 400 hits on YouTube, and the vast majority of those are not produced by the company itself. MM does maintain a YouTube channel, of course, but that channel had only 21 videos and 82 subscribers at the end of the study.

The nature and content of the videos ranges wildly from MM employees talking about their work inside the company, to the executives delivering interviews, to instructional videos. However, the most replayed videos are Másmovil’s television commercials that have been loaded on to YouTube. For example, MM created a television commercial with a male stripper and when he finally removed his last bit of clothing, the MásMovil logo (Figure 9) appeared in the place of normal male genitals.

![Figure 9](image)

This video has been replayed more than any other single video (about 85,000 times) and along with other commercials, such as the one where a man opens his mobile phone bill and then vomits because it’s so high, receive high traffic. Finally, the other MM videos that receive high traffic are MM’s “lifestyle” spots where, for example, a nudist rides the metro in Barcelona with his body painted in the company’s colors and sporting the MM logo, or a man running through the streets of Madrid in tiny yellow underwear.

The most important thing to note about Másmovil’s presence on the video sites, though, is that the community has repurposed offline media. That is, the most popular online videos were NOT created for online viewing. A great many of the videos related to Másmovil were created for online distribution, for example help videos about technology issues, but the most popular ones, and the ones “re-loaded” by community members are the commercials that aired on television.

3.1.1.7. Photo Sharing

Másmovil’s online community extends to photosharing as well although not nearly to the extent as other media. For example, only about 20 unique individuals posted
photos on Flickr, the most significant of the photo sharing sites. A search on Flickr also only reveals about 85 photos, and the majority of these are from events where MásMovil was delivering a presentation or participating in a workshop.

The largest number of photos appears on Facebook where users post photos on the “Wall” but also upload pictures to the photo sharing space. The photos range from branding items (Figure 10), to spots by their sponsored athletes (Figure 11), to silly items like the Statue of Liberty making the MásMovil logo (Figure 12).
Similar to the other outlets, MásMovil has a presence in the photo sharing sites and that presence is largely community driven. MásMovil’s social media team occasionally comments on photos that are posted—particularly those on Facebook—but they are less active at posting photos in these channels than individuals in the community.

3.1.2. Summary of case

MasMovil stands as something of an exemplar of the various ways that social media can be used in building and maintaining a brand (c.f. Edelman, 2010; Weinberg, 2009; Godin, 2008; and Shiffman, 2008.) Specifically, they use their website as a base but the other media revolve around this somewhat static core. They also engage their audiences through Twitter and Facebook, for example, and they have enabled and encouraged people to take ownership of the brand by posting their videos and images.

MásMovil’s success might partially be ascribed to the maturity of the company. With at least 60 employees and a dedicated social media staff, they have the opportunity, unlike smaller companies, to engage more completely with their online presences. Additionally, as a company that has strongly articulated values such as innovation and customer orientation, they are able to introduce new services and features that match their core values. That consistency in the online messaging and delivery of services has enabled a relationship with people who willingly participate in living or expressing the brand. Finally, through its online **AND** offline media, the company is able to be both “professional” and “cool” by delivering on their brand promise of low cost wireless on one hand, while sponsoring community engagement programs and edgy commercials on the other.

In short, MásMovil appears to have internalized the concept that “Markets are conversations” and has enabled its market “to talk back” in many ways.

3.2. The Silent Comedy

The Silent Comedy (TSC) is a musical group originally from San Diego, California in the United States. From the beginning, the band members were interested in music as a business, and TSC is technically a company (DBA) under a larger company called Singleton Media that provides visual and musical services. In other words, the band has always been as much a business as artistic expression and when TSC officially

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7 I first encountered The Silent Comedy in San Diego when I attended one of their shows on a friend’s recommendation at the Casbah. I have since become a fan of their music, including owning 2 albums.
launched in August of 2007 with their album “Sunset Stables,” the members of TSC decided “they could do it for real,” to quote Josh, the leader of the group, and set out to create a band that was a commercial success as well as an artistic expression.

Originally, though, the band members did not intend to create a successful musical group; it evolved almost by accident. To quote the biography on their website:

*Since 1996, brothers Jeremiah and Joshua Zimmerman have been fighting an uphill battle to pursue music. That year, their preacher father sold all of their possessions and launched the family on a worldwide adventure that included travels through Asia, Russia, the Middle East, Europe, and the entirety of the United States. From playing folk instruments in the foothills of the Himalayas, to drawing crowds around pianos at Spanish shopping malls, the boys kept their musical outlet alive by any means possible.*

*Different elements of this life history eventually culminated in the formation of The Silent Comedy ten years later. What started gaining momentum in 2006 as a loose collection of musicians, eventually evolved into a solid quintet of performers who turn heads for their wild live performance, genre-bending sound, and unique aesthetic.*

The “different elements” of this life history include different incarnations of the band, moving from progressive rock to their current sound which defies easy categorization as folk, rock, or alternative. After they recorded their first album, Sunset Stables, and after receiving some local recognition in San Diego, the band decided to tour since a single market can only sustain so many bands. As they toured and were received well by fans in California, they began to focus their “brand” on their live performances characterized by extraordinary energy and audience engagement. Over the course of this first tour, the crowds began to grow and so did the band’s confidence that they were indeed offering a unique product to music fans, both in the music’s style and lyrics itself but also as a sort of lifestyle. This “classic” image that differentiated them from other local bands. By the end of the study, the five band members, who previously had to hold part time jobs to support themselves while playing their music, became fully employed by The Silent Comedy and initiated a significant tour in Spring of 2011 which included venues across the United States.

When speaking about the reasons for launching the band, Josh cited two interrelated reasons: “First we want to inspire people to think and second, we want to make people’s lives better by having a positive effect on them at a show or through the music.” In other words, as a business, TSC exists to encourage people to ask hard
questions about their lives and what they are doing in the world. TSC accomplishes this partly through writing dark lyrics that juxtapose their ecstatic, energetic on-stage presence with complex themes. For example, note these lyrics from one of their most popular, and most haunting, songs called Gasoline:

We were walking in a circle hand in hand
And your feet were sinking deeper in the sand than mine
You had sold me the mansion in your head
I would cut your hair and you would dye it red as fire
As crackling fire

And I would hold the phone
So you were not alone
I had to take you home you could not drive

You had smiled when you told me you were brave
That your life was in other hands to save not mine
I saw the mansion you had made me love ignite
And as you were fading it was growing bright with fire
With a crackling fire

And when you tried to stand
You had to take my hand
You said I think your plan will be splitting from mine

We made a pile of all your remaining clothes
Where you’re heading now you won’t be needing those it’s fine
We soaked the pile till it dripped with gasoline
And I lit a match as if I’d never seen a fire
And it was a big roaring fire

And your heart beat failed
As it stopped leaving its trails
The last thing you exhaled while you were alive
Was

I am alright, I am alright. I am alright
I’m doing just fine
I am alright, I am alright, I am alright, I am alright
I’m doing just fine
The lyrics stand in stark contrast to the upbeat use of a violin and a mandolin in the composition as well as the soft, gentle voice of the singer which rises to a crescendo as the fire lights, changing to an exclamation on “It was a big roaring fire” that subsides again into quiet singing as the second character dies but then draws power again on “I am alright.” The point is that without closely studying the lyrics, the song—the musical composition itself—sounds positive and upbeat, especially because it ends on the phrase “I am alright” repeated over and over. Without reading the lyrics, then, a listener could interpret this song as something of an affirmation, not a dark commentary on what appears to be a suicide or at least a willing death. This type of work, encouraging people to think about their lives, continues a line of questioning that began when Josh and his brother Jeremiah first travelled with their father through poor countries and saw death and suffering each day. When they returned home to the United States, Josh and Jeremiah “realized how trivial so much stuff is in America and how little people think about real stuff. Writing about easy stuff isn’t real. The world isn’t always pretty and we hope to get people doing something about it by writing about it.”

The band’s complex world view that combines their apparent light hearted, fun-loving, on stage presence with dark investigations like “Gasoline” has generated a substantial amount of success for the band. Not only have they been able to tour with nationally-recognized musical groups (most recently playing with world-famous Dave Matthews), but their shows are consistently sell out. The band pressed 4000 copies of their album “Common Faults” which sold out in a matter of weeks and as the study closed, the band was in negotiations with a major record label. To quote Josh, “When people are turned away at 10:45 at the door, we know people are enjoying our shows.” Perhaps most importantly, the band is profitable, paying the members a salary after costs for management, travel and production. The band members have succeeded as entrepreneurs, in other words, by creating a business that enables them to support themselves while engaging with work they are passionate about.

