'Brand New Food' - Brand Positioning of Entrepreneurial Innovation

A Multiple Case Study in the Food Industry

by

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Abstract

While entrepreneurial brand building has received growing interest over the past years, the particular brand positioning practice around an innovation is little understood so far. The purpose of this study is to link the separate but interrelated academic domains of brand positioning, entrepreneurship and innovation and thereby to contribute to new theory building on entrepreneurial brand positioning practice. A multiple case-study approach in the food sector was chosen to explore how entrepreneurial brand positioning is applied to establish a science-based innovation on the market. With traditional food brands losing customer appeal and a new generation of entrepreneurial brands entering the market, the food sector provides a research context of high practical relevance. The results of this study highlight *authenticity and transparency* as pivotal brand identity assets that can be leveraged to occupy a differentiated market position. In contrast to established brands, already filled with associations, the newness of the entrepreneurial brand can be of advantage for the introduction of innovation. In particular, entrepreneurs can capitalize on inherent industry conflicts to conquer uncontested market space. The study contributes to brand positioning literature by depicting *positioning as a filter of brand identity:* Based on external market factors, the positioning strategy defines which brand identity attributes are communicated at what point in time. These can vary from functional and problem-solving to cultural and lifestyle-supporting. With respect to the study's exploratory character, the main findings are presented in form of five propositions that provide a basis for further qualitative and quantitative research.

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1 Introduction

In recent years, Western consumer expectations towards food have radically evolved. Today's consumers are "more demanding, more critical, and more fragmented in their food choices" (Grunert, 2005, p.369). In particular, they are said to be more aware of the "interdependence between food production, food consumption, their own health and that of the environment" (Costa & Jongen, 2006, p.458). While the importance of innovation in the saturated food sector is emphasized as a major competitive advantage and a focal necessity to meet these new consumer demands (Menrad, 2004; Traill & Grunert, 1997; Stewart-Knox & Mitchell, 2003), the food industry is nonetheless traditionally characterized by a low degree of research intensity and most innovations are incremental modifications (Bigliardi & Galati, 2013; Traill & Grunert, 1997).

Being confronted with fundamental change in traditional food habits and the turn towards healthier food options, established food brands, such as Kellog's or McDonald's, see their market position endangered (Buchter, 2015). Concurrently, the changing demand opens opportunities for innovative food entrepreneurs, who increasingly shape the market. In the American market alone, large food companies are said to have lost $18bn to smaller companies with annual revenues below $5bn between 2011 and 2015 (Daneshkhu & Whipp, 2016). With new niche brands entering the market and retailer's shelves, the long-standing rule of "bigger is better" is growing irrelevant (Neeley & Potter, 2015, p.4). Established food conglomerates are described as too conservative to launch radically new products and occupy the role of "a market searcher rather than a market developer" in the current market structure (Khan et al, 2013, p.29-30). More often, entrepreneurs are developing truly innovative, science-based food solutions of better nutritional value and less environmental harm (The Economist, 2015). As such, knowledge-based entrepreneurs involved in "the commercial exploitation of science-based knowledge" (Burger-Helmchen, 2008, p.95) are of particular interest in the context of innovative food development.

Yet, a new technological innovation does not per se translate into new consumer value and a successful commercial product (Sawhney, Wolcott & Arroniz, 2011). Building a strong brand and a distinct market position is emphasized as a necessity to commercialize a new food innovation (Khan et al, 2013; Mark-Herbert, 2004). Especially in the saturated food sector with typically short

product life-cycles (Costa & Jongen, 2006), a weakly branded product without a clear purpose will have difficulties to reach the shelf or quickly disappear soon after.

When a brand is built, it needs to find a 'position' on the market and within the minds of the targeted consumers. This implies that consumers have to understand *for what*, *for whom* and *why* the brand is relevant, as well as *against whom* it competes (Kapferer, 2012, p.153). Brand positioning is the process of clarifying these questions (p.153). As Kapferer (2012, p.152) defines "positioning a brand means emphasizing the distinctive characteristics that make it different from its competitors and appealing to the public". These distinctive characteristics can be built on tangible or intangible product attributes (Keller & Lehmann, 2006). Beyond that, a novel, inside-out perspective on positioning is highlighting the role of the brand's identity in this context (Kapferer, 2012; Riezebos & van der Grinten, 2012; Urde, Baumgarth & Merrilees, 2011). While "positioning is competition-oriented" (p.154), brand identity adds a sustainable source of differentiation in form of the "brand's uniqueness and value" (Kapferer, 2012, p.149). Recently, Urde and Koch (2014) have contributed to research on brand positioning between the poles of market-orientation and brand-orientation and established five different positioning schools on this continuum. In this context, they highlight that entrepreneurs can capitalize on innovation to position the brand in uncontested market space.

Nonetheless, the entrepreneurial brand positioning process around an innovation is little researched so far. *Firstly,* the relationship between branding and innovation is scarcely understood. As Aaker (2007, p.23) postulates: "The forgotten dimension of innovation is branding". Although the domains of branding and innovation have been extensively researched independent of one another, the strategic interplay of both areas has received little attention (Brexendorf, Bayus & Keller, 2015). *Secondly,* the research field of entrepreneurial brand building is still in its infancy (Bresciani & Eppler, 2010). While existing research has addressed entrepreneurial brand building in a fairly general manner, little attention is paid to brand *positioning* choices. In particular, while entrepreneurial challenges have been illustrated, it is not well understood how entrepreneurs might also profit from 'being new'. To launch a radically new product with a new brand might be of advantage as it provides the opportunity to closely align the brand positioning and marketing strategy to the innovation (Rivadeneyra et al., 2010).

1.1 Research Aim and Question

The aim of this study is to increase cross-disciplinary knowledge within the intersection of brand positioning, entrepreneurship and innovation (Figure 1). In particular, the study explores entrepreneurial brand positioning practice with respect to successfully commercializing a science-based innovation in the food sector. Special attention is paid to the influence of market forces on the one hand and brand identity (based on entrepreneurial and innovation characteristics) on the other hand. In this respect, the present research project seeks to address the following questions:
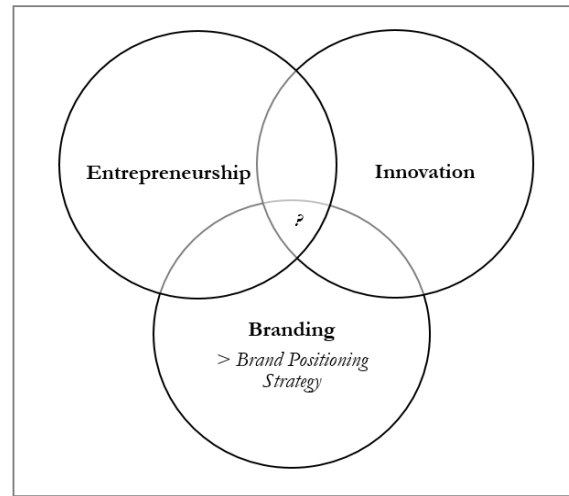
Figure 1   Research Focus on Intersection of Branding, Entrepreneurship and Innovation

How is entrepreneurial brand positioning applied to establish a science-based food innovation on the market?

- *Which role does the entrepreneurial identity play in brand positioning practice?*
- *Which role does the factor of innovation play in brand positioning practice?*

From an academic point of view, the research project deems to contribute in a threefold manner: *Firstly,* the study makes an approach to link the interrelated research domains of branding and innovation and thus relates to research addressing the complex interplay of both fields (Bayus, Brexendorf & Keller, 2015). *Secondly,* the project enriches the existing research body of new venture brand building (Bresciani & Eppler, 2010; Juntunen et. al., 2010; Krake, 2005; Rode & Vallaster, 2005; Spence & Essoussi 2010) by focusing on knowledge-based entrepreneurship and positioning. *Thirdly,* the study reacts to Urde and Koch's call (2014, p.487) for further case-based investigation on their conceptualization of market- and brand-based positioning to examine "how different positioning schools apply in practice".

As existing literature on the topic of entrepreneurial positioning strategies around an innovation is scarce, the research project is of an exploratory character. A qualitative and inductive-driven research approach is perceived most appropriate to answer the research questions. To gain in-

depth insights on entrepreneurial positioning practice, we further decided to opt for an exploratory multiple case-study design (Eisenhardt, 1989; Yin, 2009). In this respect, we examined the brand positioning practice of three Swedish entrepreneurial food innovations, representing the study's three cases. Since the chosen brands vary in their commercialization stage (pre-launch, 3 years on the market and 18 years on the market) we had the opportunity to explore the entrepreneurial positioning choices both in retrospective and in real-time. Although the 'oldest brand' has surpassed its entrepreneurial stage, we decided to include it in the study to gain additional insights in positioning changes over entrepreneurial growth and innovation diffusion. Due to obligations of confidentiality, we do not name the chosen case brands but introduce them as *Brand Water, Brand Baby* and *Brand Oat*.

1.2   Outline of the Thesis

The thesis consists of six chapters, organized by the subsequently outlined logic. *Chapter one* is setting the scene of the research project. The practical as well as theoretical relevance of brand positioning in the context of entrepreneurial innovation is explained and the shortcomings of existing research are exposed. Furthermore, the research question and purpose are introduced. Thereafter, *chapter two* provides a purposeful literature review. It introduces central elements from the theoretical building blocks of brand positioning, entrepreneurship and innovation. The literature review results in a conceptual framework, which combines the essential elements and guides the further empirical investigation. *Chapter three* outlines the applied research method of an exploratory case study. The case selection process, the approach to data collection and analysis as well as the study's trustworthiness and limitations are explained. Subsequently, *chapter four* presents the empirical in-case findings of brand positioning practice along the conceptual framework's structure. *Chapter five* discusses the cross-case insights in the context of previous research. The main insights are summarized in five propositions on entrepreneurial brand positioning. The chapter concludes with a revised version of the conceptual framework to pinpoint to theoretical insights. In a final step, *chapter six* summarizes the findings and discusses their theoretical and practical implications. In the light of the project's limitations, further research suggestions are identified.

2   Literature Review

The literature review aims to familiarize the reader with the three theoretical fields of brand positioning, entrepreneurship and innovation. In a purposeful manner, selected concepts of each theoretical building block are first presented individually. Interdependencies between the three fields are outlined and existing knowledge gaps are revealed. The chapter results in the presentation of a conceptual framework, built on central elements derived from the three building blocks.

2.1   Positioning and Brand Identity: Two Integral Strategic Concepts

The following chapter presents academic views on the concept of positioning. First, it is outlined how positioning has been described as a tool to achieve differentiation towards competition. Thereafter, the focus lies on the emerging academic stream, which emphasises the importance of brand identity for the positioning strategy. Finally, academic insights on positioning strategies along the continuum of market- and brand-orientation are introduced.

2.1.1   Positioning - Brand Differentiation within a Competitive Context

In line with the growing understanding of brands as valuable intangible assets, branding has evolved as a focus of management over the recent years. Brand positioning is seen as an integral brand management tool to build and cultivate the brand as an asset and achieve a unique position in a competitive setting (Aaker & Shansby, 1982; Kapferer, 2012; Keller, Sternthal & Tybout, 2002; Ries & Trout, 2001). Despite its popularity, neither the academic nor the practical field has succeeded in reaching a consensus concerning the definition of positioning (Aaker & Shansby, 1982; Urde & Koch, 2014). Kapferer (2012, p.152) defines positioning a brand as "emphasizing the distinctive characteristics that make it different from its competitors and appealing to the public". In this context, Kapferer (2012, p.153) highlights four essential questions that have to be

answered when forging a positioning strategy: "*A brand for what benefit?*" (value promise for the consumer)*, "A brand for whom?"* (target group)*, The brand why?* (proof and basis of the value proposition)*, A brand against whom? (*main competition).

Moreover, positioning can be regarded as the "strategic choice of a position for a brand (intended position) and the resulting outcome (actual position)" (Urde & Koch, 2014, p. 479). In this context, communication is frequently described as the expression of the intended position (Kapferer, 2012; Merrilees, 2005, Reeves, 1961; Ries & Trout, 2001). Reeves (1961), an early pioneer of positioning, has promoted the practice of establishing a unique selling proposition (USP) as basis for defining an intended position. From Reeves' perspective, positioning should positively "communicate a single distinctive benefit" to the consumer (Urde & Koch, 2014). In today's over-communicated world, Ries and Trout (2001, p.24) argue that success only comes when it is achieved to create "a position in the prospect's mind", that is to create an *image* of the brand. This process should "not only [take into account] the company's own strength and weaknesses, but those of its competitors as well" (p.24). In this manner, Ries and Trout (2001, p.19) consider positioning as "an organized system for finding a window in the mind".

Brand Associations as Differentiating Factors
The above mentioned definition of Ries and Trout (2001) raises the question of *how* positioning practice establishes a window or brand image. To begin with, a clear brand position is achieved by forging brand associations in the mind of the target group and of other relevant stakeholders (Keller, Sternthal & Tybout, 2002; Keller & Lehmann, 2006). Particularly, product differentiation can be achieved by either tangible or intangible attributes (Aaker & Shansby, 1982; Keller & Lehmann, 2006; Park, Jaworski & MacInnis, 1986). In this context, Pham and Muthukrishnan (2002, p.18) highlight managers' "delicate decision" of which attributes their brand positioning should reflect. According to the authors (2002, p.18), managers can either choose "*specific positioning*, which emphasizes the product's specific characteristics, attributes and features", or they can follow a strategy of *abstract positioning* that combines the product's attributes on a more conceptual level.

In a similar manner, Park and colleagues (1986, p.136) outline that three different kinds of customer needs can build the basis for establishing a meaningful brand position. Firstly, *functional needs* are described as those "that motivate the search for products that solve consumption-related problems" (p.136). Consequently, a functionally-driven positioning strategy addresses these "externally generated consumer needs" (p.136). Secondly, positioning can address *symbolic needs*, which "associate the individual with a desired group, role or self-image" (p.136). Finally, positioning can highlight product attributes that address an *experiential need*. According to Park, Jaworski and

MacInnis (1986, p.136) these experiential product attributes can evoke "sensory pleasure or cognitive stimulation". The authors regard the concepts of functionality (externally-driven need) and symbolism (internally-driven needs) as mutually exclusive. Bhat and Reddy (1998) set out to test this assumption in a quantitative study. In contradiction to Park, Jaworski and MacInnis, their statistical findings suggest that functionality and symbolism are not correlated in the minds of consumers and that one positioning strategy can synthesise both attribute types.