Speaking about his definition of entrepreneurship, Josh sounds more like a traditional capitalist than an artist, arguing that “entrepreneurship is trying to do things on your own rather than wanting to be a cog. It is somebody who takes their economic future into their own hands and deals with the consequences.” Recalling the conversation about definitions of entrepreneurship above, it’s clear that Josh and TSC’s perspective on their activity follows Hindle’s perspective about evaluating opportunities, committing to a plan and executing the plan for defined stakeholders (Hindle 2010). The twist in the case of The Silent Comedy is that the fans are the stakeholders that “complete the circuit” to use Josh’s words: the band simply could not exist, according to Josh, without the creative energy provided by the fans. From this perspective, the fans are both clients/consumers as much as participants. So, while TSC seeks to expand on its initial success as a viable business venture, they also retain a significant social perspective as they attempt to use their talents to encourage
3.2.1. Online activities

Much like MásMovil, The Silent Comedy has substantial online presences and through these activities they engage their fans. Unlike MásMovil, however, TSC does not retain a department of employees dedicated to social media and online presence. Instead, their presence is managed by band members and Josh in particular. Nonetheless, even managing their social media in their spare time TSC embodies what Baym (2011) argues is the ideal situation for musical groups (and by extension, businesses in general): a solid website with social media satellites that enables the clients to participate in the company’s story.

3.2.1.1. Website

The Silent Comedy’s current website presents a professional band that is serious about its business. The website, completely renovated and reintroduced midway through the study to the one partially shown in Figure 13, offers fans the opportunity to read about the band’s history, to shop for items in the store, to listen to tracks, and perhaps most importantly, to see the schedule of shows.
One of the website’s most key features is that it integrates other media seamlessly into the website. For example, the website presents several videos made by the band that also appear on their YouTube Channel. These videos contribute significantly to TSC’s brand not only because they show the personality of the band and bring it close to fans through “backstage” presentations or through onstage recordings, but also because of their quality. The same applies for what used to be a separate blog but became “news” in the renovation where fans can read about current events from within the single website rather than a separate blog. Finally, fans can listen to songs on the website itself. In short, the website is something like an “aggregator” where other media are seamlessly woven into the major website.

Perhaps because the site is consistently updated with new information, it performed well on unrestricted Google searches and became even better as the study progressed. For example, by the end of the study, a search on the phrase “the silent comedy” showed the band’s website or other materials, such as YouTube videos, in all ten places that appeared on the first page of results. In prior audits, the band had six or
eight places as well, which is remarkable considering that the competition for the phrase “silent comedy” is enormous since it refers to an entire field of inquiry and interest in Charlie-Chaplin style movies with a very long history. In short, the band replaced references to the film genre with its own materials and sites in a Google search.

Although the website stays consistently up to date by including new touring information, it is primarily static. For example, the home page presents five images and each remains on the page for a few seconds. At the end of the study, some six months after the website renovation, the homepage still presents the same five images. Likewise the same song, “Victory” has been available for free download since the renovation in January 2011 and the same three songs, “Poison,” “Exploitation,” and “Gasoline” have been available on the home page since the renovation. The numerical rankings demonstrate a similar, relatively static, trend. In spite of the band’s increased relevance in an unrestricted Google search, their page ranking remained consistent at 3 for the entire duration of the study and their Alexa ranking arrived close to 2,000,000 halfway through the study and remained there after climbing from more than 4,000,000 in the first months of the study.

The band’s website undoubtedly demonstrates that they understand the importance of a solid web presence. With the renovation, the band enlisted the help of a professional hosting platform as well as altering their pages to include more “professional” services like the store and a page for registering for email update. The renovated site also shows that they are keenly away of branding since the website consistently shows the “antique” look to match their anachronistic stage appearance. The classic presentation supports and sustains the performative quality of the shows and the band itself, particularly by including the free music, links to their videos, and engaging fans through the online store. In the final analysis, The Silent Comedy has a very strong and consistent, even if a little stagnant, web presence.

### 3.2.1.2. Blogosphere

As the study began, The Silent Comedy maintained its own blog primarily as a news reporting mechanism. With the renovation of the website, the blog was integrated into the fabric of the site and so the blog became less a blog and more of a news feed as shown in Figure 14.
However, within the public blogosphere, that is the blogs maintained by others, TSC has demonstrated a consistent rise in popularity. At the beginning of the study, the band received perhaps four or five blog mentions per week, and by the close of the study, they consistently averaged 16 new blog mentions per week. The blog content focused on interviews to previews and commentaries on shows. The band’s high point in the blogosphere appeared when they played at the famous South by Southwest Conference (SxSW) in Austin, Texas at which time they received more than 20 new postings per week in the week before, during and after the SxSW performance.

According to Josh, the band doesn’t attempt to reach specific blogs or so-called “influentials.” Their approach is more organic, or in Josh’s words, “muddling through and seeing what happens” and yet over the course of the study they appear to have increased their presence, even without an articulated strategy.
3.2.1.3. Social Networks

Even though, as Josh notes, “Facebook, like MySpace is probably going to go away someday” The Silent Comedy maintains a very robust presence in social networks, and Facebook in particular. While the band does maintain a MySpace page, that presence is primarily a vestige of the time when MySpace was the popular place for bands to promote their work. By late 2011, of course, Facebook has eclipsed all other social networks, and the band’s move from 1914 fans at the start of the study to 3905 fans at the end nine months later mirrors the wildly popular growth of Facebook.

Even though TSC thinks that Facebook will not be around forever, they invest significant time into maintaining their presence there. According to Josh, Facebook is the single most important piece of their social media strategy because it “represents the constant interaction and real time feedback and dialogue. [The Band uses] Facebook as a mini focus group where we can post an idea and use the fan feedback to gauge the appeal of the idea.”

Additionally, the band’s Facebook fans are very active with over 2000 of their fans participating, on average each month, either by posting on the wall, “liking” a post, or adding photos to the band’s collection. This activity shows equally well in the band’s conversation quotient since more than 58% of the band’s posts are direct replies to other posts and the band’s posts represent just 28% of the overall posts on the Facebook wall.

Although the majority of the “conversations” on the Facebook wall resemble those that occurred on the wall in MásMovil’s Facebook presence, The Silent Comedy has effectively mastered the art of suspense to generate energy and postings. For example, the posting shown below in Figure 15 announcing that the summer tour dates are coming soon generated a flash of activity with fans begging to know the locations and dates of the shows. It also demonstrates how the band uses Facebook as a mini focus group to gauge who the fans are and where they live to help guide some thinking about tour locations.
In addition to the active Facebook wall, the band utilizes several other parts of their Facebook presence as well. For example, Figure 16 shows that the band uses Facebook not only for branding as shown in the photo, but also for giving listeners demonstrations of their songs, the opportunity to buy those songs through Apple’s iTunes store, and listing upcoming shows. Likewise Figure 17 shows one of literally hundreds of photos and videos of the band and their shows loaded into Facebook by fans.
Entrepreneurship and Social Media. A Grounded Theory Investigation of Three New Ventures

Sean D. Williams

Figure 16

Figure 17
The Silent Comedy definitely has embraced Facebook and the fans have responded in kind since they interact with the band on a regular basis through this channel and essentially ignore the other channels such as MySpace.

3.2.1.4. Microblogging

When the band isn’t interacting on Facebook with fans, they engage them through Twitter. Although the band only counts about 800 followers among its ranks, the interactions between the band and its followers/fans are relatively robust. For example, Figure 18 shows the variety of types of interactions that occur through Twitter.

![Figure 18](image-url)

Specifically, the band posted some messages promoting one of their shows, but a number of fans likewise posted promotions encouraging others to attend a show. One equipment supplier expressed their delight at being affiliated with the band and another band posted a link to an acoustic session they did with The Silent Comedy. This
particular screen capture covering about 2 days in time is similar to the activity that occurred on Twitter for the band normally and demonstrates how the band enacts its value of engaging fans “to complete the circuit” of creativity as Josh stated in one interview. TSC had no presence in the other microblogging sites.

### 3.2.1.5. Video Sharing

The Silent Comedy maintains a robust online video presence to supplement its performance-oriented, alternative/indie lifestyle persona including two separate channels on YouTube. One channel presents the band’s “music videos,” tour highlights and recordings of live, acoustic sets and the second channel, launched as the study closed, presents “behind the scenes” images of the band, for example tracking the band as they prepare for a show. Their primary channel includes seventeen videos, has over 155,000 views and 170 subscribers.

Similar to the results of a general search on “the silent comedy” an unrestricted search for the band’s name generates tens of thousands of hits because of the term’s relationship to film history. However, the first 40 hits on YouTube are almost completely for the band, and include videos posted by the band but more importantly the vast majority of videos were posted by fans, normally videos of live performances.

Although very few of the videos contain commentary, they do contribute to perpetuating the band’s ethos by demonstrating their onstage personas as well as demonstrating the band’s artistic complexity through exceptional production quality. That is, many of the videos posted by the band carry a similar level of complexity as the lyrics themselves and present careful attention to artfulness, even when the video is campy such as the “Silent Comedy’s Tour Prep Workout Video” shown in figure 19 that mocks late night television commercials.
Perhaps most significantly, The Silent Comedy’s video presence enables the fan base to connect to the group. Through the formal videos, the fans can build an identity with the live performances. Through the candid backstage videos and the campy videos like that for Tour Prep, the fans begin to see the band members as real people and not just the distant onstage performers. Finally, and perhaps most importantly, because the fans feel this identity, they have loaded dozens of their own videos onto YouTube, Vimeo and Metacafe (mostly YouTube) that captures their experiences of the band.

3.2.1.6. Photo Sharing

In a way similar to the way fans post their own videos of The Silent Comedy, fans have posted thousands of their own photos of the band. People love to take pictures of the band and post them on sharing sites, such as Flickr, in addition to the photo sharing module of Facebook. The majority of the photos present images from performances as shown in Figure 20, but additional photos show promotional material as in Figure 21 or interactions with fans as in Figure 22.
In a way similar to the desire fans feel for posting their videos of the band, photos represent an opportunity for the fans to share in the “coolness” of the band. In other words, by posting their images of the band, fans feel that they are constructing their own identity through external links. In a very postmodern construction of identity by showing “who you are” by presenting an affiliation with others, fans internalize the band’s persona: the internal identity fans feel, then, becomes an amalgamation of external representations, which themselves are performances of others, in this case The Silent Comedy. People perhaps identify with the “real” people of the band through the backstage and candid photos and videos, but primarily the appeal of posting photos and videos makes the argument that goes something like “I share in the creation of this band by showing my own experience.”
In principle, this is precisely the point of social media and precisely the strategy articulated by the band since the fans “complete the creative circuit.”

3.2.2. Summary of Case

The band’s presence in various media demonstrates The Silent Comedy has utilized the various channels quite well to engage its fans. Fans are interacting on Facebook and Twitter; fans are posting videos and photos of the band. In comparison to MásMovil, however, the band has managed its social media presence itself rather than having a staff or external contractor complete the work. Stated in other terms, the band simultaneously works ON the business while working IN the business: they do all the work necessary to make sure the business is solvent, grows and is promoted well while at the same time actually performing shows several times a week (Thakur 1998). Equally the nature of a new band as much as a fledging startup business, the balance between working IN the business and working ON the business carries great importance as the founders try to grow the client base, or fan base in the case of The Silent Comedy.

3.3. International Training House

International Training House (ITH) is a sole proprietor training and consulting organization that came into existence when its founder, Wim, decided that he wanted to launch a business on his own. He worked for 15 years in different types of businesses in Belgium, and based upon his experiences, decided that among all of his jobs, training and development was the most satisfying. At age 40, with enough experience to be credible, and enough financial security to undertake the risk, Wim launched his business.

When the business first began, Wim had no customers since he had no particular name or credibility in the training arena in Belgium. To overcome this challenge, Wim worked for another established consulting firm to learn the trade and to make some connections. Over the next three years, he gradually built a reputation as a consultant and trainer in areas ranging from leadership, to communication, to management from a distance, and has been most successful at offering retail sales training, a niche where Wim has very little competition in Belgium. His most recent efforts include consulting and training on self-discipline and to assist with his credibility in this new arena, Wim
authored and published a book on the topic with a respected Dutch publishing company.

One complexity for Wim is that he maintains several parallel—yet related—businesses. For example, International Training House is a general training company, while his retail training (retailtraining.be) and leadership training (leadershiptraining.be) and consulting practices (consulttraining.be) are separate operations with unique clientele. His newest venture into self discipline (www.wimstuyck.com) that evolved from his book research introduces yet another type of business, although Wim admits that “this one is mostly a hobby.” Wim maintains each business because he has not yet established enough business in one area to be successful. Combined, however, they provide him with a level of success even as they pull him in different directions.

The decision to launch a business was both personal and altruistic. Specifically, Wim had grown tired of relying on others for his success as well as feeling the need to fix blame on his bosses or the businesses for some of his failures. In Wim’s own words, “From a personal perspective, I went through multiple jobs and blamed the boss for bad endings and then I decided to take responsibility for the outcome of my professional life and go it alone.” The personal experiences are reflected in Wim’s reason for choosing training as his business. Specifically, he felt as though he never had time to reflect on his job, on his career, on his goals, while he was working for large companies. Training courses, in Wim’s view, are an opportunity not just for employees to learn new skills, but also for them to stop for a minute in their busy work lives, to take a day or two to slow down and reflect. Training classes enable people to break from the routines and breaking from their routines enables them to reflect on their jobs, why they are doing them, and how they might be better at their jobs. In short, Wim had both a philosophical, altruistic reason for starting his company as well as personal reasons.

Because of the dual nature of the business, Wim measures success in two ways, as well. Specifically, he measures the business component and how his work impacts him emotionally. In the first case, Wim measures success in a simple way: can he pay his bills and have a little money left over. Currently, he consults about 100 days per year and while he could make the company more profitable by asking for a higher fee, working more days, or “franchising” his approach and materials, he specifically has chosen not to be a manager of people and to focus on his individual success. This decision leads directly to the second, emotional, measure of success because one reason for starting his own company was to move away from the stress of managing others. If, that is, “you continue loving what you do, then everything is a success” to use his words. Growing the company beyond himself would chip away at his sense of loving what he does, helping people to improve as individuals and employees while giving them a moment to reflect.
Finally, Wim abstracts his own perspective to definitions of entrepreneurship generally. Specifically, according to Wim, “Entrepreneurship is taking responsibility for your success or lack of it. It’s a state of mind and not a goal itself, but a way of achieving a goal that enables a certain type of lifestyle.” In other words, for Wim, entrepreneurship is not about building a giant business, but about achieving a balance between his own goals and doing things well.

Following this perspective about lifestyle and quality, entrepreneurship is also not about innovation, according to Wim. In fact, from his perspective, “innovation has nothing to do with entrepreneurship. A normal business like a bakery could be very successful if they do it well. Sadly, bankers only want to fund new ideas when traditional things might actually be more profitable. Perhaps these types of businesses don’t change the world, but they do make money, keep people employed and make people happy.” In the end, then, for Wim, he groups his business among this type of enterprise, something that isn’t necessarily going to change the world, but makes a little money and makes a few people’s lives better.

3.3.1. Online activities

Given his perspective on entrepreneurship, how does Wim engage with social media to meet his goals? How are these new online tools helping him to build his business? In short, Wim does what he can. So while Wim acknowledges that social media—and online communication generally—is important, he is comparatively inactive online although he does participate in some ways as outlined in what follows.

3.3.1.1. Web Presence

Although Wim maintains several different websites and started www.wimstuyck.com, toward the end of the study, commenting on them as a unit is fairly easy because the sites share the majority of characteristics, and in some cases designs. Recall that the website analysis was both quantitative and qualitative. The quantitative portion tracked Google Page Rankings and Alexa rankings. Across the eight months of the study, the websites all demonstrated the same pattern, holding exactly the same Google Page Rank, while climbing dramatically in the Alexa rankings. For example, the ITH website itself began the study ranked 16,779,967 but ended the study ranked 6,104,291. A similar pattern occurred for RetailTraining.be which began the study at 23,912,608 but ended 6,314,189. Each of Wim’s websites demonstrated this dramatic climb in Alexa rankings.

The qualitative component shows a different picture. In short, the sites remained largely identical over the course of the study. The major design didn’t change; the main
content areas remained the same; the specific content on individual pages remained the same. For example, the capture of leadershiptraining.be shown in Figure 23 could have been taken in October or May. The other sites demonstrated very small changes, such as listing a conference opportunity on the ITH website, or linking to a presentation on retailtraining.be, but mostly the sites remained static.