A recent stream in academic literature further highlights non-tangible attributes as a prolific source of brand associations. For instance, Keller & Lehmann (2006) discuss *brand intangibles* (e.g. brand personality, brand relationships and experience) as common source of differentiation for a brand. Corporate image and reputation are furthermore determined as equally important for a distinct brand position (Keller & Lehmann, 2006). In this context, Dru and colleagues (2007) find that integrating corporate social responsibility (CSR) strengthens the brand's competitive position.

The Level of Differentiation versus Association

In general, brand managers are confronted with a paradox in branding and positioning: On the one hand, a brand is primarily supposed to distinguish its offer from category competition, yet on the other hand, it shall also be associated with a particular category (Callon, Méadel & Rabeharisoa, 2002; Keller & Lehmann, 2006). Positioning is predominantly regarded as a tool to establish differentiating brand associations in relation to its competitors (Keller, Sternthal & Tybout, 2002). For instance, Kapferer (2012, p.152) regards positioning as "emphasizing the distinctive characteristics that make [a brand] different from its competitors and appealing to the public". Keller and colleagues (2002) term these unique brand characteristics as *points of difference*. However, the authors also stress the value of establishing *points of parity* with category competitors' attributes. This means that positioning also has to consider those features that all competitors have in common, which lets customers perceive the brand as a trustworthy part of a product category (Keller, Sternthal & Tybout, 2002). In a similar manner, Punj and Moon (2002, p.275) argue that successful product positioning depends on "the right 'mix' between association and differentiation". Building on the psychological theory of categorization, the authors argue that the initial product-positioning phase shall be focused on creating association with the leading brands of a category. This way the new product becomes part of the customer's "consideration set" (Urban, Hull & Weinberg, 1993). Ries and Trout (2001, p.2) summarize this association-based view on positioning by stating that "positioning starts with the product but is not what you do with it, it is what you do to the mind of the recipient".

2.1.2 The Role of Brand Identity in Positioning: Strategic Guidance and Source of Legitimacy

A recent stream in brand positioning literature highlights the importance of brand identity (de Chernatony, 2009; Kapferer, 2012; Riezebos & van der Grinten, 2012). For instance, Riezebos & van der Grinten (2012, p.10) state that solely focusing on consumers' perception, neglects to find a position "that matches the company's identity and circumstances". In addition, Kapferer (2012) questions the tool's ability to reflect the brand's entire richness and potential and claims that positioning alone does not provide a frame for brand communication style and form. Thus, the recent academic stream advocates that positioning holds strategic value only in conjunction with brand identity. Urde et al. (2011, p.2) visualize the brand identity's potential as "strategic hub" and as anchor in form of mission, vision and values. Kapferer (2012, p.150) adds notions such as the "brand's permanent crusade", "recognition signs" and need fulfilment to this characterizing list of brand identity. Kapferer's brand platform (2012) constitutes a management tool that elucidates the relationship of the two pillars of brand identity and positioning. In this context, brand identity provides "the essence, the central value [the brand] symbolizes" (Kapferer, 2012, p.156). As such brand identity adds an inward focus to positioning.

2.1.3 Positioning Strategies between the Poles of Market- and Brand-Orientation

In a comprehensive study, Urde and Koch (2014) apply the general discussion around market and brand orientation (Urde, 1999, Urde, Baumgarth & Merrilees, 2011) to the concept of positioning. According to the authors (2014), the positioning strategy of a brand can be broadly formed in two ways: On the one hand, it can be guided by the company's internal brand identity (see Figure 2), which Urde and Koch (2014, p.482) coin as "brand-oriented positioning." On the other hand, positioning strategy can primarily react to the needs and wants of the consumers, which Urde and Koch (2014, p.482) define as "market-oriented positioning" (Figure 2).

The customer and non-customer stakeholders
(External)

Market-oriented positioning
An outside-in approach with brand image in focus. Positioning the brand to satisfy the needs and wants of the customer and non-customer stakeholders.

The brand core:
Promise and values
(Internal / External)

Brand-oriented positioning
An inside-out approach with brand identity in focus. Positioning the brand to satisfy the needs and wants of the customer and non-customer stakeholders – *within* the boundaries of its identity.

The organization
(Internal)

Figure 2   "Approaches to Positioning" (Urde & Koch, 2014, p.482)

According to Urde and Koch (2014) *market-oriented positioning strategies* are formed in an outside-in approach, as depicted in Figure 2.As these strategies focus on the customer's view of the brand, the establishment of a favourable brand image becomes a priority for positioning (Urde & Koch, 2014). Hence, "market demand and industry structure" act as primary departure points for strategy formation (Urde & Koch, p.483). This view is shared, for instance, by Ries and Trout (2001, p.24), who postulate that the customer's thoughts about a brand define the strategic success and that it should be the goal to favourably alter these brand associations via positioning.

Urde and Koch (2014) contrast these positioning strategies with *brand-oriented schools of positioning*. These evolve from the brand's potential and internal strength (Urde & Koch, 2014, p.483). As such the approach builds on Urde's (1999) view that satisfying the needs and wants of customers should occur within the boundaries of the brand's identity to be of long-term strategic value. In this inside-out approach, brand identity acts as stable driver for the positioning strategy. Further authors falling under this view are, for instance, Riezebos and van der Grinten (2012). They advocate that a positioning strategy is only of long-term strategic value if it matches internal characteristics with external circumstances. Likewise, de Chernatony (2009) proposes that companies first need to have a holistic, visionary promise to create sustainable customer value.

Urde and Koch (2014) *categorize five schools of positioning* along a continuum between these two poles. In this context, the authors (2014, p.486) claim that entrepreneurial positioning strategies are a prime example of the "Wild Card Poker" school of thought. This positioning school is located in the middle of the two poles and reconciles market and brand orientation. By detecting unmet need

in the market and fulfilling it in a novel way, this positioning strategy creates 'uncontested market space' for the brand (Urde & Koch, 2014). The arrows in Figure 2 depict this possible dynamic interplay of the internal and external orientation. Finally, the authors note that the positioning school of a brand is not fixed but can evolve over time depending on the firm's objectives.

2.2 Entrepreneurship and Branding: A Research Field in its Infancy

In a first step, the following chapter introduces and defines the business form of entrepreneurship, with particular focus on knowledge-based entrepreneurs. In a second step, an overview on the current state of research, concerning entrepreneurial branding is provided. Given the scarcely available literature within the particular intersection of brand positioning and entrepreneurial innovation, we draw upon the broader academic array of small business branding.

2.2.1 Definition and Characteristics of Entrepreneurship

The term entrepreneurship encompasses an umbrella of diverse meaning and as such "has become a broad label under which a hodgepodge of research is housed" (Shane & Venkatamaran, 2000, p.217). Within the academic discussion surrounding entrepreneurship, different research traditions can be detected. To begin with, the behavioural approach primarily perceives entrepreneurship as the sum of activities surrounding the creation of a new organization (Gartner, 1989; Vesper, 1982). In comparison, the trait-based stream rather puts focus on the entrepreneur's personal characteristics, such as the disposition to risk-taking and the tolerance of uncertainty (Carland et al., 1984; Hull, Bosley & Udell, 1980). A third perspective defines entrepreneurship as the implementation of innovation and change (Drucker, 1985; Schumpeter, 1934). The latter, innovation-centred view on entrepreneurship has been significantly shaped by Peter Schumpeter. In his landmark work *The Theory of Economic Development* (1934) he emphasizes the distinctive role of the entrepreneur as an innovator, taking a central role in the progress of economic development and change (Link & Siegel, 2007). Building on Schumpeter's understanding of entrepreneurship, Burger-Helmchen (2008, p.95) furthermore defines *knowledge-based* entrepreneurship as "the commercial exploitation of science-based knowledge".

This entrepreneurial type, commercializing 'new knowledge' depicts several distinct characteristics. While innovation and entrepreneurial effort always bear a certain degree of risk to fail, these risks are highest when the innovation is based on new scientific knowledge (Drucker, 1985). Not only does the technology need to be developed, but it must also be successfully commercialized. This can be particularly difficult if the market is so far non-existent or still in its infancy (Burger-Helmchen, 2008). In this situation, receptivity and adoption pace of the innovation by the market can be hard to forecast (Drucker, 1985). As a result, knowledge-based entrepreneurs often have to simultaneously handle technical and market uncertainty and the final application of the technology might not be obvious from the beginning (Chesbrough, 2003). Using a case study design, Shane (2000) illustrates that different products can arise from one and the same innovation, depending on prior knowledge and experience of the entrepreneur. Thus, in order to turn a technological innovation into a marketable product, a multitude of skills and tasks is required. Burger-Helmchen (2008) further claims that a knowledge-based entrepreneur simultaneously requires scientific skills to develop the innovative product as well as marketing skills to find novel ways of commercializing it. Given these complex requirements, networking capability and the access to a diverse pool of competence is emphasized as a crucial success factor for knowledge-based entrepreneurs (Johannisson, 1998).

Although entrepreneurial activity is not restricted to individuals or new ventures, but can also take place in large companies (Sharma & Chrisman, 1999), the present study is concerned with entrepreneurship that commercializes a knowledge-based innovation by creating a new organization. In line with Carland and colleagues (1984, p.358), we distinguish the entrepreneur from a small business owner by the particular purpose of "profit and growth" as well as "innovative behavior".

2.2.2   Entrepreneurial Brand Identity and Brand Building

In recent years new ventures have received growing interest in brand management research (Bresciani & Eppler, 2010; Juntunen et. al., 2010; Krake, 2005; Rode & Vallaster, 2005; Spence & Essoussi 2010). However, the research field is still described as being in its infancy (Bresciani & Eppler, 2010). Multiple studies specifically address the new venture's corporate branding strategies (Juntunen et. al., 2010; Merrilees, 2007; Rode & Vallaster, 2005; Witt & Rode, 2005). Yet, at an early stage, the corporate brand often equals the initial product brand, since new ventures normally start off with one product (Witt & Rode, 2005). From a methodological perspective, the majority of research in this particular field is based on a qualitative case-study approach. The subsequent

table provides an overview of central case-based research and depicts the chosen case-sample as well as the derived findings (Table 1).

Table 1   Literature Overview: Case Studies on Entrepreneurial and SME Brand Building

Authors	Research Design	Sampling Base	Focus / Findings
Boyle (2003)	One single historic case study, based on documentary evidence	Dyson brand	Importance of entrepreneurial brand personality and values, focus on the role of the founder
Bresciani & Eppler (2010)	Multiple case study based on in-depth interviews, 15 cases	Most successful start-ups, no industry focus, Switzerland	Overview of specific pitfalls in new venture branding & introduction of key guidelines for start-up branding
Juntunen (2010)	Multiple case study, 2 cases	Maximum-variation cases: 1 start-up in initial stage & 1 SME in expansion stage, B2B sector, no country focus	Introduction of a new 'corporate brand building framework' at different stages of business growth.
Merrilees (2007)	Proposition testing by using 10 existing best-case studies (secondary data)	Best-case selection, no industry focus, no country focus	Branding as facilitating tool for new venture growth; Introduction of a 'brand-led model' of new venture development
Rode & Vallaster (2005)	One main case study plus in-depth interviews in 8 further cases	1 start-up, tourism industry plus 8 further start-ups in 2nd-4th year of existence, no industry focus, all from Germany/Austria	Brand identity creation and the crucial role of the founder in that respect
Schmidt & Baumgarth (2014)	Multiple case study based on in-depth interviews, 16 cases	Social entrepreneurial businesses, Germany	Conceptual model of brand orientation in the context of social entrepreneurial businesses
Spence & Essoussi (2008)	Multiple case study, 4 cases	Family-owned SMEs, consumer goods sector, Monaco	Importance of founders' values and beliefs in brand identity creation; brand diversification can spur SME growth
Steiner (2003)	Multiple case Study, 9 cases	2 SMEs, 7 start-up companies, real-estate industry, Sweden	5 cultural factors as roots of corporate brand identity
Wong & Merrilees (2008)	Literature review + 8 Case research interviews	SMEs of different growth stages, service industry, Australia	3 main evolution stages of brand orientation

When examining the state of literature (Table 1), it becomes apparent that existing studies pay little attention to the Schumpetrian understanding of 'entrepreneurs as innovators' (see 2.2.1). De facto, literature makes little distinction between truly innovative entrepreneurs and regular small businesses as well as different industry sectors. As an example given, Bresciani & Eppler's study (2010) is built on a case sample of Switzerland's most successful start-ups, including a family amusement park on the one hand and a B2B online sourcing platform on the other. The limited distinction between different forms of new ventures provides a worthwhile starting point for further research. To our knowledge, there is no particular study focusing on brand building practice of knowledge-based entrepreneurs, commercializing scientific innovations on a consumer market.

With regard to brand building two recurring themes arise from the existing body of research. Firstly, it is repeatedly outlined that entrepreneurs face particular needs and challenges in this regard (Bresciani & Eppler, 2010; Wong & Merrilees, 2005). Secondly, existing literature pays particular

attention to the development of brand identity and the entrepreneur's role in this context (Boyle, 2003; Rode & Vallaster, 2005; Steiner, 2003).

Needs and Challenges of Entrepreneurial Brand Building

Equivalent to large companies, a strong brand helps entrepreneurs to acquire and retain customers (Bresciani & Eppler, 2010), it provides unique associations, making it harder to be copied (Abimbola, 2001) and differentiates from the existing competition (Witt & Rode, 2005). Going further, Merrilees (2007) proposes that a branding perspective may work as a catalyst and guide entrepreneurial activity even before the first product is launched. To "see the world of opportunities through a branding lens" might structure the abundance of possible business ideas (Merrilees, 2007, p.407). With respect to entrepreneurial innovation, Merrilees (2007, p.406) suggests that a clear brand vision can provide guidance and ensures "that the right innovations are pursued".

A general challenge of any new venture is that product and company are unknown to its potential customers (Boyle, 2003). Thus, a central task is to build reputation on the market and to provide credibility and liability (Petkova, Rindova & Gupta, 2008). The brand is seen as a way to overcome this entrepreneurial "liability of newness" (Witt & Rode, 2005, p.273). However, Merrilees (2007, p.409) points out that "branding is at a low level of consciousness for most new entrepreneurs". During the process of setting up a new venture, other tasks are often simply more urgent (Bresciani & Eppler, 2010). Especially, restricted resources in terms of available time and human capital may prevent entrepreneurs from developing a long-term brand strategy (Wong & Merrilees, 2005). Likewise, new ventures usually face a limited marketing budget that restricts available brand promotion possibilities (Abimbola, 2001). In new ventures, evolving from a science background, marketing knowledge might be generally limited. As Chorev and Anderson (2006, p.281) note, technology-intensive start-ups "may have a product, rather than a customer focus; they may lack marketing experience and may even neglect marketing to focus on developing a better product".