In the summative interview with Wim at the conclusion of the study, he mentioned that he schedules at least one day a month to work on the websites. Some of that work is reflected in the small content changes and the rest is related to optimizing the sites for search engines. One particularly strong tactic was registering the sites in the ".be" domain. That is, when people in Belgium search, Google will read their referring domain and then produce results that are somewhat localized. Even with these efforts, the sites remain relatively invisible in unrestricted searches, even when restricted to the .be domain. That is, Wim’s websites don’t appear to refer traffic from clients who don’t already know that the sites exist.

In the social media interview, Wim indicated that his websites represented his key communication medium. In a question designed to enable reflection, I asked Wim to imagine losing his communication media one by one, and to comment on which would cause him the most problems. Curiously, in spite of the relatively low visibility of the websites, Wim commented that he “would be most distressed if his websites went down” because they provide a link between prospecting and completing a contract. Specifically, after prospecting through email or by telephone, if a potential client wanted to learn more, searched online and found nothing, there would be no possibility for future engagement. According to Wim, the website is the link that “establishes professional credibility.” Given the dramatic increase in the websites’ Alexa ranking in
spite of relatively inert content, the strategy seems to be working: more people are looking at the websites.

3.3.1.2. Other Online Media

Among the “Big 6” categories of online social media, Wim maintains nearly no presence. His name and companies didn’t appear in blogs or news listings; he does not leverage the most dominant outlets of Facebook and Twitter nor does he provide online photos or videos.

Among all the possible online media, Wim maintains an active profile only with LinkedIn. In fact, LinkedIn is among his chief ways of building his business. For example, when he reads an article in a magazine or newspaper about a particular company, he researches that company’s Human Resources manager on LinkedIn and attempts to connect with them. However, the number of connections he maintains on LinkedIn, a “key piece of his prospecting” is relatively small and relatively static having moved from 92 people at the beginning of the study to 115 at the end of nine months in the study. In other words, he added about three connections per month over the course of the study.

The other medium that Wim engaged was SlideShare, the platform for sharing presentations, where he posted a presentation from a conference he attended early in the study. At the end of the study, that single presentation remained the only one shared although Wim had plans to beginning creating more presentations to share. Over the course of the nine months, however, the site remained static.

In the interviews, Wim also spoke of his attempts at using email lists. In both cases, he had bought names and attempted to contact potential clients. And in both cases, by his own admission, his work failed. This “trial and error” method of social media strategy resonates across each participant because all of them attempted to understand how best to use digital tools simply by using them: trial and error, not strategy. Commenting upon this aspect of social media, Wim noted that “currently [social media] is not strategic because it’s used mostly for socializing and not in professional ways. Too many people are using it to waste time and chat.” In other words, the very aspect of social media that could be its strength—that it connects people, that it “replaces talk at the coffee machine enabling you to keep in touch with people you’d otherwise lose”—Wim views as its chief weakness. In fact, when we apply Howard’s (2010) paradigm for understanding communities to Wim’s activities, we see quite clearly that, in fact, virtually no activity exists to create, nurture and expand online communities around the businesses.
3.3.2. Summary of activities

To paraphrase noted entrepreneur and venture capitalist Steve Blank (2011), Wim seems to be in search of a business model. In other words, he has developed multiple business outlets collocated around the theme of training and hopes to land upon the right mix of services and courses to make one of the businesses successful enough that he can focus his attention on that one business.

Wim's online activities reflect this quest for the best business as he has developed multiple websites and explored the use of email lists. However, he has not engaged very extensively in social media at all. Given his relative invisibility online, in the blogs, in search engine rankings, and in the main social media outlets, and given that he defines himself as having achieved success, Wim can be viewed as a solid case in using other media to develop a business. That is, in spite of the dire predictions by the social media marketing intelligentsia that any business without strong social media will not survive the so-called “social media revolution” (c.f. Qualman 2009; Baker and Green 2008), Wim has built his business without leveraging online media. Wim’s traditional method of cold-call prospecting through the telephone and follow up postal mailings (and in some cases email) seems to be successful.

He complements these activities with other offline tactics such as attending conferences/congresses that enable him to demonstrate his qualifications to potential customers in person. The pattern is fairly standard: 1) speak to a general audience; 2) engage in personal conversations with audience members; 3) follow up on those personal conversations; 4) strengthen ties with those connections through repeated contacts; 5) do business. In short, as a result of Wim’s type of business, corporate training, the networks that he follows are not necessarily online because Human Resources Managers are perhaps more likely to act on personal references than information gathered from the Internet, according to Wim.

Given the importance of personal contacts and networks in consulting (as well as in entrepreneurship generally) one key component of Wim’s business strategy relies on his personal credibility, his brand as an expert. To demonstrate that personal expertise, Wim has participated in conferences and relies on references from prior clients, not on his social media presence. While many individuals maintain active social media presences and through that have increased their consulting opportunities as well as expert status (e.g. Carl Honoré on the “Slow Movement;” Malcom Gladwell on trends and social phenomena; Jim Collins on business excellence), Wim has chosen a different route—a “traditional” route—and has generated success three years running.

In short, Wim is a case to disprove that social media are in fact necessary—at least for this type of business at this scale and with these objectives.
4. Discussion

As Grounded Theory predicts, the cases presented here demonstrate that three very different types of businesses can generate many of the same questions and that entrepreneurs face many of the same challenges, whether they represent growing companies like MásMovil, creative ventures like The Silent Comedy, or sole proprietorships like International Training House. Additionally, as Grounded Theory requires, we must move from individual description and presentation of the cases to synthetic understanding of the cases as a means of developing preliminary theoretical categories for future investigations. As argued in the sections that follow, this study revealed six preliminary categories that we might interrogate in future studies of social media and entrepreneurship:

- “Muddling through” as a strategy
- Working ON the business vs. working IN the business
- Creating interactions between online and offline media
- Building a modular online structure
- Enabling an open brand architecture
- Position the company as an expert

4.1. “Muddling through” as a strategy

Each of the participants is engaged, to one degree or another, in some form of social media and online promotions and interactions. However, each of the participants individually indicated that they learn as they move along. They act, they implement, they communicate and then they adjust on the fly to a market that demands dynamic communication strategies. That is, the only real strategic item is the belief that “yes, we know we need to engage social media.” Beyond this general belief, none of the participants had a concrete “strategy” as business schools might teach with objectives and deliverables and assessment metrics. Instead, each company, to a lesser or greater degree, simply did something that “felt right” or “seemed like a good idea” and then adapted depending upon the response of the market.

MásMovil, obviously, muddled through the least. The company had a staff dedicated to social media and worked with two separate consulting/contracting agencies to help them with their online strategy. The company also consciously used blogs for building connections, since Julio, himself a member of the social media team and an active blogger, built connections to other blogs through advertisements.
However, according to Julio, the social media mix constantly evolved because “there are no good metrics for saying what works and what doesn’t.” MásMovil also relies on one of their contractors/consultants to monitor online chatter about the company (a sort of “clipping service”) so that they can respond to any threats that might arise as quickly as possible. Finally, their choice of media was simple: go with what’s popular, that is, Facebook and Twitter.

The Silent Comedy, in comparison to the somewhat ordered approach to muddling through used by MásMovil, has little sense of strategy and Josh himself was surprised to learn, in fact, the degree of the band’s online success as indicated by their presence in “normal” searches. For example Figure 24 shows the results of a “normal” search on Google for “The Silent Comedy” where they hold eight of the top ten results, amazingly ahead of the Wikipedia entry for “Silent Comedy”, the cinematic art form.

In fact, The Silent Comedy deserves the credit for the term “muddling through” because in one interview, Josh articulated that “Muddling through is the primary
strategy at this point. We experiment and then see what happens.” Josh and the band are aware, however, of certain strategic goals, for example staying current with changing technologies and engaging fans differently through different channels, such as Facebook or YouTube. They also attempted some basic measurements of success, such as measuring click-through rates from emails that they send to their fans’ list. But mostly, to use Josh’s words, “It’s an intuitive thing. When I hear stuff repeated back to me in person that we posted on Facebook, I know people are tuned in.”