In response to these challenges, Bresciani and Eppler (2010) advise entrepreneurs to take a more creative approach to brand building and suggest word of mouth, online branding as well as networking as important tools in this respect. As Abimbola (2001, p.101) notes: "perhaps the strongest link between branding and SMEs is that of inventiveness, innovation and creative flair". From this perspective, the particular identity of an entrepreneurial organization might offer unique and differentiating branding possibilities.

The Source of Entrepreneurial Brand Identity

Since entrepreneurs create a completely new organization devout of pre-determined associations, the process of brand identity building is of particular interest. A central study on entrepreneurial identity building has been conducted by Rode and Vallaster (2005). The researchers define brand identity as "the sum of corporate culture, corporate design, corporate behaviour and corporate communication" (p.122) and emphasise the founder as main source of identity building. Beyond making money the entrepreneur's task is about "making meaning" (Rode & Vallaster, 2005, p.131). In a similar manner, Spence and Essoussi (2010, p.1048) describe entrepreneurial brands as "the continuation of the entrepreneur's vision, beliefs and values". In this regard, they define the entrepreneurial brand creation as intrinsically rooted as opposed to large organizations who rather create a new brand according to extrinsic market needs. Steiner (2003) adds that the entrepreneurial identity is not fixed once and for all but evolves with the people involved in the organization. In this context, Juntunen and colleagues (2010) point out that the entire stakeholder network can be actively involved in the brand creation process (p.130). Additionally, Petkova, Rindova and Gupta (2008) emphasize the importance of strategic alliances as well as relations to key customers as early sources of reputation, reliability and credibility (p.327). Besides the founder and the entrepreneurial team, the initial product is of major impact for the evolving brand. In a new venture the product itself usually turns out to be a focal point of all strategic and operational decision making (Juntunen et al. 2010). Furthermore, Boyle (2003, p.79) describes "outstanding innovation" as basis for a strong brand, which is respectively transported through the product's attributes.

2.3 Innovation and Branding: Introducing Common Ground

In its own respect, innovation and branding are widely discussed as central management tools for differentiation, yet their interplay is hardly researched (Brexendorf, Bayus and Keller, 2015. To speak with Aaker (2007, p.23): "The forgotten dimension of innovation is branding". The first chapter introduces different approaches towards innovation. The thereafter following chapter introduces the interrelation of innovation and branding.

2.3.1 Definitions and Different Approaches towards Innovation

In short, products may be called innovative when they "increase consumer benefits substantially compared with existing products" (Sorescu & Spanjol, 2008, p.116). This can result from a new technology, new packaging or new way of merchandise (p.116). Over time, diverse typologies and scales of innovation have developed. Widely adapted is the distinction between *incremental innovation* (minor improvements to existing products) and *radical innovation* (fundamentally new products applying new technology and changing customer behaviour) (Beverland, Napoli & Farrelly, 2010; McDermott and O'Connor, 2002; Veryzer, 1998). Beyond that, numerous approaches to innovation management have evolved.

The domain of innovation management has been significantly shaped by Kim and Mauborgne (2005) who coined the term *Value Innovation*. Instead of struggling with competition in an overcrowded market, value innovation opens a way to occupy "uncontested market space" (Kim & Mauborgne, 2005, p.12). Value innovators provide new elements, which the established players miss to offer and hence take a differentiated position leaving competition aside. Kim and Mauborgne (2005) contest that neither value nor innovation works without the other: On the one hand, innovation is needed to stand out and find a unique position on the market. On the other hand, the value-factor prevents futuristic *technology innovations* "shooting beyond what buyers are ready to accept and pay for" (2005, p.13). In line with what Kim and Mauborgne label as 'Blue Ocean Strategy', Sawhney, Wolcott & Arroniz (2011, p.29) contest that "business innovation is about new value, not new things". From this perspective, innovation will only turn out as successful for a company, if it is capable of creating and communicating new value for the customer.

Holt and Cameron (2012) take the idea of a blue ocean further in their concept of *Cultural Innovation*, which provides not only a better product or value but a better ideology (Holt & Cameron, 2012). The authors describe the blue ocean as a "latent demand of ideology" in society, which can be filled by innovative brands (Holt & Cameron, 2012, p.12). A cultural innovation is described as "a brand that delivers an innovative cultural expression" (p.173). Major shifts in society are described as a starting point for a cultural innovation strategy (p.197). In order to gain foothold for their meaning, cultural brands can back on subcultures, media myths or brand assets (p.186). Furthermore, the authors emphasize that especially in mature markets, in which differentiation from competitors is troublesome, the repository of promising innovation might rather be found in the cultural context. Highlighting the brand as an important component of innovation itself, is a major contribution of Holt and Cameron's concept of cultural innovation. However, one might criticize their one-dimensional focus on the intangible side of innovation. It can be questioned, whether a sole reliance

on a convincing communication strategy is sufficient to successfully position an entirely new product on an already information-overloaded market.

2.3.2 Innovation and Branding: A Virtuous Cycle

Innovation in form of new product introduction and development is commonly perceived as an integral part of a company's' bread-and-butter business, being referred to as a "strategic imperative" (Sorescu & Spanjol, 2008, p.114). It is widely accepted that innovations increase margins, bring differentiation and thus can spur a company's growth in commoditized markets (Aaker, 2007). Nonetheless, it is not self-evident that innovation effort necessarily pays off. In contrast, 'being innovative' comes along with significant costs and a high risk of product failure (Barczak, Griffin & Kahn, 2009; Sorescu & Spanjol, 2008). Treacy (2004, p.1) highlights that "every innovation carries two risks: a technology risk—Will it work?—and a marketplace risk—Will people buy it?"

Going beyond a mere marketing tool, branding can support and foster innovation launch and management. The relationship between branding and innovation is described as reciprocal or as a "virtuous cycle" within branding literature (Brexendorf, Bayus & Keller, 2015; Gielens & Steenkamp, 2007; Kapferer, 2012). Brexendorf, Bayus and Keller (2015) use the image of a virtuous cycle to highlight the mutually beneficial interplay of branding and innovation. They elucidate this idea in a conceptual framework made up of three major stages: *Firstly*, a brand "provides strategic focus and guidance to innovations" (p.550). *Secondly*, the introduction and adoption of a new product can be facilitated by a strong brand. *Thirdly*, successful innovations further enrich the established brand meaning, consumers' attitudes and perceptions (p.550). In a similar manner, Aaker (2007) emphasizes that branded innovation can shape the marketplace and combat commoditization. In particular, Aaker (2007) points out that a brand provides ownership of an innovation, adds credibility and legitimacy to the new product and furthermore facilitates communication and increases visibility (p.10).

2.3.3 Which Brands are Well-Equipped to Introduce Innovation?

Within the field of branding and innovation, the interrelation of brand position and innovation ability is little researched so far. Beverland, Napoli and Farrelly (2010) address this gap by raising the question 'whether all brands can innovate in the same way'. Beverland and colleagues (2010) conclude that a brand's position and its associated meaning can restrict its ability to introduce

radical innovation. As they emphasize "brand positioning helps [to] foster customers' perceptions and expectations about what a brand should be doing, which in effect creates a boundary for how far a brand can and should stretch" (p.45). In a similar manner, Hoeffler and Keller (2003) highlight the importance of early brand positioning decisions as they will drive consumer associations. In this respect, they oppose the advantages of creating familiarity against the opportunity of creating new and unique associations when launching a new brand. Hoeffler and Keller (2003) especially state that more research is needed to better understand strategies for new brands to compete with established ones on the market.

Overall, opinions diverge on the question whether a known brand primarily leverages or might also hampers innovation launch. On the one hand, it has been proven that consumer acceptance of new consumer packaged products is higher if they are marketed under a known brand name (Gielens & Steenkamp, 2007). For the consumer, known brands work as a means of risk reduction and furthermore pre-define expectations towards a product (Brexendorf, Bayus & Keller, 2015). While the provision of credibility and information are key tasks of a brand in general, both factors gain particular importance if a product is new to the market (Erdem & Swait, 1998). On the other hand, Rivadeneyra et al. (2010) argue that radical innovations are better launched under a new brand name. Firstly, the risk of brand damage in case of failure is mitigated and secondly a new brand provides more flexibility in terms of positioning and marketing strategy. From a customer perspective, a new brand additionally "increases the perception of newness" (p.227). In summary, there is an obvious interdependency between branding and innovation, however the body of research combining both areas is negligible. A special issue on the interdependency of branding and innovation within the *Journal of the Academy of Marketing Science* (2015) has called for further research in this field. Yet, the issue's papers mainly refer to innovation extending from an already existing brand (Baumeister, Scherer & Wangenheim, 2015; Sinapuelas, Wang & Bohlmann, 2015). No attention is paid to the case in which brand and innovation evolve from a joint process of entrepreneurship.

2.4   Introduction of the Conceptual Research Framework

Altogether, the literature review provided an overview of the current state of knowledge within the fields of brand positioning, entrepreneurship and innovation. We tried to highlight interlinkages of these areas and pointed out to the deficit understanding of positioning practices in the context of

entrepreneurial innovation. In response to the missing cross-disciplinary linkage, we subsequently summarize potentially relevant factors from the three theoretical building blocks in a conceptual framework. These 'sensitizing concepts' shall thus provide guidance to the further empirical investigation and "suggest directions along which to look" (Blumer, 1954, p.7).
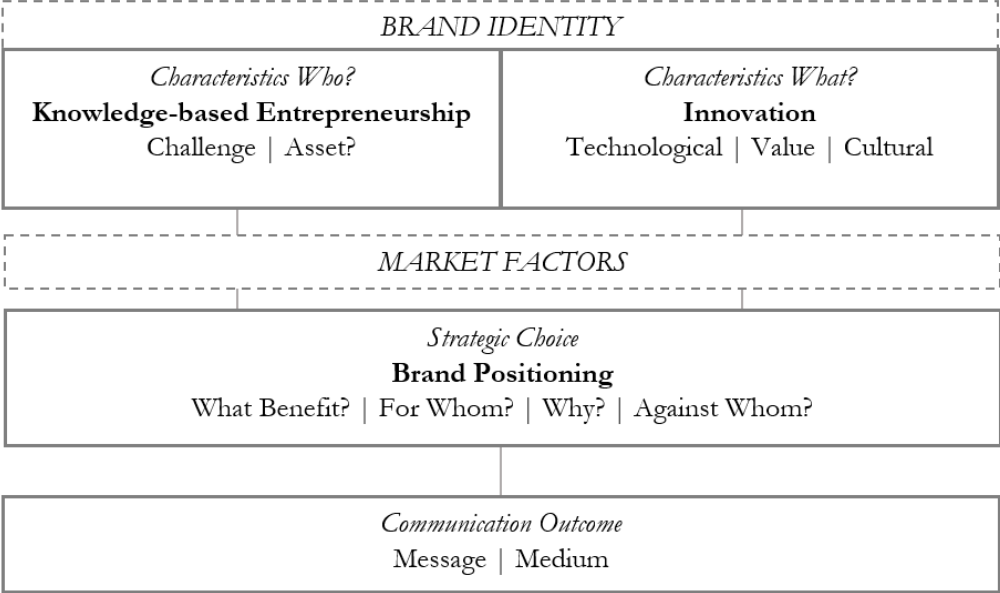
Figure 3   Conceptual Framework

Overall, the conceptual research framework comprises the study's central building blocks *knowledge-based entrepreneurship, innovation* and *brand positioning* as well as the additional *communication outcome* (Figure 3). As positioning is traditionally described as a competitive tool (Aaker & Shansby, 1982; Kapferer, 2012; Keller, Sternthal & Tybout, 2002; Ries & Trout, 2001), we furthermore included *market factors* as a potentially relevant context-dimension. Likewise, reflecting the academic discussion on the role of identity in positioning (de Chernatony, 2009; Riezebos & van der Grinten, 2012; Kapferer, 2012), *brand identity* is illustrated as an own context-dimension. Thus, the model comprises the in chapter 2.1.3 presented discussion on positioning between the poles of market and brand (Urde & Koch, 2014). Given the fact that knowledge-based entrepreneurship per definition inherits innovation (Burger-Helmchen, 2008; Schumpeter, 1934) we understand *entrepreneurial characteristics* as well as *innovation characteristics*, both as parts of the entrepreneurial brand identity.

With regard to our particular interest in understanding the *characteristics of entrepreneurship and their role* for the respective brand positioning practice, we found *challenges and assets* to be central elements within this building block. As outlined in chapter 2.2.2., previous studies (Bresciani & Eppler, 2010; Wong & Merrilees, 2005) highlighted several *challenges* of brand building in the context of

entrepreneurship, yet little attention has been paid to possible *assets* of entrepreneurial brand position and positioning. With regard to *innovation characteristics* (see chapter 2.3.1), we perceive the innovation's ability to bear *technological (new scientific insights/techniques), value-adding* (Kim & Mauborgne, 2005) and *cultural* (Holt & Cameron, 2012) attributes as further point of interest. We are especially interested how the different attributes might find expression in the brand's positioning practice. The *brand positioning choice* constitutes the third conceptual building block. As a tool to analyse brand positioning practice, we draw on Kapferer's four essential questions: *What benefit? For Whom? Why? And Against Whom?* (2012, p.153). Finally, we added the building block of *communication outcome* to our model as communication is commonly perceived as the implementation of an intended position (Merrilees, 2005; Koch, 2014). In particular we are interested which *message* is sent to explain the innovation's added value and which *medium* is used given the entrepreneur's limited resources.

3 Methodology

In the following chapter, we explain our approach to answering the research question in a methodologically sound manner. As basis of the further research strategy, we first present our philosophical research position in terms of ontology and epistemology. We further argue for the chosen case research design as well as the choice of data collection method. Thereafter, we elaborate on the chosen techniques and procedures to analyse the obtained qualitative data. Lastly, by taking a critical stance towards our research setup, we explain how credibility and validity are ensured, given the limitations of the research project.

3.1 Research Approach

3.1.1 Relativist Ontological Foundation and Constructionist Epistemological Stance

In general, knowledge creation is deeply intertwined with philosophical debates on the relation between researcher, reality and the respective nature of knowledge. As such, *ontology* is concerned with the researcher's basic assumptions of reality and existence (Easterby-Smith, Thorpe & Jackson, 2012). We assume that brand positioning practice, as object of our study, is 'an existing concept out there'. Yet, its character might depend on the context (e.g. multinational company versus entrepreneurial organization) and its perception might vary among observers (e.g. a cost-factor for the CFO versus a pivotal activity for the marketing manager). Thus, our research project is based on a relativist ontological foundation. This approach towards knowledge argues that there is no single truth in reality. Rather 'truth' is created by individuals and dependent on the observer (Easterby-Smith, Thorpe & Jackson, 2012).

Building on the ontological paradigm, epistemology is concerned with the question of how to legitimately contribute to the advancement of scientific knowledge (Popper, 2002). To elucidate how entrepreneurial brand positioning is applied, we have to understand the entrepreneur's actions and their underlying motivations. In line with social constructionism we believe that "reality is

determined by people rather than by objective and external factors" (Easterby-Smith, Thorpe & Jackson, 2012). Therefore, we believe that the sense-making of entrepreneurs cannot be captured with a positivist school of thought, which relies solely on the examination of external objects and measurable concepts (Easterby-Smith, Thorpe & Jackson, 2012). On the opposite, we expect the various truths surrounding the object of study (entrepreneurial brand positioning practice around a food innovation) to be socially constructed and as such, hard to quantify.

3.1.2 Qualitative, Inductive-Driven Research Strategy

As the chosen field of study is scarcely-researched, the research project is of an exploratory and inductive-driven character. With the purpose to contribute through theorizing rather than theory-testing, we take a qualitative approach to data collection (further described in point 3.3). Ghauri & Grønhaug (2005, p.111) attest that a qualitative method is best suited for exploratory and inductive projects where the research problem is still "of an unstructured nature". Beyond that, we are interested in the management-perspectives on entrepreneurial positioning choices, which can be answered and explained best by those involved and in charge of decision-making. As such, the longing to proceed "beyond the known and enter into the world of participants, to see the world from their perspective" (Corbin & Strauss, 2015, p.14) is further described as a central argument for the choice of qualitative research.

In inductive research, theory evolves subsequent to data collection, instead of utilizing predetermined theories to strictly guide the empirical process (Saunders, Lewis & Thornhill, 2009). However, we are well aware of the fact that it is unrealistic to start research with a "clean theoretical slate", that is with no theories in mind (Eisenhardt, 1989, p.536). As Bryman and Bell (2011, p.25) state: "just as deduction often entails an element of induction, the inductive process is likely to involve some deduction". From this perspective, we perceived it as valuable to consult literature ahead of empirical data collection to identify and interrelate key concepts from the three areas of research. Thus, we lean on Bowen (2006) who suggests, that 'sensitizing concepts' can provide context and direction for the further research process. Central insights from existing literature were combined with insights gained in an initial pilot interview and resulted in the beforehand depicted conceptual framework (Figure 3, chapter 2.4).

3.2 Research Design

3.2.1 Reasoning for an Exploratory Multiple Case Study Design

A research design serves as a "framework or blueprint" for the scheduled study and "ensure[s] that the project is conducted effectively and efficiently" (Malhotra, 2010, p.102). Within the range of constructionist research designs, we perceived an exploratory case study as most suited to address the purpose of our research project. A case study is defined as "a research strategy which focuses on understanding the dynamics present within single settings" (Eisenhardt, 1989, p.534). In line with Eisenhardt (1989), we opted for a multiple case study as it enabled us to generate rich insights for each single case. At the same time it provided the opportunity of comparison to detect differences and common patterns across the cases (Eisenhardt, 1989). These patterns helped us to achieve our goal of developing new theory. We further justify our choice of a case-study method based on the following four main arguments:

Firstly, a case study relates best to our research question built upon understanding *'how'* branding is applied to successfully position an entrepreneurial innovation on the market. Yin (2009) defines a case study as most appropriate to answer "how or why" questions about a specific social phenomenon. *Secondly,* brand positioning practice is a complex process and touches upon numerous potential factors of influence (e.g. the industry and competition, the type of innovation or the entrepreneur's mind-set). The case method supported exploring this multilayer endeavour as it "allows investigators to retain the holistic and meaningful characteristics of real-life events" (Yin, 2009, p.4). Mere expert interviews might fall short to portray the positioning practice in its full extent. *Thirdly,* we wanted to gain insights into the entrpreneur's perspective on brand positioning, or to speak with Stake (1995, p.1): "we would like to hear their stories". *Fourthly,* case studies are the dominant research form in the field of new venture and SME branding (see Table 1, chapter 2.2.2). Hence, the research design corresponds to prior forms of knowledge generation and enables to contribute to the ongoing academic conversation.

3.2.2 Case Selection and Unit of Analysis

Eisenhardt (1989) argues for an ideal number of four to ten cases within a multiple case study. Yet, in consideration of the project's restricted scope and taking into account the extensive time an in-depth case analysis requires, three cases were perceived as a reasonable and justified compromise.

A purposeful selection method, with the aim to "maximize the utility of information" was chosen (Flyvbjerg, 2006, p.230). Convenience, access and geographic proximity (Yin, 2009) were further drivers of case selection. The food industry focus was not predefined at the outset of our project but evolved along with the case selection and turned out as particularly interesting given the current market changes. To be relevant for our project, we were initially searching for knowledge-based entrepreneurs commercializing a consumer goods innovation. In line with Beverland, Napoli & Farelly (2010), we restricted our sampling to B2C companies due to the traditionally stronger dominance of branding in this field. IDEON Science Park in Lund (Sweden), a renowned cluster of Life Science entrepreneurship, provided a valuable sampling platform in terms of entrepreneurial variety and proximity.

Matching our research purpose, we chose the three Swedish food brands *Brand Water, Brand Baby* and *Brand Oat* as our three cases, considering their respective brand positioning as unit of analysis (Yin, 2009). The case study approach confronted us with the issue that the actual owners of knowledge were in a more powerful position than us as researchers. The entrepreneurs had the choice to deny access to information and thus determine the project's success or failure (Easterby-Smith, Thorpe & Jackson, 2012). In this setting, Bell and Bryman (2007) advocate that power relations in both directions need to be taken into consideration to balance the researchers' interests and the participants' rights. In consideration of the central ethical principles in management research, we paid special attention to 'confidentiality' as well as 'honesty and transparency' (Bell & Bryman, 2007). Due to confidentiality reasons and at the request of our interviewees, we consented to anonymize the chosen case brands. Therefore, the descriptive titles *Brand Water, Brand Baby* and *Brand Oat* are used throughout the thesis. Table 2 provides an overview of the chosen case brands, which are further introduced below.

Table 2   Presentation of Selected Case Brands

Brand Water *Blood sugar balancing water*	**Brand Baby** *Fresh, organic baby food*	**Brand Oat** *Oat-based milk-alternatives*
• Planned launch in 2016 • Start on the US market • In the middle of the initial brand building and positioning process	• Launched 2013 (3 years on the market) • Sold only on the Swedish market • Currently looking for further growth opportunities	• Launched in 1998 (18 years on the market) • Market leader in its category in Sweden, exported to 22 countries • Has passed a major rebranding process in 2012

Brand Water is to be launched on the American market in 2016 and commercializes the first patent-based mineral water, with a blood sugar balancing effect. At the time of research, the brand was in its initial brand building and positioning process and thus provided live-insights into the strategic choices made. *Brand Baby* is on the Swedish market for three years and produces fresh and organic baby food, as such being the first radical innovation in baby nutrition for decades. The brand currently faces particular challenges in taking the entrepreneurial venture to a new level of growth, which makes positioning considerations particularly necessary. *Brand Oat* has developed a way to liquefy oats in the 1990s and is selling oat-based products as a milk alternative. As *Brand Oat,* being 18 years on the market, is not a new venture any more, we take a retrospective approach to the brand's entrepreneurial growth and positioning process. A mostly historic view has been applied for similar case studies to analyse success factors in entrepreneurial brand building in retrospective (Boyle, 2003). The brand was perceived as being of particular interest due to its major repositioning process, which provides a way to examine the possible 'limits' of entrepreneurial positioning in relation to company growth and innovation diffusion. All in all, the three brands' different maturity stages, from pre-inception to effective growth stage (see Juntunen et al., 2010), provided us with the opportunity to incorporate a holistic perspective on entrepreneurial brand positioning and to observe changes in positioning over time.

It has to be noted that all three brands are interrelated through *Company A*, a research-based food and biotech-company at IDEON Science Park in direct vicinity to Lund University. In 2008, the
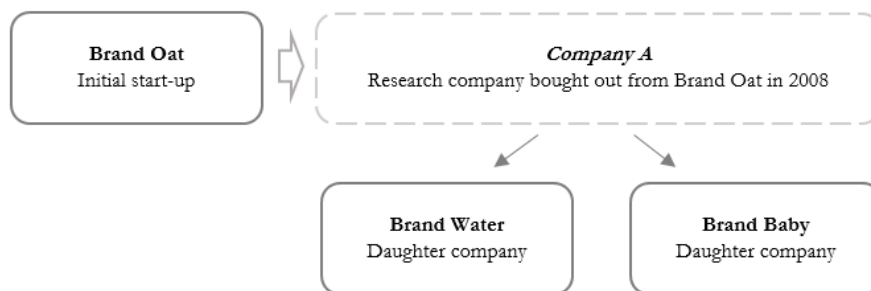
Figure 4 Relation of Case Brands with Company A

'scientific inventor' and founder of *Brand Oat,* formed *Company A* as a spin-off to better separate daily commercial operations of *Brand Oat's* growing organization on the one hand and further research and development projects on the other hand. In turn, *Brand Water* and *Brand Baby* are both daughter companies of *Company A*, founded to commercialize the newly developed innovations (Figure 4). Therefore, the interviewed CEOs of all three case brands are belonging to the same closely knit network of *Company A*.

Pettigrew (1990, p.276) recommends to pick a case with a "transparently observable" process, in which "high experience levels of the phenomena under study" can be found. From this perspective, the specific organizational interrelation of all three case brands was perceived as an advantage in several ways. Primarily, by approaching the founder of *Brand Oat* (and current CEO of *Company A)*, who acted as a gatekeeper and main contact person, we gained access to multiple entrepreneurial food brands. In addition, due to the experience gained in successfully commercializing *Brand Oat*, we assumed that the 'experience level' and knowledge of brand positioning would be particularly high within this interrelated brand network. All in all, the key characteristic that distinguished the three chosen brands as interesting research objects, was the combination of a strong knowledge-based background with the proven ability to build a commercially successful new product brand. As such, the chosen case brands may have the potential to serve as 'best practice-examples' on how to position a food innovation on a highly competitive consumer market.

3.3   Data Collection Method

As Bacharach (1989, p.498) notes, the purpose of a theory is to go beyond mere description and to answer questions such as "how, when, and why." In order to investigate 'how, when and why' positioning decisions are taken in a nascent company, we have chosen interviews as main source of empirical data.

3.3.1   In-Depth Semi-Structured Interviews as Main Source of Data

The choice of in-depth semi-structured interviews as data collection method was twofold: Primarily this interview form offers a high degree of flexibility paired with a guiding structure. This enabled us to derive purpose-driven empirical data while leaving room for interesting emerging concepts and probes (Bryman & Bell, 2011; Legard, Keegan & Ward, 2003). Furthermore, the in-depth semi-structured interviews helped us to thoroughly grasp the interviewees' perspective on the object of study. This way, the obtained data helped us to elucidate the relation between the different concepts under examination (Saunders, Lewis & Thornhill, 2009).

The chosen data collection method allowed us to deep-dive into the participant's view on entrepreneurial brand positioning in the context of innovation as the method focuses on "views, perceptions and opinions" (Easterby-Smith, Thorpe & Jackson, 2012, p.126). Therefore, we felt

that this choice of method best matched the social constructionist approach of this study. As "knowledge is not given but created and negotiated" (Legard, Keegan & Ward, 2003), we as interviewers took part in creating meaning during the interview. The conversation was forged jointly with the interviewees as we interpreted the responses and guided the conversation with our questions (Legard, Keegan & Ward, 2003). This conjoint process of deriving meaning during the data collection is coined as *hermeneutic circle* (Packer, 1989). It requires close examination of the role of the interviewer during the collection process (Legard, Keegan & Ward, 2003; Packer, 1989). With this said, we were aware that our previous conceptual knowledge about brand positioning could not be disintegrated from the process of empirical data collection (Eisenhardt, 1989). However, we tried to mitigate a premature evaluation by employing concept-free and non-leading questions in interviews (see topic-guide Appendix A). We felt this was especially important since labels of concepts would influence the sense-making of the interviewee (Easterby-Smith, Thorpe & Jackson, 2012).

3.3.2 Purposeful Selection of Interview Partners

Based on a pre-interview with the CEO of *Company A,* we adapted a snowball-sampling technique to reach out to further interview partners (Bryman & Bell, 2011). As the CEO of *Company A* acted as gatekeeper, we were highly reliant on him, which occasionally barred from potential interview partners. However, his role in the company also allowed us to contact a variety of actors involved in the positioning process both within the companies and from a broader network. Interview partners were purposefully selected with respect to their insights on positioning practices of the case brands and their expertise within the food industry. The chosen interview partners and their relevance for this case study are shortly introduced in the following:

Founder Oat: Founder Oat combines deep rootedness in academic science (food technology) and years of experience in commercializing scientific innovation and venture creation, making him a prime example of a knowledge-based entrepreneur. He is still involved in strategic decisions of Brand Oat in his role as chairman and owner of the company. Hence, he was able to draw upon memories regarding positioning decisions from the inception of the brands' innovation all the way to their current commercialization stage. His insights provided the lens of an entrepreneur with a scientific background on the position of the case brand.

CEO Water (also founder of Brand Water): Stemming from a business education background and having prior experience in the inception of a technology-based new venture, CEO Water added

a business and marketing-driven perspective on the position of the case brands. As *Brand Water* stood shortly before its launch, CEO Water's insights added a currentness to the empirical data collected. In addition, CEO Water was a key actor in Brand Oat's repositioning strategy.

CFO Water: With the goal of drawing a holistic picture on the brand positioning of an entrepreneurial innovation, CFO Water added a financial view on the positioning choices the entrepreneurs engaged in. With his long-standing practical experience in the food industry, insights from CFO Water connected the positioning choices to the industry context.

CEO Baby (also founder of Brand Baby): Being a pioneer in the functional food sector and having a thorough practical background from the dairy industry, CEO Baby's insights linked rooted scientific knowledge with new venture creation. His view also added 'live-insights' into the positioning of entrepreneurial innovation in a phase of strong growth.

Industry Expert: Industry Expert was the former CEO of Sweden's second largest dairy company and has been working with entrepreneurial food brands for more than 15 years. In his role as co-founder of *Brand Baby* and chairman of *Company A* he provided us with case-related as well as general industry insights.

Branding Expert: The CEO of a food industry specific brand agency, involved as consultant in the cases' brand building, was furthermore interviewed to expand strategic insights on brand positioning in the food sector.