The changing nature of International Training House’s online presences speaks to Wim’s view of muddling through social media strategy. For example, over the course of the study, he 1) built and launched four new websites hoping to gain more visibility for his various types of expertise (leadership training and retail training) in addition to the main business housed under International Training House; 2) abandoned his blog; and 3) tried an email blast. To use his words, “my strategy is really trial and error. I tried using an email blast and that failed miserably and cost a lot of money. Later I was invited to speak at a congress (conference) and that generated lots of leads so I’ll try to do that more often.” However, in comparison to the other participants, ITH used surprisingly little “traditional” social media like Facebook, Twitter and YouTube. In fact, ITH used none of these and only maintained a presence on LinkedIn. In a way, ITH serves as a counter proposition to the role of social media itself because Wim’s primary perspective on online media, as shown through his assessment criteria, is to generate leads for face-to-face or phone conversations. That is, ITH assessed its strategy based on cost-per-acquisition of leads, not based upon a sense of engaging clients in conversations online as was the case with MásMovil or The Silent Comedy. The social media strategy for International Training House was to begin the conversation, not maintain it, and Wim experimented with many ways to initiate that conversation throughout the study.

In the age of constantly evolving technologies and drawing on the belief that “markets are conversations,” (Levin et al 2009) having a flexible strategy might, in fact, be the best strategy because it enables immediate response and the flexibility to adapt as expectations develop. For example, Barwise and Meehan (2010) argue that the particular implementation of social media matters far less than maintaining customer engagement. They add that following the “unwritten rules of customer engagement online” (p. 83) means speaking in the customer’s voice so that the customers enjoy the interaction and learn to trust that a company will deliver on its brand promise. In short, just as people skilled in conversation (and skilful companies) adapt to the shifting topics, moods and concerns of those they speak with, a fluid social media strategy guided by those with intuition and audience awareness—those who are comfortable muddling through—might be the best way to engage with social media.
Finally, the comparison between, on one hand MásMovil and The Silent Comedy and International Training House on the other, demonstrates that social media are not necessarily used for the same purposes even though the strategy of “muddling through” is common. Commenting on the different ways to implement online social media, Sweeney and Craig (2011) argue that “The truth is that social media is not right for everybody—or every business” (p.3). They continue to argue that businesses need to be aware of the best uses of social media for their type of business, how they interact with customers, and that organizations should establish specific objectives for particular media plans, not simply “tack on” social media as an after thought.

Based on the cases then, we can argue that social media strategy is a shifting concept that quite possibly should never be pinned down to particular channels or methods. Simply launching a Facebook page or tweeting is not necessarily the most appropriate way to engage an audience. In the end, perhaps the most important concept is the classical rhetorical concept of audience awareness: knowing the audience’s values, expectations, goals and crafting the strategy around those concepts (c.f. Bitzer 1968). Viewed from this perspective, “muddling through” transforms into “rhetorical fit” or matching the needs of an audience, understanding the purpose of communication, and operating within the contraints of the media and the business type (Bitzer 1968).

4.2. Working ON the business vs. working IN the business

In each of the cases, with the exception of MásMovil, the companies struggle to maintain ongoing activity in all of their online channels. The distinction between MásMovil and the other two participants is itself instructive here of a substantial difference in the relationship of working ON the business versus working IN the business. Specifically, while MásMovil has grown to the point where it can afford a media staff to work ON the business, The Silent Comedy and International Training House must divide their time among doing the actual work of generating sales and promoting the company—working ON the business—and doing the actual work of the business (producing and delivering music or training)—that is working IN the business.

Even though MásMovil has existed for about the same number of years as the other two organizations, they have grown far bigger. At the end of the study, MásMovil numbered about 60 employees, five of whom were dedicated to online communication: a manager of the team; the blog manager; the Facebook manager; the Twitter manager; and a fifth employee who monitors forums and coordinates other activities. Recall, also, that MásMovil contracts with two external agencies to assist with social
media so, in practice, the company has its own staff plus the assistance of these additional contractors. Having a staff (and outside contractors) dedicated to the social media presence enables the company co-founders to work with shareholders or to develop strategic relationships such as that with Gowex to provide WiFi access to their clients on the streets of Madrid. In short, MásMovil exhibits one side of the equation since the original entrepreneurs, Maini and Chris, work ON the business, but not IN the business. That is the role of the staff and the contractors.

Compared to MásMovil, The Silent Comedy certainly presents the opposite picture: the band clearly works ON the business while working IN the business. Although TSC contracted with a company called BandFarm that provides services for their website including managing the email list, their online store, and music downloads, the band maintains the remaining online presences. According to Josh, the band member who manages the majority of the online presence, “sometimes it’s a lot to stay up with, but thank God for my iPhone because it enables me to keep current on Facebook and Twitter from the road.” In other words, while the band is driving between venues, Josh can maintain contact with the fans on Facebook and Twitter through his mobile phone. The challenge of maintaining the online presence while actively touring probably explains why the band’s presences, except for Facebook and Twitter, remain relatively static except for updates on the schedule of shows. They simply don’t have time to do more. That the band works more IN the business is no surprise since it’s a creative endeavour. However, given the renovated website, the degree of interaction that occurs on Facebook and Twitter, and that the band produces new videos periodically while maintaining a difficult tour schedule suggests that they are acutely aware of the importance of working ON the business as well.

If MásMovil is one pole then International Training House is the opposite pole (and The Silent Comedy is somewhere in between). Specifically, as Wim, a sole proprietor, confessed in an interview, “I don’t spend enough time prospecting and I spend less on my websites.” However, he acknowledges the importance of such work noting that “It should not be something that you do in between other work. Either you need to have somebody do it for you, or invest the time to learn how to do it yourself. I hope to spend more time this summer to learning some of this.” That is to say, Wim recognizes that he spends the majority of his time working IN the business rather than ON business development. He schedules one day per month to work on his online presences, but concedes that this simply isn’t enough. The relative invisibility on the Internet—even within the restriction of the “.be”—of International Training House and the other businesses demonstrates that Wim’s intuition is correct. In contrast to The Silent Comedy, for example, which maintains an active online presence, International Training House (and the subsidiary businesses) don’t appear in searches. As a sole proprietor, Wim simply spend the majority of his time working IN the business,
developing and delivering training materials, the actual product, rather than working ON the business.

The continuum from MásMovil to International Training House should not surprise us. As the Global Entrepreneurship Monitor 2009 Global Report (Bosma and Levie 2010) reminds us, there are a wide range of entrepreneurial endeavors and levels of maturity. Quite often, when a venture is new the founders must take an active role both IN the company and ON the company. On one hand, MásMovil represents a company with enough maturity to hire a staff to manage its media presence. On the other hand, the business objective of MásMovil is to grow into a large sustainable competitor in the Spanish mobile phone market. By comparison, International Training House has no such aspirations; Wim left the corporate environment precisely because he wished to escape from the pressures of working within a large corporation. The Silent Comedy represents a position somewhere in the middle where the band works both ON the business and IN the business, yet has reached a level of success where they have partnered with at least two contractors (a management agency and BandFarm) to provide some services that will ultimately help them grow. Given the band’s orientation toward fan interaction it’s unlikely that they will ever completely abandon working in both arenas; it’s simply part of the band’s identity to maintain close contact with fans.

4.3. Creating interactions between online and offline media

Perhaps one of the most interesting themes that arose among all the participants was that each organization maintains and engages in both “real” interactions (that is not online) as well as online interactions. Of course each of the businesses have a “real” product—mobile phone service and equipment from MásMovil (arguably the least “real” of the three), music and merchandise from The Silent Comedy, and training and development from International Training House—and that “real” product engages with how each participant communicates online.

MásMovil, as we saw in the case description, engages in various traditional media including television and radio advertisements. Occasionally, those media are then re-mediated (Bolter and Grusin 1999) for online presentation, usually by MM clients. The television advertisement of the male stripper or the man vomiting upon seeing his wireless bill are examples of moving an “offline medium” into an online space. Arguably, one purpose of creating television spots of the type that MásMovil has created is precisely to encourage clients to upload them onto YouTube or their own Facebook pages to increase distributed ownership of the brand (see “Open Brand Architecture” below).
However, MásMovil offers activity “in the real world” that isn’t necessarily meant to become part of their online media mix. Two examples stand out: sponsoring athletes and the Sports and Solidarity program. Specifically, just like traditional companies who sponsor athletes, MM sponsors various sorts of athletes who wear the MM logo when running long distances or kite surfing, two of the sports they sponsor. Sponsoring teams and organizations through the Sports and Solidarity contest represents a second type of offline communication where the company participates in improving communities by awarding prizes to those communities/organizations. Both cases share something similar though: the MásMovil vision of entrepreneurship as stated by Maini, the CEO: “do what you like to do and contribute to society.” The values that appear in these offline communication events, then, present an image of MásMovil the company that, in turn, informs the online identity of the clients.