In general, each interview built a new knowledge basis for conducting the next one. Immediately after the first interviews, we started analysing the data with respect to relevant literature and employed new knowledge for further theoretical interviewee sampling (Bryman & Bell, 2011). To gain deeper and more focused insights, we conducted follow-up interviews with two of the initial participants (Corbin & Strauss, 2015). All in all, this "weaving back and forth between data and theory" (Bryman & Bell, 2011, p.13) enabled us to come close to empirical and theoretical saturation within a short empirical timeframe (Corbin & Strauss, 2015).

3.3.3 Interview Conduction and Use of Secondary Material

In total, eight in-depth interviews with six interview partners were conducted (Table 3). During the entire time of every interview, both researchers were present and involved in questioning. In line with Eisenhardt (1989, p.538) we felt that two researchers would "enhance the creative potential" and add complementary views to data collection. The average length of the interviews was approximately an hour (Table 3). Fifty percent of the interviews were conducted in a face-to-face

setting at the respective office of the participants, while the remaining fifty percent were conducted via Skype (Table 3). The key insights from the initial pilot interview with Founder Oat were recorded in field notes. All remaining interviews were audio-recorded in accordance with the interviewees. Immediately after interview conduction, the recordings were fully transcribed in Word documents for further analysis.

Table 3   Interview Schedule

Brand	Interview Partner & Role	In-text Code	Main Focus of Interview	Date & Time	Length (in h)	Place
Oat	Founder & Owner, chairman	Founder Oat (A)	*Initial interview* Company network structure; selected case companies & branding of an innovation as entrepreneur	01.03.2016, 10:00 UTC+01:00	1:00:00	Sweden, face-to-face: Office Company A, Meeting room
		Founder Oat (B)	Topic guide, company development, industry insights	21.03.2016; 13:00 UTC+01:00	1:37:01	Sweden, face-to-face: Office Company A, Meeting room
		Founder Oat (C)	*Concluding interview* Follow-up concerning timing of brand positioning and company development	02.05.2016; 15:00 UTC+01:00	00:28:41	Sweden, face-to-face: Office Company A, Meeting room
Water	Founder & CEO	CEO Water	Topic guide, company development, industry insights	21.03.2016; 20:00 UTC+01:00	1:14:22	Sweden – USA, via Skype: Private room of interviewers - Home office of interviewee
	CFO	CFO Water	Topic guide (also from financial point of view), company development, industry insights	08.04.2016; 13:30 UTC+01:00	1:09:18	Sweden, face-to-face: Office Company A, Meeting room
Baby	Founder & CEO	CEO Baby (A)	Topic guide, company development, industry specifics	17.03.2016; 11:00 UTC+01:00	1:50:47	Sweden, via Skype: Private room of interviewers - Office of interviewee
		CEO Baby (B)	Follow-up questions regarding positioning and brand communication; Collation of emerging concepts	15.04.2016; 10:00 UTC+01:00	1:31:13	Sweden, via Skype: Private room of interviewers - Office of interviewee
Brand Agency	Founder & CEO of brand agency specialized in food industry	Branding Expert	Positioning of the case brands; positioning in food industry; positioning of innovation	02.05.2016; 09:00 UTC+01:00	00:57:33	Sweden via Skype: Private room of interviewers - Office of interviewee
Industry Expert	Current chairman of Company A, Co-Founder Brand Baby	Industry Expert	Entrepreneurial innovation in food industry; marketing & branding needs; positioning practices; position of Brand Baby	25.04.2016; 14:00 UTC+01:00	1:07:07	Sweden, face-to-face: Office of interviewee

As a basis for interview conduction, we applied a topic guide to ensure that we address the most relevant building blocks from our conceptual model (Corbin & Strauss, 2015; Easterby-Smith, Thorpe & Jackson, 2012; Lewis & Ritchie, 2003). The initial topic guide can be found in Appendix

A. For each building block, open, initial questions were derived to invite the interviewees to speak freely about the key concepts without pre-defined labels in mind (Legard, Keegan & Ward, 2003). In this way the data collection left room for the interviewee to add unforeseen aspects to the concepts (Eisenhardt, 1989; Corbin & Strauss, 2015). Supplementary, we extensively used probing, follow-up questions and rephrasing to "achieve depth of answers in terms of penetration, exploration and explanation" (Legard, Keegan & Ward, 2003, p.141). Whereas, the themes of the topic guide remained constant, the translated questions evolved during the data collection process. This provided us with further flexibility as the remaining gaps in the understanding of the concepts could be closed gradually.

A great advantage of a case study is that it allows for a combination of different data collection methods (Eisenhardt, 1989). To expand our interview material, secondary material in form of product packaging, the companies' homepages and selected YouTube advertisements was taken into account. The collection of material took place simultaneously with the interview period. This combination of primary and secondary data enabled us to not only gain insights into the positioning choices but to also examine the communication outcome.

3.4   Data Analysis

Eisenhardt (1989) proposes a two-staged process for analysing and theorizing from multiple case studies. In line with this approach, we used the in-case analysis to acquaint ourselves with the rich findings and to develop first concepts for each brand's positioning practice. Secondly, we contrasted and compared these separate findings across all cases to derive common theoretical patterns.

In a first step, the in-case analysis for each case was guided by the sensitizing concepts of our conceptual framework (entrepreneurial characteristics, innovation characteristics, positioning choice, communication outcome). These built the categories of our analysis (Corbin & Strauss, 2015). This is on the one hand due to the fact that the topic guide asked towards these concepts. On the other hand, during various unguided questions, the interviewees touched upon these categories themselves. To analyse the language-based data, we employed open coding to group raw data under common concepts, as suggested by Corbin and Strauss (2015). The thorough focus on every case in its own regard prevented to draw premature conclusions with regard to generalizability (Eisenhardt, 1989).

In the cross-case analysis we examined the emerging concepts in their entirety to detect similarities and differences across them. We based our theorizing efforts on an iterative "back and forth between data and theory" (Bryman & Bell, 2003, p.13). This stands in line with Eisenhardt (1989, p.554), who highlights the "comparison of the emergent concepts, theory, or hypotheses with the extant literature" as "an essential feature of theory building". Supplementing and conflicting literature helped to broaden and validate the emerging theories and concepts (Eisenhardt, 1989). We compared and contrasted the emerging concepts and employed a 'flip-flop technique', which means to regard the evolving concept's meaning and terms from various perspectives (Corbin & Strauss, 2015).

3.5   Critical Methodological Evaluations

Due to a strong reliance on empirical material and a rather flexible research design, case studies obtain a particularly tenuous position for doubts concerning their scientific value. Flyvbjerg (2006, p.221) summarizes the widespread criticism by notifying that "it is theory, reliability, and validity that are at issue; in other words, the very status of the case study as a scientific method". Being aware of this criticism, we subsequently outline the study's rigor with respect to reliability and validity from a constructionist perspective.

Reliability

Reliability describes the ability to replicate a study and its findings if repeated another time (Legard, Keegan & Ward, 2003). As our study is taking place in a fairly complex and dynamic setting, it is evidently not possible to repeat the research effort in the same manner. Beyond that, with respect to in-depth interviews, the outcome is inevitably dependent on the interaction between interviewee and researcher. Instead of claiming a non-realistic objectivity we take a critical approach to our interview-based insights. From this perspective, the empirical results of our interviews were not perceived as true facts in themselves but were handled with careful reflexivity (Alvesson, 2003). To mitigate a one-sided view and to provide "inter-observer consistency" (Bryman & Bell, 2011, p.395), every interview as well as every analysis has been conducted by two researchers (as outlined in chapter 3.3.1). Following Seale's (1999, p.158) advice we try to present the reader "as much as is possible of the procedures that have led to a particular set of conclusions". To this effect, the initial "topic guide" directing the interviews is provided (Appendix A).

Validity

The internal dimension of validity is concerned with the question whether the evolving theoretical ideas properly match the observations made (Bryman & Bell, 2011). In this respect, case studies generally hold the "problem of making inferences" (Yin, 2009, p.43). Especially, if decision lie back in time, they can only be accessed through the interviewee's narrative and are furthermore interpreted by the researcher. As a consequence, we followed the advice to make use of substantial descriptions to enable the reader to "cross-check" the validity of the interpretations made (Legard, Keegan & Ward, 2003, p.274). To do so, we tried to include a large number of direct quotes in our writing to provide a profound basis of further analysis. In line with Eisenhardt (1989, p.544), we paid attention to compare our findings with supporting but also contrasting literature "as it enhances the internal validity, generalizability, and theoretical level of theory building".

A research project's external validity is synonymous to its generalizability (Saunders, Lewis & Thornhill, 2009). Yet, it is the inherent goal of a case study to depict the particularities of a contemporary phenomenon (Yin, 2009), which are as such not to be generalized. Nonetheless, we deem to contribute to new theoretical conceptualization on behalf of our rich empirical findings. Through cross-case comparison and the iterative process, taking into account literature from different fields, we aimed to provide conceptual propositions, which can be applied and tested in further cases. To be of theoretical relevance, we aimed to present our research findings in a way that others can use and also refute them (Bacharach, 1989). We acknowledge that our results evolve from a strongly interpretative process of theorizing and do not provide a 'final answer'. As Swedberg (2012, p.35) highlights "theorizing is never finished once and for all. It is truly impermanent, imperfect, and incomplete".

Methodological Limitations

From a methodological view, we acknowledge that our empirical set of data is restricted through the total number of six interview partners and thus only presents a limited amount of different perspectives. Furthermore, as Alvesson (2003, p.31) states "language cannot really mirror reality". Since some brand positioning decisions were made several years ago, we realized that interviewees sometimes had difficulties to recall all relevant considerations in detail. Besides that, the quality of interview data was also subject to rather practical limitations. First of all, neither the researchers not the interviewees are English native speakers. In this respect, English as chosen interview language might have restricted the full rhetorical abilities on both sides. Likewise, with regard to product packaging and online communication our findings were restricted by the fact that some information was only available in Swedish, which we do not speak. Face-to-face interaction is usually described as best suited for qualitative interviews (Bryman & Bell, 2011). Yet, several

interviews had to be conducted via Skype, due to geographical distance and travel budget restrictions. In these cases, the audio and visual quality was sometimes influenced by the internet connection. Yet, a decent and easily understandable sound quality was provided over the entire interview process. Overall, the project's narrow timeframe of ten weeks limited the possibilities in terms of data collection and analysis. As Yin (2009, p.70) says "few case studies will end up exactly as planned". Over the process of knowledge generation new insights emerged and we had to adapt the research scope several times. More time would have been of great value to proceed with a more in-depth analysis of the rich case-findings.

4   In-Case Findings - The Chosen Brand Positioning Strategy

The following chapter presents each case's approach to position the new brand on the market. Initially, a short narrative overview of each case brand is provided. Subsequently, findings are presented according to the four building blocks of our conceptual framework: *Identity Characteristics, Innovation Characteristics, Positioning Choices* and *Communication Outcome*. A final table summarizes the findings.

4.1   Case Findings Brand Water

Brand Water is not yet on the market, but shall be launched in the United States (US) in fall 2016. The product is a functional mineral water, with the scientifically-proven effect to reduce the blood sugar increase from a normal meal by about 25%. The product development process started around 2008 and was based on joint research of Company A and a group of diabetes scientists at Lund University. Whereas Company A had prior experience in getting an innovation out on the market, the anti-diabetes research group contributed a patented technology of protein-baes blood glucose reduction. Initially it was planned to launch the functional water on the European market in 2014. Yet, rigid food regulations concerning the health claim impeded the project. In Europe, detailed proofs of clinical trials, affirming the health-related promise, must be provided to the European Food Safety Authority (EFSA) to be able to use a health claim. Since these trials are very time consuming, it was decided to first approach the American market, where a product can be launched without prior accreditation of the health claim. In total five people are currently involved in the core team of Brand Water. The two founders are the CEO of Company A and his brother, who currently lives in the US and holds the post as Brand Water's CEO. During the time of research, the team was in the middle of finding a brand name. Furthermore, facing an extremely competitive grocery sector, the founders were mainly occupied with building up a network of alternative distribution collaborations to launch the product on the US market.

4.1.1 Identity Characteristics

Brand Water was described by the CEO as deeply rooted in science which according to him goes hands in hand with a reliance on networking. This is best expressed in the CEO's following quote: "We are in many ways more similar to a software company than a food company. We are a knowledge-based company, so the network of scientists, our own and external resources, are crucial to our existence". The mentioned networking task turned out as highly important to develop a marketable product in the first place. In this respect, CEO Water defines it as the knowledge-based entrepreneur's crucial task to "identify the best in their [scientists'] breed and make them collaborate". Further, CEO Water explains that "the big strength to that innovation is that it is a combination of multiple disciplines that are otherwise not related". Moreover, the importance of prior experience "in getting innovations out on the market" was emphasized by CEO Water. Beyond the different internal stakeholders involved, the role of external partners is mentioned. For instance, "an old friend of [CEO Water]" is consulted to find an appropriate brand name. As CEO Water explains "this guy, has started and launched seven companies" and "his skill is really in developing consumer brands".

Considering the importance of brand identity, the CEO highlights the role of internal values and the entrepreneur's advantage to stay true in this respect:

> To engage with you, a brand needs to have more depth than just a cool pretty face. It needs to deliver on core values whatever they are. [...] I think it's been easier for start-ups and young companies to deliver on that, certainly than it is for big companies, who are so locked up in their old traditional way of looking at branding (CEO Water).

In this context, CEO Water criticizes the established food companies, who would treat their brands as "some cute sticker you put on the product" but miss to build a "true emotional relationship". For Brand Water, "transparent, truthful and authentic" are described as "keywords that you have to live up to" (CEO Water). As such, the entrepreneurial identity, rooted in science, is described by the CEO as a strong source to defend "the seriousness of the company" and to create trust for the product and the evolving brand. As CEO Water says: "You can trust us because - here look at the scientific research that goes behind it - that's us!" The year-long research behind the product innovation is further described to be driven by a higher cause. As CFO Water recapitulates: "We actually have something to tell the world. [...] What's our top goal? To eradicate diabetes!"

With regard to entrepreneurial challenges, CFO Water mentions limited resources as a particular hurdle when working with a science-based product. Especially, to get the health claim approval

from EFSA, and thus be able to communicate the product's functional added value, turned out as a significant challenge. CFO Water underlines that "to make a product with a health profile is much more difficult, in terms that it will cost you much more money". He further explains: "if you have a company that doesn't have that kind of funding from the beginning, then it's a much harder battle to raise".

4.1.2 Innovation Characteristics

During the interview, CEO Water primarily highlights the product's functional advantage, which is "based on solid science". The mineral water offers a technological innovation in form of a patent-based new compound of proteins and mineral chromium, with the effect of blood sugar reduction. For consumers the mineral water provides a so far unique added value, namely to counteract the sugar rush from a meal. In this way Brand Water offers an "easy way out of a problem" (CFO Water). As CFO Water further explains "we say you can actually reach effects that are good for you, just by changing the water you drink."