The offline informs the online identity in some keys ways because, for example, potential clients see the types of activities that MásMovil sponsors and might think “They’re pretty cool; I want to be a part of that” and then they might become customers. That message is repeated through relatively outrageous television commercials—although cool of a different kind—and then through images on the website, for example. Finally, the emphasis on customer service and innovative products strengthens the connection where the potential client now feels validated in their initial interest by becoming, themselves, part of the brand by perhaps posting their own comments, for example, on Facebook. The entire package, offline and online complete a cycle of “autocommunication” (Cheney and Christiansen 2001) where the client engages with a brand and then becomes the brand itself. Without the intersecting offline and online media, the cycle wouldn’t be complete.

Interactions between The Silent Comedy and its fans represents a similar cycle of autocommunication. Recall that the band believes that fans “complete the circle of creativity” which explains why they actively engage with fans through Facebook or Twitter. But the band is also known for engaging audiences at their shows and interacting with fans before and after performances as shown in Figure 23 of Justin with two fans mocking his mustache. But the band also sells albums—their primary product along with performance tickets—so fans have the opportunity to engage with the band 1) in person at a live venue while on stage; 2) in person at a live venue before or after a show; 3) through purchasing the band’s record; 4) through purchasing apparel or products through the online store; and 5) through online media as a passive consumer (e.g. watching the band’s videos); 6) through online media as an active participant by posting on Facebook, or loading videos or photos.

In short, The Silent Comedy builds their brand both online and offline and the two interact. For example, the professional online music videos speak to the band’s artistic
character just as the less serious videos speak to the band’s personality. Both of these, in turn, re-appear in live performances. Likewise, interacting with fans on Facebook and singing with fans from the middle of the dance floor in a live venue represents the importance the band places on the audience interaction. The key point is that the interaction of the online and offline media, far from being separate, complete a branding cycle that would be far less effective if it occurred strictly online or offline.

International Training House demonstrates much the same concept of media interacting although with a much keener focus on the “real” forms of communication. In one interview, Wim noted that the most important medium for his success is the telephone and second is email. However, these media represent prospecting or building relationships and so initiate the cycle of communication but don’t complete it. The cycle continues when potential clients view his websites or review presentations posted on Slideshare which leads, ideally, to follow-up conversations and face-to-face sales meetings and then to negotiating contracts through email, phone and meetings in person. The cycle concludes when Wim actually delivers the training to a room full of physical bodies who then report back to their supervisors on the quality of the training. The cycle comes full circle with repeat business or referrals where prior clients speak on Wim’s behalf to other potential clients and this re-initiates the prospecting.

In branding and marketing, this concept of “media mix” or “integrated marketing communication” (IMC) is not precisely new. For example, Schultz, Tannenbaum and Lauterborn trace the history of IMC to the days following World War II through the mass marketing of the 1960s and 1970s which finally began to unravel in the 1990s. Consumers had more access to information through more diverse media, and because consumers demanded more customization, the number of brands grew. Companies needed to begin thinking about ways to integrate their messages so that the message could appear uniform across all the various media in what Magnani (2006) dubbed “The Blur Age” where countless media bombard consumers each day from countless different sources.

However, these three participants demonstrate the importance of expanding beyond the “traditional” views of marketing and promotion that have been all but eliminated by the rise of social media. For example, the December 2010 edition of Harvard Business Review includes articles announcing “the NEW rules of branding” that focus on customer-to-customer interaction and post-purchase commentary in the decision-making/buying/consumption process. (Edelman 2010). Likewise, Mangold and Faulds (2009 p. 364) argue that the new marketing paradigm introduced by social media “contrasts sharply with the hegemony managers are accustomed to exercising over all aspects of information distribution in the traditional paradigm [of integrated marketing communications].”
The evidence from this study suggests that each of these three companies of different types and sizes all engage in some sort of integrated marketing communication, although with this new “social media twist” that centers on actively engaging customers in conversations about the company. Perhaps only MásMovil actually thinks of their plan in this more sophisticated way since they are a more mature company with several contractor/consulting relationships including for marketing. Nonetheless, each of the three participants engages with clients both in online media as well as in offline media, suggesting that entrepreneurs and new business owners might do well to think about the careful interaction of “real” media and how those media intersect with their online media to complete what Cheney and Christiansen (2001) have called autocommunication—where clients engage with the brand and then become the chief ambassadors of it through a sense of their “ownership” and participation. Both offline and online media participate in this cycle.

### 4.4. Enabling an open brand architecture

If markets are conversations, and social media enables conversations to occur, then successful companies must enable their clients to genuinely participate in the conversation. The idea of authentic conversation is more than a metaphor for this concept of “open brand architecture” in which clients share responsibility with the company for constructing the brand. That is, according to Sacks, Schegloff and Jefferson (1974), for example, the primary component of conversation is turn-taking: I speak and then you answer, then I answer, then you answer. Within the context of turn-taking, more “rules” exist such as connecting one utterance to the next (c.f. Grice’s pragmatics) but the main point is that when you and I speak, we share responsibility for the meaning and flow of the conversation. Assuming we have a successful conversation, we both “own” the conversation, we both feel as though we belong to the conversation and through it have constructed our own small world for just a few minutes. An open brand architecture is much the same: a moment where a company and a client share the construction of meaning and through that sharing build a stronger relationship.

MásMovil understands this concept and gives their clients ample opportunity to “live the brand.” Most obviously, clients and potential clients can interact through Facebook and Twitter and actually engage in a “conversation” with the company, although it’s questionable whether this contributes to the brand. Clients also have the opportunity to post pictures or videos to show that they are “part” of MM, for example the photograph in Figure 25 from MásMovil’s Facebook wall showing some clients who literally “are” the brand.
YouTube also carries scores of videos uploaded by clients about MásMovil including participants who participated in the 2009 “Desfile Nudista” competition in Barcelona in which nudists painted their bodies and distributed promotional materials on the metro or on Barcelona’s crowded “Ramblas.” Again, the clients literally became the brand as shown in figure 26, a screen capture of one contestant.

The lesson to take from runners wearing t-shirts or nudists posting their videos is simple: allow your clients to talk about your product and let them become the stewards of the brand. Some companies would be uncomfortable with this approach because they lose a measure of control over the brand’s consistency, but arguably, having multitudes of “brand ambassadors” compensates for losing a bit of control because a
wide audience of clients feel as though they can participate in presenting and living the brand—they own it and want to share it.

The Silent Comedy accomplishes an open brand architecture in much the same way. Like MásMovil, TSC has their own brand and visual look that includes how they appear on stage, in their formal photographs, and in their professional videos. That’s the opening “utterance” in the dialogue that says “here is what we think The Silent Comedy is.” The conversation continues, though, when fans load their own videos or photos and the combination of the band’s media objects combined with the media objects of fans becomes the reality of the brand through interaction. For example, TSC’s Facebook wall and photos archive contains scores of uploaded photos and videos from fans showing the band in action either on stage or off. Likewise, YouTube carries dozens of videos loaded by fans that capture a live show (although sometimes in questionable quality). The turn-taking—the open architecture that imitates conversation—encourages fans to feel as though they are part of the brand.

Additionally, the band interacts quite extensively with fans through Facebook and Twitter, in “real conversations” that solidify the sense of open architecture. Recall that TSC has a 58% “conversation quotient” on Facebook, which means that they reply to others as often as they post initial messages (50% would mean precisely one of every two postings was a response). The quantitative reality is that TSC engages their fans in conversation through direct replies and that closeness to the fans encourages the fans to feel part of the band (and brand). And when the fans feel close to the band, they are more likely to upload their own experiences because it represents the identity they feel they have constructed through the conversation. In reality, they are re-expressing the band’s own initial attempts at branding and so the concept of open architecture actually reflects a prior construction, in this case the band’s image.

Although International Training House creates interactions between online and offline media, the company is less invested in the concept of open architecture. Specifically, apart from recommendations by former clients and the limited opportunity for feedback provided through end of course evaluations, clients have very little impact on the product or brand since the brand really is Wim’s own credibility. In one interview, Wim argued, for example, that the role of speaking at conferences was crucial because this was a key “branding” moment that allowed him to present himself—the product—to potential clients in the audience and live the credibility of a knowledgeable trainer.

Even though the opportunities for an open architecture are limited, it does exist, however in the way the courses are constructed. According to Wim, he never delivers “off the shelf training” but instead works closely with the client and management to craft a training course that suits the company’s specific needs, jargon, and industry.
Additionally, in one interview Wim discussed how he modifies his delivery within the actual course to suit the company and the trainees. For example, he asks what people hope to acquire from the class and then guides his instruction according to the feedback he receives. Likewise, he addresses concerns as they arise within individual training sessions so that the trainees feel as though the material is applicable and oriented toward their own experiences. Since the clients, participate in constructing the courses, and the actual trainees influence the delivery and content within a course, a type of open architecture does exist for International Training House.