Within grocery retail, the new product innovation has to withstand "murderous" competition on a "humongous shelf filled with water based products" (CFO Water). The CFO describes the plan "to make a new category" between regular waters and existing "beneficial waters", mainly making unsubstantial claims. However, as further described, it is unrealistic to directly approach the general grocery retail and mass market: "We can never just put the product in the shelf between the water and the beneficial water and believe that we can make a difference". Instead the CFO highlights: "to be seen as the product we are, we have to do it totally different. So we will not go into the 'ICA variety' in the States, we will go to more health connected retail outlets".

By addressing blood sugar levels, Brand Water elevates a topic that is about to become a serious issue for today's societies. In this respect, Brand Water's innovation is addressing a necessary change in the established food culture of the Western world. During the interview CFO Water explains that "Americans are more aware of their blood sugar than we are", which works as an additional reason for launching the product in the US first. According to CEO Water, official organs in the US are more willing to support different solutions fighting diabetes, given the "humongous cost for the States" that might otherwise arise. As expressed by CFO Water "they put a lot of effort in to battle high blood sugar". All in all, diabetes is thus described as a more topical debate in the US than it is in Europe.

4.1.3 Brand Positioning Choice

What benefit?

Brand Water's benefit is summarized by the health claim of "helps to reduce your blood sugar after a meal" (homepage Brand Water, 2016). Going beyond the medical effect, it is outlined that the mineral water shall be positioned in between function and lifestyle. In this respect, the CFO underlines: "We want people to know that our product is a lifestyle product. It will prevent you from getting sick in the future but still it's a food product not a medicine". CEO Water further assesses that customers "don't wanna drink something and feel sort of exclusive in a negative sense [...] so it really needs to have a mass market appeal". Additionally, on the extremely competitive and over-communicated US market the need to earn the customer's attention with a catchy proposition is highlighted by CFO Water. As he expresses: "Especially for Americans: 'we want to save the world!' - That's a good argument. So, we want to eradicate diabetes!"

For Whom?

Although the water is generally beneficial for everybody, CEO Water outlines that they plan to "go after the pre-diabetic" to enter the US market. In order to meet the addressed target group, Brand Water is directly seeking for collaborations within the American health sector. CEO Water explains: "Here in the US we talk a lot with the American Diabetes Association and other professional health care organizations. Because there is a big drive here in the US fighting diabetes". In this respect, the water shall first be distributed over the American health care retailer GNC.

Why? Reason?

Brand Water's aim and purpose is to provide a way to fight high blood sugar in a scientifically sound manner with a patented product. In this regard, to "send the message of honesty, truth, scientific reliability" (CEO Water) is outlined as a central element of the brand's cause. In this respect, CEO Water describes it as a "trade off" between representing scientific sincerity on the one hand and being a fun lifestyle product on the other hand.

Against Whom?

On the US beverage market, Brand Water faces an intimidating competition of beneficial water products with varying degrees of scientific soundness. CEO Water postulates "the market is full of people making claims that are unsubstantiated" with the result that "packages look like Christmas trees". By raising awareness for blood glucose levels Brand Water automatically takes position against food products of high sugar content. Nonetheless, communication will promote the product innovation itself instead of shaming competitors: "I believe that it is our product, our

benefits that are to be communicated. Not the bad, bad Coca-Cola, McDonald's guys. Anybody else can say that but not us".

4.1.4   Communication Outcome

Since Brand Water has not launched its product under the final name on the market yet, the communication outcome can only be analysed to a limited extend. Nonetheless, the aspect of trustworthiness was outlined as a major focus of the planned communication strategy. CEO Water insists that trust "needs to be reflected in your communication in all aspects". In this regard, the founders emphasized the importance of credible transmitters for the brand's message. CFO Water describes this as follows:

> We are communicating through ambassadors, so that they [the customers] rely on us. Because we are still a company selling stuff to make money out of it, but I mean doctors, diabetes nurses, the CDC [Center for Disease Control] [...] If we can communicate through those, if they say well that is a recommended product. Then that is strengthening our communication as well.

As such collaborations within the healthcare sector and the backing on 'medical brand ambassadors' are a main pillar of the brand's intended brand communication strategy. Insurance companies and "companies specialized in helping out building systems to lower the insurance cost for the companies" are approached as a way of "getting [the] message out", as CFO Water describes.

It is further emphasized by CFO Water that the communication "will be definitely more functional in the beginning". To underline the functional benefit, the founding team pays high importance to the health claim on the package. As CEO Water puts it: "because for our true value it shall be based on solid science. We wanna be able to communicate that". Whereas, the brand shall inform about the product's medical effect, CEO Water also sees the need to not go into too much scientific detail: "you cannot explain this in chemical theoretical words because then people think 'I don't want to be bothered with this'". Overall, the design and packaging is described as playing an important role: "to send the message of honesty, truth, scientific reliability so that's our challenge now in our design - It's not only the text it's the whole package" (CEO Water). In this respect he describes the intended initial design as rather "clean".

4.1.5 Summary: Building Trust through Solid Science and Trustworthy Brand Ambassadors

The subsequent table summarizes the findings regarding entrepreneurial characteristics, the innovation's characteristics, the positioning factors and the communication outcome.

Table 4   Summary of In-Case Findings: Brand Water

Entrepreneurship Characteristics		
• **Challenges**	Restricted resources, making it particularly hard to pass strict food regulations; Task of networking to combine interdisciplinary knowledge from science & market	
• **Strengths**	"Truthful" science background and culture as an asset of credibility; Better ability to deliver on core-values than big corporations: being more transparent, truthful & authentic	
Innovation Characteristics		
• **Technological**	Patent-based technology: Compound of proteins and mineral chromium.	
• **Added Value**	First beneficial water reducing blood sugar levels. Offering the consumer an "easy way" to reduce glucose level without a completely new diet. Need to create a new subcategory within field of beneficial waters, with unsubstantial claims	
• **Cultural**	Targets today's wellness diseases. Addresses need for different food culture.	
Positioning Choices		
• **What benefit?**	Reduces blood sugar levels, "Make the world a healthier place"	
• **For whom?**	Consumer group of pre-diabetes 'candidates' but mass-market appeal	
• **Why?**	Solid science behind the product: Scientific answer to an important issue	
• **Against whom?**	Other beneficial waters with often unsubstantial claims ("packages like Christmas trees")	
Communication Outcomes		
• **Message**	Initial focus on function and credibility but avoidance of a too medical language - shall still be a lifestyle product! Catch attention: "save the world!"	
• **Medium**	Brand ambassadors (doctors, experts), health sector collaborations: i.e. American Diabetes Association, CDC, insurance companies	

All in all, Brand Water's positioning strategy mainly focuses on communicating the product's functional benefit *(for what?)* in a trustworthy manner. This is achieved through communicating a concrete health claim on the package and the reference to solid science but also through collaboration with well-reputed external organizations used as brand ambassadors. As the competition on the mass-market is high, Brand Water first addresses the narrow target group of pre-diabetics *(for whom?)*.

4.2   Case-Findings Brand Baby

Brand Baby, is located in Stockholm and was founded in 2013. The new venture produces fresh "Välling", a typically Swedish liquid gruel made of milk and oat, as well as two different kinds of baby smoothies. All ingredients are organic and minimally processed. Whereas the products itself are not employing a patent-based technology, the product philosophy, based on scientific

knowledge, radically questions the established way of baby food production. Over the past 15 years, new scientific insights have shown that the human health is highly dependent on the intestine's microflora. In particular for children, it is important to build up a sane microflora for which the bacteria included in fresh products, is said to be of high importance. Nonetheless, up to date the entire baby food category is based on processed, heated and basically non-perishable products, either in form of powder or filled within glass jars, which are devoid of health-enhancing bacteria.

Together with an expert team from Lund University and in close cooperation with Company A, the product development process for Brand Baby started around 2010. Paediatricians as well as parents played an important role in creating the product. Today, Brand Baby's team is made up of the CEO/founder and his wife, two "brand ambassadors", distributing the products as well as the supporting scientific expert team of Company A in Lund. The product is produced every two weeks at a shared production facility. Distribution started, leaving grocery retail aside, with home delivery directly to a core community of customers in and around Stockholm. Meanwhile, the product is also available in a fast growing number of supermarkets across Sweden. With the launch of a fresh baby product, Brand Baby opened up a new subcategory within baby food. Brand Baby products have a shelf-life of only three weeks and need to be chilled. Since, supermarkets normally do not have the infrastructure to offer a chilled product on the baby food shelf, Brand Baby provides branded cool-cabinets. While growth through enhanced third party distribution is the company's declared goal, the direct customer contact through home-delivery shall stay part of the business model.

4.2.1 Identity Characteristics

A central identity characteristic of Brand Baby is the still very small entrepreneurial team. This comes along with the challenge of numerous operational tasks for the founder, which are described to impede a more concerted focus on long-term marketing and communication strategy. As CEO Baby (A) describes: "You are doing everything - you don't really focus. You don't have a big staff that can handle the back office". Even customer reclamations or the brand's Facebook page are handled by the founder himself. The CEO (B) emphasizes that now "it's time to scale up the whole thing" and that capital is raised for "hiring people, hiring sales force and communication - marketing - PR". The CEO (B) explains that "it costs more than we did expect to build a company from scratch". Beyond a lack of workforce and financial capital, the entrepreneurs are mainly struggling to find the right industrial partners. This is illustrated by the CEO (A) as follows: "we

have fantastic competence with the background experience from food and innovation, but we don't have the resources when it comes to purchase, production logistics and production facilities".

Whereas operational hurdles and in particular the CEO's strong involvement in daily tasks poses a challenge, the closeness to the customer is also referred to as a unique asset of the entrepreneurial identity. For instance, CEO Baby keeps direct contact with the customer by sometimes personally delivering the products to their homes. The CEO (A) highlights the importance of this personal contact, which is "so far away from the big food companies". Right from the start, product and brand were developed in a "grassroots-approach" together with urban parents (CEO Baby, A). To decide about the precise product features and packaging design, parents were involved in an "open-innovation" process (Industry Expert). In this respect, the early customers' are seen as a core asset of Brand Baby's DNA: "It is still a part of our identity and history that they were very involved" (CEO, A). The following quotation illustrates how the approach of co-creation is perceived as a strong advantage against the well-established competition:

> The big giants they are, you can say, distribution-push brands, they are not build from the grassroots - from the end users. They will still be there but they will have huge problems. [...] Because they are run by internal, you can say political structures, and new products are not developed directly with the consumers (CEO Baby, A).

In contrast to the established industry, being an entrepreneur is illustrated as an asset in meeting the consumers' growing scepticism towards the detached big corporations. CEO Baby (A) refers to a survey where they asked parents "which brand could it be that makes fresh baby food, fresh organic baby food?" he describes the result as: "they mentioned the smaller brands, the new smaller brands with a more natural approach. More personal. They rely much more in them!".

Furthermore, the CEO's strong belief in the need to change the baby food segment, significantly shaped the company's identity. As he states: "I know we are doing the right thing. The core values of the brand are important but most of all it is our mission and vision: We want to debate and we want to change the baby food category" (CEO Baby, A). Thereby, the inherent risk to launch a radical innovation within a highly sensitive category is taken into account: "We deal with it and we know it [...] we take the big risk and we live with the risk" (CEO, A). Having reached supermarket shelves, the entrepreneurial brand is currently starting to face the mass-market. In this respect, the CEO perceives it as a challenge to further grow and still keep the unique entrepreneurial identity: "The main question is to remain personal and have your identity with a really small but strong brand…with a good relationship. How do you continue [with that] when you grow?" (A).

4.2.2 Innovation Characteristics

Although Brand Baby's product does not contain new patent-based technology, it represents a radically new approach to baby food emerging from scientific insights. CEO Baby (A) acknowledges that "it's not really like patented rocket science. But it's still world-unique in a way". The decision for commercializing a baby food innovation was inspired by academic advice, as CEO Baby (B) explains: "We did this because a professor in food and nutrition told us, you should start a baby food company!" Likewise a market-focus has guided the product development and prevented to shoot beyond market needs. As it is explained by CEO Baby: "When we started, we had of course the possibility to make it probiotic from the start but our philosophy there was that we are going into baby food – so don't make it too advanced" (CEO Baby, B).

The CEO furthermore highlights that the product innovation physically shaped the retailer's shelves: "We developed a store concept with a fridge, [...] a fridge, like Vitamin Well or Redbull" (CEO Baby, A). It is outlined that this creation of a branded new subcategory of chilled baby food was not only central for Brand Baby but also for the retailer's image:

> We build the brand for the store. Every store that has our product can say that having [Brand Baby] offering [Brand Baby], is having fresh, organic baby food. It is also brand building for the store. So we can offer them something. It is like when you go into fashion and you have special brands that build the store (CEO Baby, A).

The fact that Brand Baby launched the first radical innovation (not just an incremental adaption or new packaging) in the stagnant baby food category, has apparently awoken interest from retailers' side. Especially, the brand's strong backing within the "urban, creative class, the people that don't really have to count every cent" (Industry Expert) may strengthen retailers' interest in listing the new product. As illustrated by Industry Expert: "Now we are listed in all retail and we have not asked them, they have come to beg us and we said okay".

Beyond changing the category, CEO Baby (B) strongly expresses the wish to start a debate on today's state of baby nutrition. In this respect, the innovation is aimed, not only at selling a new product, but questions the established culture of Western baby food. The CEO's concern is expressed as follows:

> With grown-up food we are overloaded with, for 10 years, 20 years, what to eat... diets and everything. But we forget the smallest ones the most important ones, the next generation. So it's actually this debate – it's important, I think for everyone. We should have this debate (CEO Baby, B).

4.2.3 Brand Positioning Choice

What Benefit?

CEO Baby (A) describes that "*responsible, fresh and organic* is our USP". Furthermore, "the product philosophy" is explained as "smooth processing, no additives, the best organic raw material. We want the least impact, because every kind of heating has an impact" (CEO Baby, A).

For Whom?

Brand Baby launched the brand by addressing a quite *narrow urban and lifestyle oriented subculture* of Stockholm-parents, who are paying high attention to their food choices. As the CEO (B) emphasizes "we want to target a very specific group", they are "urban, young parents, living in the cities, young families with kids - both of them having good jobs". The primarily female customers are further described as "*Latte Mums,* drinking café lattes" in Stockholm's hip and urban coffee shops (CEO Baby, A).

Why? Reason?

With its new approach, Brand Baby ends a decade-long neglect of innovation within the baby food category. The CEO (A) describes the situation as follows: "Nothing has happened, they have just changed the labelling and are putting back recipes from the 70s now - same products". Brand Baby *questions the status-quo* of mostly non-perishable baby food and asks: "Is it reasonable that baby food is older than the babies?" (Written on products and homepage). This question is described as "what the brand is about. You have to have a question, because otherwise, what is your brand core?" (CEO Baby, A).

Against whom?

Over the interviews the CEO makes the established competition, which he describes as "a process industry concentrated around huge factories", a central theme of discussion (CEO Baby, A). In his eyes, the established competition rather aims to maintain their competitive position with mediocre products than to innovate:

> They could change and look into the future what is good for the kids! Meanwhile all other food goes to
> organic and fresh, raw food, less processed, less additives - but not the baby food industry. So they are trying
> to defend, it's kind of... they are defending their own category. (A).

The CEO explains that Brand Baby *provokes the established industry* solely by taking a new approach towards baby food production, which already resulted in a legal accusation: "They were trying to stop our claim that we are fresh. Cause it's chilled and fresh. It is something that is completely different from the baby food industry and that disturbs them the most" (CEO Baby, A). As Brand Baby's founding team anticipated that the powerful industry competition would try to stop the new venture from innovating the category, a more 'hidden' market entry strategy was chosen. This is best outlined in the following quotation: "we knew that the baby food industry would try to kill us. So let's be under the radar- Let's do it without the trade, without the stores. Let's *build up a community from start*" (CEO Baby, A).

4.2.4 Communication Outcome

In terms of communication, CEO Baby (A) explains: "we go more for the authentic way. So it doesn't have to be perfect". Firstly, the new brand does not have the budget to create "the perfect surface" and secondly it is perceived as more important to involve the "heavy users" than to vigorously invest in advertising (CEO Baby, A). For instance, the product packaging itself was designed together with the parents. Furthermore, the rise of social media is described to be of great help for entrepreneurial communication. As it is explained: "We couldn't have launched Brand Baby in the 90s. We did it thanks to social media bloggers and celebrities" (CEO Baby, A). Both, Facebook and Instagram, are strongly used channels to build and position the brand. The CEO describes that "7 out of 10 customers" got to know Brand Baby from social media (B).

The brand's personal and authentic appearance also finds expression in its online communication. The homepage presents a picture of the CEO with his own two children. Additionally, credibility is provided on the homepage by introducing the new venture's founding team under the headline "more than 200 years experience of food & innovation" (Brand Baby homepage, 2016). The 'personal factor' finds its ultimate expression in the brand name which is the name of the founder's son. At the point of sale (POS) the innovation is visually and physically communicated through the Brand Baby-fridge. Thus, Brand Baby as a pioneer takes ownership and brands the new subcategory of chilled baby food.

Concerning the reason for the need of fresh baby food, the CEO (A) remarks that "the latest research points out that more or less all diseases are related to the microflora, from cancer to different stomach problems but also diabetes". However, these further medical insights are not actively communicated as a 'reason' for the brand's existence so far. The overall debate on the

quality of baby food is only to a small degree exploited in communication. CEO Baby (A) highlights: I think a lot about this: How do we start this discussion or debate?". He repeatedly expresses the wish to "do more" and "be more controversial" in terms of communication.

4.2.5 Summary: Authenticity and Closeness through Co-creation with Customers

The subsequent table summarizes the findings regarding entrepreneurial characteristics, the innovation's characteristics, the positioning factors and the communication outcome.

Table 5   Summary of In-Case Findings: Brand Baby

Entrepreneurship Characteristics	
• **Challenges**	"You do everything", limited resources in time, budget and workforce; Need to find industrial partners in distribution, purchase and production
• **Strengths**	Risk-taking, passionate founder with a vision; Personal customer contact and high involvement of key customers; Advantage of being personal – target group lost trust in big corporations
Innovation Characteristics	
• **Technological**	"Not rocket science", no patent, but based on scientific insights
• **Added Value**	First fresh baby food – delivered to the customer's door; Creation of new sub-category through introduction of branded fridges on point of sale
• **Cultural**	Questions the established culture of baby food based on non-perishable powder and jars
Positioning Choices	
• **What benefit?**	Fresh, organic, smoothly processed
• **For whom?**	Urban, well-educated parents of a higher living standard. Lifestyle orientation: "Latte Mums", interested in organic food choices
• **Why?**	No innovation in baby food for decades; New scientific insights pointing out to importance of intestine's microflora, questioning the quality of current baby food
• **Against whom?**	Established industry: highly industrialized baby food producers, the "big giants"
Communication Outcomes	
• **Message**	Very personal and authentic; Co-created packaging and content
• **Medium**	Direct communication between founders and parents, social media, BB fridge, packaging

To summarize, *authenticity and closeness to the customer* are standing out as most differentiating factors of the brand's positioning strategy. This particular position partly arises out of pure necessity from the fact that the entrepreneurial team is very small. From early on the product is developed in co-creation with the targeted 'subculture' of young, well-educated and urban parents. With regard to the four positioning questions, the communication outcome is mainly based on *for whom?* And *for what?*. In the first place communication is based on direct customer contact and co-creation (eg. packaging, online content from blogger) with the narrow urban target group *(for whom?)*. In addition, it is mainly the functional added value in form of being fresh and organic, which is communicated *(for what?)*. On the contrary, the very strong cause and mission of changing the baby food category is only used slightly through the question "Is it reasonable that baby food is older than the babies?".

Likewise, Brand Baby does so far not openly take opposition against the established industry in its communication.

4.3 Case Findings Brand Oat

Brand Oat, sells oat-based drinks and 'yoghurts', which copy the use of milk. The company is located in the Skåne region in Sweden. Since 2006, production takes place in an own factory. On the Swedish market Brand Oat is the clear category leader in milk-alternatives. Thus, Brand Oat's products are well-established on the market and the company has meanwhile left its start-up phase behind. Launched in 1998, the brand's products implemented a new patented-technique of liquefying oats. Founder Oat developed this technology as a result of his involvement in academic research on the medical condition "lactose intolerance". Positioned as a functional alternative for dairy products, Brand Oat grew with 10-15% annually until approximately 2012. Unsatisfied by the achieved growth and considering the products' further potential for individual and environmental health, the founding team initiated a major repositioning process in 2012. The goal was to transform Brand Oat into a lifestyle brand by capitalizing on the rise of the vegan lifestyle and the emerging discussion on sustainability in food production. The process was further accelerated by new available tools of social media communication. Brand Oat's steering towards a far more provocative tone against the milk industry (e.g. "No milk, no Soy, no Badness") in the brand communication led to a lawsuit from the Swedish milk trade association in 2014. Despite losing in court, the lawsuit turned out as ideal boost for Brand Oat's lifestyle mission. The public sided with Brand Oat in a 'David against Goliath fight' and the debate on sustainability in the food industry was lifted to a new level of awareness. As a consequence, product sales increased by 50% over a 6-month period. Subsequently, the strategic repositioning from an entrepreneurial niche brand to a known lifestyle brand will be regarded with particular attention.

4.3.1 Identity Characteristics

A central element of the entrepreneurial identity of Brand Oat appears to be the founder's philosophy and passion of "develop[ing...] a smart alternative" (Founder Oat, B) for milk products. As Branding Expert claims: "This approach was interpreted into 'The [Brand Oat] Way' and is now very prominent in the brand as doing things in a smarter way". At the same time, this passion seems to create a fierce belief in the product's benefit for the consumer and impels Brand Oat's

commercial success. Founder Oat (B) says they want to "spread [Brand Oat] all over the world" as "this product is more important for people". This passion and vision seems to be linked to the entrepreneurs' openness towards change, innovation and risk: "We can take risks. Because [...] we are behind the whole idea and the product. We want to show that it works" (Founder Oat, B). He contrasts this determination with large industry competitors, who in his eyes, are "filled up with the tradition" and "are very rigid when it comes to new thoughts". Brand Expert highlights that this entrepreneurial passion "attracts consumers, not recruits them".

Founder Oat (B) points out that the entrepreneurial team not only required high capital investment to develop but especially a rich competence base in different fields. On the one hand, Founder Oat (B) highlights the company's scientific background and its link to university as "a strong asset". It helped to anticipate future needs (Founder Oat, B) and to develop "authentic solutions" (Founder Oat, B; Industry Expert, A). On the other hand, Founder Oat (B) emphasizes: "after you have the product everything is about marketing" because as an entrepreneurial brand, "no matter how good the product is, if you don't find a smart way to market it - it is impossible to be heard in that enormous amount of information". On this note, Founder Oat (B) says that you require "some other type of genius", who "have a feeling for trends and design" and "are thinking outside the box".

Finally, the interviewees highlighted transparency as a key feature of Brand Oat's identity. Founder Oat (B) appears to define transparency as open exchange with consumers and says "in that context it becomes necessary and natural to be honest" (Founder Oat, B).

4.3.2 Innovation Characteristics

Brand Oat's patent-based innovation substantially shaped the subcategory of plant-based 'dairy'. The product was initially developed to "address a specific problem" (Founder Oat, B), namely the intolerance of milk. Based on scientific research, the founder became aware of additional health benefits of oats (e.g. lowering the cholesterol levels), which are inherent in Brand Oat's products. Despite the innovation's scientific heritage, Brand Oat was always to be realized as food product opposed to a medical product.

Throughout the interviews, the additional cultural benefits of the innovation are stressed. Founder Oat (B) asserts that the team realized the innovation's positive impact on the environment, through offering a plant-based 'milk product' right from the start. For instance, it was calculated "how much

land you would gain from using Brand Oat [and] how much less greenhouse effect" it would produce. However, he claims that the environmental innovation facet played a minor role in the initial commercialization phase. CEO Water says "[…] it is also a question of timing" and Founder Oat (B) elaborates that the importance of sustainability "was not in the mind of people at that time". In general, the importance of timing for innovative food products is highlighted in statements like "the product is rather advanced. It is a new type of food, I mean liquid oat that is used like milk. It's some education and it took people some time to accept it" (Founder Oat, B).

4.3.3 Initial Positioning and Brand Repositioning Choice

In the following the initial positioning and repositioning choices of Brand Oat are depicted.

What Benefit?

Initially, Brand Oat took a *functional, problem-solving* position by offering a lactose-free and plant-based alternative to dairy products (Founder Oat, B; Brand Expert, B). While Brand Oat's products display the same level of quality in terms of usage as milk, they are superior in taste compared to other milk-alternatives (Founder Oat, B). Brand Oat's products provide an additional health benefit in terms of reduced cholesterol levels. In addition to these functional attributes, the new positioning strategy introduced in 2012 emphasised the ecological and lifestyle attributes of the innovation. As a reaction to the rising awareness for sustainability in society, Founder Oat explained, that the "significance of that environmental effect in an international, world-wide perspective", was highlighted. Founder Oat summarizes the new value proposition as "sustainable nutrition and health". As such, Brand Oat provides the consumer with the ability to express themselves via consumption: "People want to drink it because they do something for society, for the life really and they take position in important questions" (Founder Oat).

For Whom?

As described by CEO Water, Brand Oat was originally seeking its "target group in the low hanging fruits". Those could be consumers with a "protein allergy, lactose intolerance, religious or ethical concerns" (Founder Oat). The target group was very narrow and "in the corner of the market", as CEO Water says. In addition, he points towards an unintended consumer group, as vegans picked up the product, given its plant-based character. The entrepreneurs were very successful in reaching the narrow target group and soon became the category leader of dairy-alternatives in Scandinavia. However, CEO Water admits that the entrepreneurs struggled "to go from there to reach a broader mass market". When the team realized that "the trend for vegan milk was growing in Sweden and

elsewhere", they identified this trend as an opportunity for expanding their target group. As a result of the repositioning process, the entrepreneurs managed to affiliate Brand Oat with the influential vegan subculture: "We still had vegans supporting us before, but not as enthusiastically and dedicated and as blindly as they do now", constituted Founder Oat. This affiliation fuelled Brand Oat's popularity when the mass market seized on the vegan trend in consumption and production of food. In its repositioning strategy, Brand Oat changed to addressing those who deliberately refuse to drink milk as they "don't want animal production because it is bad for the environment and for health". Furthermore, the rising trend of conscious coffee consumption and the barista culture was detected as an opportunity to link Brand Oat to an urban lifestyle-oriented target group.

Why? Reason?

As outlined, the sustainable cultural value of the innovation was inherent in the product from the beginning. However it was not expressed as the brand's 'raison d'être' in its initial position. In the process of repositioning, the team went back to their brand identity and engaged in "a reassessment of the core values", as CEO Water elaborates. Capitalizing on the innovation's cultural innovation, the repositioning highlights Brand Oat's "incredibly important play in sustainability" (CEO Water). Industry Expert further describes Brand Oat as "a role model for what food is all about: it is very clean, it is very transparent, it doesn't have that much processing". To take a stand for sustainability became the new mission of the brand after its repositioning process. As CEO Water described: "That message needs to be conveyed. And it is our duty to educate the world and say, 'Listen, this is the pretty most sustainable dairy product globally available, period'". The entire company seems to be driven by "The Brand Oat Way" of doing things the smarter way: Most importantly, the firm belief in Brand Oat's 'smarter way of milk production' by 'avoiding the cow' in the process form oat to 'milk' (Brand Oat website, 2016) seems to be the driving motivation.

Against Whom?

In the beginning, the main competition of Brand Oat were other milk-alternative products. Yet, given a "technology that is difficult to copy" and the superior product quality (Founder Oat, B), the brand quickly earned leadership of this subcategory. Whilst the initial positioning aimed to delineate Brand Oat from other dairy alternatives, the new brand positioning strategy tries to fortify the unique position of Brand Oat as an opponent of the 'dairy' category. Brand Oat does not want to be seen as a mere alternative to milk but much rather aims to substitute the entire category by 'making oat the new milk'. As the website states: "Please, don't compare us to cow's milk. We mean it." By distancing the brand from milk comparison altogether, Brand Oat tries to establish a truly uncontested position in the market. Calling Brand Oat "the original" (e.g. Brand Oat packaging,

2016) can be seen as an attempt to actively conquer and shape this new position as unrivalled market leader. The repositioning culminated in Brand Oat's crusade against the overall milk industry. Brand Oat started to provocatively state the shortcomings of the industry ("No milk, no soy, no badness") resulting in a lawsuit. As Founder Oat (B) outlines: "we pushed the limits until they actually sued us. Which we lost but we did win in a way." In this conflict, CEO Water sees Brand Oat as "midget" who gained the support from the public in a David vs. Goliath scenario. For CEO Water, the brand started an "incredibly important debate" with this conflict.