The concept of an open brand architecture should not surprise us. As noted above, it is closely related to the turn-taking concept of natural conversation: we all want to participate in the conversations. More importantly, when we are able to authentically collaborate in conversations, we construct a shared space of rationality, a place where together two people have made sense of the world through a communication activity. That is, following the conceptualizations of Habermas (1985) the participants in the conversation, the company and the clients, create a “lifeworld,” a type of co-constructed reality that neither completely owns and that both helped create. Social media, when used well, enables this type of lifeworld to be built.

However, as is the case with conversation, somebody must speak first. In the case of business, that should be the organization itself presenting the first utterance, the first instance of communication. Ideally, that primary communication initiates a cycle of turn-taking where clients or customers have the opportunity to represent the brand (the utterance) back to the business and to others where their own re-construction of the brand shows that they have constructed their identity, ironically, as a part of the company. Baudrillard (1995) would call this a “simulacrum” where clients reflect back to the company and to others the initial communication event itself. Shiffman (2008) and Weinberg (2009) would call this “effective social media marketing,” In other words in an open brand architecture, the company presents an image, gives clients the opportunity to respond to the brand through posting their own images, or commenting on videos or other media, and that in turn reifies the brand itself. The customers continually adapt to the image originally offered by the company and the company evolves in response to the way customers live the brand: each impacts the other in a circle of turn-taking just as occurs in conversation. The ultimate result is that “people are more likely to talk to others about products when those products support their desired self-image, or the way that they want others to see them” (Mangold and Faulds 2009 p. 364).
4.5. Positioning the company as an expert

Just as companies attempt to differentiate themselves through branding, they also create awareness in a crowded marketplace by appearing to be experts at one thing or another. This desire to link a company to expertise on a topic responds to the overwhelming desire of most normal people to have some help in making sense of all the options available to them for whatever topic, whether it’s mobile phones, music or retail training. There simply is too much stuff out there and we really appreciate a trusted voice helping us sort through it all. Experts speaking from within communities that we trust help us to make sense of all the information available (Howard 2010).

Of the participants, MásMovil is by far the most successful at positioning itself as an expert. As the first low-cost mobile operator in Spain they set the trend that others followed both in terms of service and innovations. For example, MásMovil was the first “pay as you go” provider in Spain, a service that allows mobile users to avoid lengthy contracts and that keeps the prices for MásMovil’s service lower. Likewise, MM continually seeks partnerships with the most innovative companies (e.g. Skype, Spotify, Gowex) to provide their customers with the most cutting-edge opportunities. In other words, MásMovil, has demonstrated its expertise by anticipating the needs of customers and providing the type of services they wish to have.

Perhaps more importantly, though, for establishing its credibility as an expert, MásMovil offers advice through its blog, through Facebook and through Twitter. For example, a blog post toward the end of the study discussed how to maximize the lifespan of a mobile phone’s battery and a Facebook post followed the topic some weeks later with a different link to maximizing the lifespan of the battery in a more sophisticated smartphone with the Android operating system, shown in figure 27.

Finally, MásMovil utilized Twitter extremely well for reposting articles about topics related to mobile phones as shown in Figure 28 where three postings specifically offer readers information on issues related to the company without any sort of promotional activity.
Although clearly a priority for MásMovil and an opportunity that many writers suggest is a key function of social media (Howard 2010; Weinberg 2009; Kaplan and Haenlein 2009).

Establishing expertise is less important for The Silent Comedy and International Training House. TSC uses its website to provide information on the band and both its Facebook and Twitter posts are usually baldly self-promotional or replies to other postings. Ironically, International Training House, a company built precisely on expertise, also demonstrates little attempt to establish itself as an expert in the training and development market in Belgium. Wim has provided links from his LinkedIn profile to presentations on SlideShare, but that is the extent of building himself as an expert through online media.

The important consideration is that in contrast to received social media wisdom, this study revealed that establishing a business as an expert in a crowded information space wasn’t necessary for success. Instead, only MásMovil demonstrated this activity (and demonstrated it in great measure) in its online presences. This leads to some questions about the proposition that successful businesses speak as experts or with a unique voice online. The Silent Comedy’s voice is primarily promotional and conversational with its fans; International Training house really has no online presence yet according to Wim, business grew 80% in the 9 months covered by the study. If demonstrating expertise online isn’t necessary for a consulting company to succeed, perhaps the concept doesn’t hold as a consistent fact for all types of businesses.

4.6. Building a modular online structure

Media are not interchangeable. For example, as Farkas and Farkas (2001) argue, a video does not accomplish the same work as a drawing and verbal text does not have the same impact as a photograph. Similarly, one social media channel is not the same as another channel and using each channel effectively requires an understanding of that channel’s specific purposes and strengths. The online media include the role of
the website as well, where a new model has emerged that positions an “old fashioned” website at the core of an online presence (Baym 2011; Sweeney and Craig 2011), as a sort of electronic analog to a retailer’s bricks and mortar presence downtown that houses everything a customer might need. The swirling array of new social media surround the traditional website just as catalogues and call centers (and now ecommerce) provided additional outlets for traditional retailers.

MásMovil’s online presence clearly demonstrates this proposition. Their website is comprehensive with information in four languages on topics ranging from the various price plans to comparison data on their chief competitors such as Yoigo, Simyo, and PepePhone. Yelou, their blog, by comparison the website, presents news and updates on information that users might wish to know such as prolonging battery life. Additionally, Facebook and Twitter on the other hand, enable ongoing conversations, customer service and the occasional self-promotion. Finally, the other media such as YouTube and Flickr enable the company to engage in branding or in presenting instructional demonstrations. The media interact and support one another, but each one has a separate purpose. Indeed, MásMovil’s team of five employees dedicated to different social media channels is itself an argument that the media are not interchangeable.

The Silent Comedy likewise uses media for concrete purposes. As Josh mentioned in an interview, “Each outlet has a different purpose….Twitter is for immediacy…and the website is for more long-lasting items like tour dates.” The claim rings true when we examine their various media: the website, indeed, carries longer-lasting items such as tour dates and the band’s biography while the Twitter posts comment on events as they happen at shows, for example. The interactions on Facebook largely replicate those on Twitter although updates for Twitter or Facebook appear on the band’s homepage. Similarly, the band’s YouTube presence carries great impact for presenting the image of the band while the main website includes a selection of videos and images from the more comprehensive collection available on YouTube or Flickr.

International Training House is less integrated than MásMovil and certainly less than The Silent Comedy, but the promotional material available on the main website does not duplicate the presentations available on SlideShare. More importantly for Wim, is the distribution of offline and online channels, where the online channels are primarily a mechanism to lend credibility to his business and to provide an additional access point for potential clients. That is, Wim uses the telephone and email—also social media—far more than he uses what we’ve come to call social media such as Facebook and YouTube. He does use LinkedIn for prospecting and for researching clients, but his primary activity for prospecting includes reviewing old-fashioned paper journals and newspapers for possible bits of wisdom and connections to potential clients. Additionally, Wim cites the importance of speeches he gives at conferences as
key bits of social media because “they provide immediate feedback on ideas and follow up conversations at the bar generate leads.” In other words, Wim distinguishes between the activities he completes through his websites, primarily archival in nature, the research activity of LinkedIn, and the feedback that he receives through presentations. They support each other, but clearly do not operate the same way.

That each participant engages with multiple media should not be surprising since the media change all the time. Additionally, we know from our lived experiences and much research (c.f. Williams 2001; Williams and Harkus 1998) that pictures and writing clearly are not the same. However, considering that the World Wide Web as we know it today has existed for more than 15 years, its sustainability as a medium appears undeniable. And that sustainability makes the Web an important medium to ground and center other online activities such as interactions through blogs, through Facebook, or through YouTube. Good online presences divide activities according to the appropriate medium, although the online presences maintain both a sense of coherence through shared linking and branding as present on the main website while simultaneously enabling an open architecture for conversation. This modular architecture, ultimately, is what differentiates social media from “traditional” websites although the best presences make the integration seamless so that the place where the website ends and the social media start is a question of technology implementation not one of effective communication.

5. Conclusions

Given these three start-up companies, their similarities, their differences, and how they each engage—or not—with social media what conclusions can we make about the role of social media in entrepreneurship? Certainly, no single model seems to exist for enacting a social media strategy. Indeed, each of the different participants articulated, albeit in different ways, that their primary strategy is muddling through, or learning on the fly. We also learned that as a company matures, it becomes more necessary to work ON the business and hire team members who can execute strategies, or work IN the business. Finally, a tight relationship exists between different media outlets and how participating in both online and offline communication practices enables an open brand architecture and through that open architecture, constructed largely through effective use of diverse media, a company comes to be seen as an expert in its field. Most importantly, the combination of the media, a company’s position as an expert, and the modular structure enables the clients (or fans) to feel as though the company is more than a service provider. Through effective use of online and
offline media, clients come to feel that they are part of a community where their voice really seems to matter to the company. In fact, each of the participants articulated that customer/client/fan interaction lives at the center of their company’s identity.

Yet, many of the details from the observations hint at concepts that only more observations, more cases, and more research can fully uncover. Three of these concepts that require additional research include understanding clients and entrepreneurship communities from a “communities of practice” lens; the interrelationships of online and offline social media and what qualifies as “social media” from a historical perspective; and finally a full articulation of social media’s relationship to conversation and other forms of naturally occurring interpersonal communication. Some additional words on each of these themes follows.

5.1. Communities of Practice

Originally proposed as a concept by Lave and Wenger (1991) the concept is defined succinctly in Cultivating Communities of Practice: A Guide to Managing Knowledge “Communities of practice are groups of people who share a concern, a set of problems, a passion about a topic, and who deepen their knowledge and expertise in this area by interacting on an ongoing basis” (Wenger, McDermott and Snyder 2002, p. 4). While originally developed to explain learning in organizations, the concept has been broadly adapted in other contexts including management and can easily be applied to social media interactions for building momentum for a new enterprise. For example, note the following seven guidelines for nurturing successful communities of practice and how closely they align with the online practices observed in the cases:

1. **Design for evolution**: communities are dynamic so they must be designed to shift as community interests and knowledge shift.

2. **Open a dialogue between inside and outside perspectives**: in order to evolve, groups must equally value input from members as well as that offered from outside perspectives.

3. **Invite different levels of participation**: most groups have multiple levels of participation including a core group, an active group, and a peripheral group. Each must be enabled to participate.

4. **Develop both public and private community spaces**: total group communication is good, but small groups need a private space to interact as well.
5. **Focus on value**: Groups should openly discuss the value of the group for the members and for those outside of the community.

6. **Combine familiarity and excitement**: provide space for normal or routine activities and conversations as well as unexpected ideas or events.

7. **Create a rhythm for the community**: provide opportunities for meeting and communicating that maintain a schedule that shows action but does not overwhelm members (pp 51-63).

Specifically, that is, each of the participants attempted to create communities around their business—“passion around the topic”—by, for example, adapting their strategies to shifting practices (“muddling through”) or inviting levels of participation through user-posted media or exchanges on the FaceBook wall (“open brand architecture”). Since entrepreneurship, in large part, relies upon building “tribes” (Godin 2008) around an idea, it should come as no surprise that new enterprises and entrepreneurs attempt to build a passionate community of practice around their business idea. With that community of practice in place, momentum builds as the community strengthens its ties through on-going communication, which leads to community members promoting the brand and introducing new perspectives. As the community—which includes the company and the clients—evolves and adapts through ongoing cycles of feedback, it begins to mature and grow, the desire of most entrepreneurs.

In short, the “communities of practice” concept theorizes the intersection of social media and entrepreneurship and more research from this perspective could demonstrate key practices for nascent companies or new entrepreneurs.

### 5.2. The relationship of online and offline media

In *Histories of Social Media*, Baskin (2010) writes that “We will always communicate in new and different ways. To focus on technology is a transitory quality and not the subject of social experiences” (10). The book presents nine case studies that demonstrate the importance of putting the “social before the media” (10) concluding that companies can successfully engage social media if they first understand, for example, the nature of crowds or the importance of networks. It’s not about technology; it’s about people and how people have learned to communicate.

When we compare the cases in this study and how they use different types of media, it becomes clear that Baskin’s claim rings true. For example, International
Training House has been a successful business even though Wim primarily uses “old” social media such as the telephone and email. He has built his crowd the old-fashioned way: by talking to them one on one. Even though ITH is something of an outlier in the study with respect to technology, Wim does use multiple media well because he knows, like MásMovil and The Silent Comedy, intuitively (or perhaps explicitly) that it’s best to communicate with people in whatever medium they prefer. That is, depending upon the expectations that have evolved in the community of practice (see above) different types of media take priority. For example, in the consulting and training business, phone calls and personal meetings are key for establishing the credibility of the consultant. In the mobile phone “community of practice” providing exceptional online services that are mobile-enabled (like Skype) build credibility. And if you’re a band, playing shows and distributing your records builds the audience.

The point is that each company has built a stable of communication practices that extend beyond simply that which occurs online. They engage with real people through contests (MásMovil), through performances (The Silent Comedy), through conferences (International Training House) but they also engage their audiences through online media. Not one or the other. Both. Entrepreneurs do the same: they talk to people and shake hands, but they must also provide ample opportunities for potential clients to interact with them through emerging media because new social media are one more tool in the kit for building the enterprise.

5.3. Importance of a conversational model

If markets are conversations (Levine et al 2009), and social media is conversations moved online, and entrepreneurs understand people and how people communicate, then building a strong understanding of the way conversation functions seems to be quite paramount in theorizing the interactions of entrepreneurship and social media, both online and offline. Of course, most people intuitively know when they participate in a good conversation, and in principle, most people know how—more or less—to have a conversation.

Nonetheless, scholars in many disciplines have studied conversation and described it from many perspectives because what “it is” and what “it means” still seems to elude many of us. One of the most important studies in the field of conversation analysis was Sacks, Schegloff, and Jefferson’s (1974) paper “A Simplest Systematics for the Organization of Turn-Taking for Conversation” which argues that the turn-taking structure of conversation is the single defining feature of conversation although “conversation will be characterized as locally manged, partly-administered,
interactionally controlled, and sensitive to recipient design (p 696). That is, although turn-taking is the key feature, turns have a few rules and Grice’s (1996) “Conversational Maxims” describe those rules as

1. Be truthful (maxim of quality)
2. Make your response as informative as is required in the situation (maxim of quantity)
3. Respond with relevant information (maxim of relevance)
4. Be clear and avoid obscurity and ambiguity (maxim of manner) (p. 125).

When we examine the online and offline interactions of each participant, we see that both the turn-taking and Gricean Maxims offer some explanatory power for why social media works (or doesn’t). For example, MásMovil describes Twitter as its key online mechanism because it enables them to respond to customer concerns quickly (both positive and negative ones). In those replies the client expects an honest answer and the medium itself forces the response to follow the maxim of quantity. If the responding tweet were off topic, certainly the customer would complain, and finally, the responders attempt to be as complete as possible given the constraints of Twitter’s 140 character limit. The Facebook wall obviously accomplishes the same objectives and blogs or YouTube postings at least offer the opportunity to engage in dialogue, even if nobody responds to the blog or a video posting, as was usually the case in the study.

Understanding entrepreneurship as conversation is a relatively new area of inquiry although some scholars (c.f. Williams 2010; Hjorth and Steyaert 2004) have begun theorizing entrepreneurship as a discursive practice. And even though nearly every social media pundit claims that social media is about enabling conversations, feedback, and interaction among businesses and clients, only a few scholars have begun to theorize social media specifically from a conversation analysis perspective (c.f. Van Dijk 2006, De Choudhury et. al. 2009). If we can conduct studies that use the well-established power of conversation analysis to elucidate social media conversations that occur in entrepreneurial contexts, we could gain insight into practices that promote building and sustaining the communities of practice that entrepreneurs rely on to promote their enterprises.

In summary, although this study suggested six key themes that connect the participants’ use of social media, the “why”—the reason those categories emerged—remains to be investigated. Relating scholarship in communities of practice to social media and entrepreneurship, more fully theorizing the relationship of online and offline activities for entrepreneurs, and bringing the tools of conversation analysis to bear on the discourse, online and offline, of entrepreneurship seem to be three possible routes toward explaining more fully why social media operates as it does in this study.
Indeed, exploring these three topics, communities of practice, the interaction of online and offline communication, and social media as conversation, might lead us to a theory of social media that can be generalized beyond the entrepreneurial context of this study and the limited number of participants it represents.

Bibliographic references


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