4.3.4 Communication Outcome

With Brand Oat's initial positioning strategy as novel dairy alternative, the major part of communication was "focus[ed] on trying to explain that we were an alternative to cow milk", (Founder Oat, B). In order to establish affiliation with the category, the initial product name included the word "milk". In general, the communication highlighted the functional benefits of Brand Oat's innovation such as "lactose-free" and "lowering cholesterol levels". CEO Water describes the initial packaging as "very clean, white, sort of healthy, almost clinical" in order to address the specific target group.

When talking about the communication after the repositioning, Founder Oat (B) highlights the impact of the newly hired CEO. As Founder Oat (B) stresses: "the criteria we had for hiring a CEO back then, was somebody who had NO experience in the food industry. We wanted someone who had not been entangled in established thoughts how to market food". The team endowed him with the task to "lift [Band Oat] to a lifestyle brand" (Founder Oat, B). Under his influence Brand Oat started to "combine unpredictable design with provocative thoughts" (Brand Oat, YouTube). The new communication approach included for instance the slogan "Wow, no cow" and the modified tagline "No milk, No soy. No …- eh… - whatever", creatively avoiding the word "badness" after the lost lawsuit. Thus, the new communication strategy turned to focus on the brand's crusade. The previously highlighted health-related attributes faded from the spotlight of communication. CEO Water explains that the "more subtle messages" regarding health were found to be more important when building a lifestyle brand. However, Founder Oat (B) proclaims: "Actually those two messages are not contradictory, really, we still talk about health." He exemplifies this with the new packaging that introduces information on ingredients as "this is the boring - but very important- side" (Brand Oat Packaging, 2016). Founder Oat (B) describes the new tone of communication as "not serious boring scientist" talk and not patronizing. Rather, Brand Oat's message evokes the impression of having a conversation with a friend. For instance,

colloquial language is used to express the brand's attitude towards milk-production: "We believe that we should eat stuff that we can grow instead of growing stuff and feed animals and then eat them" (Packaging Brand Oat, 2016).

Apart from packaging as major source for communication, Founder Oat (B) highlights the importance of social media for Brand Oat. Firstly, this channel is used to "start a dialogue with them, to approach the consumers" (Founder Oat). For instance, Brand Oat published the entire lawsuit online, which "generated massive support of people who saw the milk industry as oversized bullies" (Promotional YouTube video, 2016). Secondly, Founder Oat (B) stresses that social media gave Brand Oat a head-start compared to its competition: "I think we were the one, who first consequently used it, let it amalgamate with everything in our activities". Still today, the majority of promotional videos are short clips that are therefore especially suited for Facebook and Instagram. The clips utilize the new CEO's "odd ideas", as Founder Oat (B) describes them, such as ironic videos showing the current CEO singing in an oat field. Various commercials also seem to make fun of the competitors' commercials by recreating similar themes in a mocking way.

New and unique promotional activities, such as music festivals or philosophical breakfast venues, further helped to let the brand appear in a new context and facilitated addressing a different audience (CEO Water). All in all CEO Water describes Brand Oat's resulting position as „completely different from everybody else". Founder Oat (B) says the communication is creative, provocative and has "a true message". He describes the combination of the product and the communication as "a fantastic advantage".

4.3.5 Summary: Repositioning from Function to Lifestyle

As depicted below, Table 6 summarises the key themes that emerged around our sensitizing concepts and further contrasts initial and later positioning.

Table 6   Summary of In-Case Findings: Brand Oat

Entrepreneurship Characteristics		
● **Challenges**	Information overload and resulting need to establishing position in food sector. Little prior knowledge in food industry; Need for high capital investment	
● **Assets**	Strong passion and belief for business model and vision.; Innovative culture with diverse capabilities (from science, entrepreneurs, marketers) and risk disposition; Transparency through true solution and customer engagement; "Doing things the smarter way"	
Innovation Characteristics		
● **Technological**	Patent-based technology: Liquefying oat	
● **Added Value**	Plant-based alternative with same usage and product range as dairy products; Superior quality with regard to taste and usage compared to other dairy alternatives; Health benefits of oats (e.g. lowering cholesterol)	
● **Cultural**	Beneficial for the environment by saving CO_2 compared to animal-based milk production; Timing is vital for food innovation: education, mind-set & behavioural shift required!	
Positioning Choices	*Initial*	*Repositioning*
● **What benefit?**	Solves problem by offering lactose-free alternative to dairy; Superior taste & quality)	Supports urban, environmentally-conscious lifestyle by offering sustainable substitute to dairy ("Sustainable nutrition and health") High quality in taste and usage.
● **For whom?**	Narrow target group with functional need (e.g. lactose-intolerance); Unintended target: Subculture of vegans	Extended target group, that refuses milk due to environmental reasons; Baristas addressed as link to urban lifestyle consumers
● **Why?**	Patent-based scientific formula; Solid science; Mission to deliver solution to special medical condition	Responsible and transparent value chain reducing CO_2 compared to traditional animal-based dairy production; *Brand Crusade:* Belief that milk is unhealthy for environment; Lifestyle-statement 'more fun to drink Brand Oat'
● **Against whom?**	Other dairy alternatives	Dairy industry (+other milk alternatives)
Communication Outcomes		
● **Message**	Functional: Rationally explaining product (ingredients) and its health benefits	Provocative criticism towards dairy industry; Conversational and witty explanation of brand's crusade and the high quality of product; "a true message"
● **Medium**	Clean and medical-inspired packaging	Differentiated packaging in terms "unpredictable design and provocative thoughts"; Unconventional & provocative sponsoring; Extensive use of social media; funny YouTube spots

To sum up, Brand Oat's innovation opened a new subcategory in the dairy category, first based on its functional health benefits, which were later complemented with the innovation's cultural, sustainability benefits. The entrepreneurial identity created a strong belief in the product's value for customers, an esteem for transparency and a search for 'smarter solutions'. During Brand Oat's major repositioning, the strategy turned from a functional approach *(what benefit?)* addressing a

narrow target group *(for whom?)* to claiming a lifestyle supporting position. The subculture of vegans turned out as decisive accelerator of this repositioning. Based on the brand's awakened crusade to eradicate animal-based milk production in favour of oat drinks *(why?)*, Brand Oat strongly positioned itself against the milk industry. With the brand's transparent product and ironic, witty communication, Brand Oat triggered a David vs. Goliath conflict with the milk industry *(against whom?)*. The new strategy unified a growing number of consumers behind the brand's new, differentiated position.

5 Cross-Case Analysis and Discussion

Throughout this thesis it has been argued that a closer understanding of the interplay between innovation, entrepreneurship and brand positioning is needed. In a first step, the conceptual framework set all three scientific areas into relation. Based on the established sensitizing concepts, in-case findings were presented. In the subsequent chapter 5.1, we introduce common patterns that can be derived from the combined case-insights. To discuss and evaluate these cross-case findings, we further consult relevant literature. The central findings are summarized as theoretical propositions. Chapter 5.2 concludes with presenting a modified version of the initial conceptual framework. This final framework suggests that *positioning practice takes the function of a filter* matching selected brand identity attributes with relevant market factors.

5.1 Entrepreneurial Brand Positioning around an Innovation: Five Propositions

5.1.1 Central Assets of the Entrepreneurial Brand Identity: Authenticity and Transparency

> *That is why you trust this brand, because it is authentic. There is a person behind it and there are people behind it who believe in it (Branding Expert).*

Across all three cases, we identified *authenticity and transparency* as central characteristics of the entrepreneurial brand identity. From this point of view, our research suggests that entrepreneurial authenticity works as a strong asset for entrepreneurial brand positioning and differentiation on the market. To a certain degree, authenticity turned out as a positive side effect from the constraints of being a small and new venture. In line with previous literature, typical obstacles of entrepreneurial brand building such as limitations in terms of financial budget (Abimbola, 2001), human resources and time constraints (Wong & Merrilees, 2005) were affirmed. For instance, CEO Baby expresses the concern of being too busy with daily business, for concentrating entirely on

spreading the message of Brand Baby. CFO Water describes making the brand known as "a lot of footwork" (2016), given the missing budget to launch a major campaign for the new product. However, these obvious limitations forced the entrepreneurs to proceed with a very personal way of brand building in direct interaction with the target group, be it urban parents or vegans. Whereas the lack of reputation has been discussed as a major backdrop for new ventures (Petkova, Rindova & Gupta, 2008; Witt & Rode, 2005), the interviewees did not refer to missing trust as a major challenge. From the empirical insights we infer that the founders' personal involvement (particularly in the case of *Brand Baby*) as well as the sound scientific background, worked as major sources for immediate trust and credibility ("They know who we were", CEO Baby, A). From this perspective, the brand identity turned out to present a source of "unique authority and legitimacy" (Kapferer, 2012, p.154).

Bresciani and Eppler (2010) suggest that entrepreneurial brands should make use of more creative brand building activities. They particularly highlight word of mouth, online branding and networking as worthwhile brand building options for entrepreneurs. All three activities were used across positioning practice of the examined cases and contributed to their authentic brand image. As Napoli and colleagues (2014, p.1096) claim "authenticity allows a brand to be true without being perfect". In that respect, the 'unperfect' entrepreneurial communication approach may offer a valuable tool to address the postmodern consumer searching for meaning in an overly communicated 'hyperreality' (Arnould & Price, 2000). The subsequent typology (Table 7) provides an overview of how *Brand Water, Brand Baby* and *Brand Oat* establish a brand position of authenticity and transparency through making use of different activities.

Table 7   Manifestations of Authenticity in Brand Positioning Practice

Brand Water 'The Trustworthy Scientist'	Brand Baby 'The Close Friend'	Brand Oat 'The Witty Underdog'

▪ "Commitment to science and honour":
▪ Collaboration with doctors and insurance companies
▪ Clean and functional packaging with a health claim in contrast to competitor's unsubstantial claims
▪ Obligation to deliver on core values: transparent, truthful and authentic
	▪ Personal involvement and passion of the founder:
	   ○ Direct customer contact
	   ○ Founder's signature on the product packaging
	   ○ Pictures of the founder's kids on the homepage
	▪ Transparent information on whole production chain
	▪ Open innovation process with consumers (community of urban, health-conscious parents)
	▪ Heavy use of social media and use of customer created content (bloggers as brand ambassadors)
		▪ Humoristic and ironic approach to conventional marketing ridiculing exaggerated marketing promises (i.e. ironic YouTube videos starring the founder standing in an oat field)
		▪ Use of colloquial language (Impression of 'we are on your side')
		▪ Promise to be transparent in everything they do
		▪ Goal to "produce the cleanest, most responsible products on the market"
		▪ Partner up with subculture of vegans and hip urbans (sponsoring festivals, 'philosophical breakfasts etc.)

→ **Authenticity through sound scientific base and credible partners**	→ **Authenticity through highly personal approach and co-creation; grass-roots development**	→ **Authenticity through witty communication, commitment to full transparency; brand crusade**

As presented in Table 7, *Brand Water* mainly builds on its sound scientific background to create authentic credibility for its health claim. CEO Water summarizes the new venture's approach as "truthfulness, honesty, back to basics and the commitment to science". Thus, *Brand Water* takes position as a *"trustworthy scientist'. Brand Baby,* being less technology-based in its innovation, develops an authentic brand identity through a highly personal and community based approach and thus presents itself as *'a close friend'.* The brand and customer meet on eye-level and develop the product in a co-creative process, resulting not only in an authentic image but also an authentic brand identity. Merrilees (2007) promotes to leverage consumers as a resource in the brand building process instead of procuring with a traditional top-down approach. Likewise, *Brand Oat,* being on the market for almost 20 years, is making authenticity and transparency a main asset of brand position. In its *humorous manner of communication, the brand is mocking the* value propositions and communication of traditional dairy brands and presents itself as *'witty underdog'* in opposition to the established industry. The central message is that the brand is claiming not more but also not less than "to produce the cleanest, most responsible products on the market" (Brand Oat, Homepage).

Referring back to literature, Faust and Householder (2009, p.47) postulate that "an authentic brand is a brand that's clear about what it is". In detail, it should have "a real story, a connection to a fundamental human truth, and an appreciation of its smart customers". With regard to *Brand Baby*, the real story and human truth may lie in the founder's vision to change the way of baby nutrition,

being a father himself. In this respect authenticity is conveyed as the highly personal brand represents a true "continuation of the entrepreneur's vision, beliefs and values" (Spence and Essoussi, 2010, p.1048). In a major quantitative study amongst SME's, Eggers et al. (2013) have verified that brand authenticity directly fosters brand trust and positively drives small business growth. The authors (2013, p.346) further claim that brand authenticity is central since "consumers and other stakeholders search for greater meaning and sincerity from the brands they choose". The outlined consumers' need is reflected by the current dynamics in the food sector as further explained in the next chapter.

The first proposition can be summarized as follows:

P_1:   *Authenticity and transparency are pivotal assets of the entrepreneurial brand identity that can be leveraged to occupy a differentiated market position.*

5.1.2 A Clean Slate vs. Industry Distrust: A New Brand as better Start for Radical Innovation

> *So here we have these big companies who invested their lifetime in building these brands and what is happening? The consumers don't trust them. [...] So all of a sudden, their biggest asset - their brand, is also now their biggest liability. (Founder Oat)*

Based on the interviews we assume that the 'aura of authenticity' surrounding the entrepreneurial brand also stems from a general distrust in the established food industry. The rise of the informed consumer and the therefrom resulting demands have been described as a particular challenge for traditionally established food brands (Earle, 1997; Grunert, 2005). In this context, the interviewees highlighted the role of the internet introducing a new age of transparency:

> The Internet opens up everything. I say like, food business has been allowed to be in a black box. Not showing off what they are really doing. Now we lift it up and we have an aquarium! (Industry Expert)

In the same tone CEO Water refers to social media: "If you brand the product, it means to reflect who you are and you can't lie about it anymore - social media will take care about that". Against this backdrop, nascent entrepreneurs face new opportunities to fully capitalize their advantage of being perceived as a more transparent and authentic alternative. The prevalent industry-distrust combined with new social media opportunities is described as a "golden opportunity" for entrepreneurial food brands by CEO Water. According to him, truthfulness and honesty are keywords that can set food entrepreneurs apart and that "particularly resonate well with

consumers". Thus, by capitalizing on this consumer desire for transparency, the brand sets itself apart from the established players in the field by "creating preference in a specific market at a specific time for its product" (Kapferer, 2012, p.167). From this perspective, the 'authenticity factor' in entrepreneurial positioning is not only nurtured from within the brand's identity but also evolves from the contrast to the "competitive set" in the market (Kapferer, 2014, p.171).

Large food companies have to deal with their heritage of selling more or less 'unhealthy' products over decades. As a consequence, their food innovations often turn out as 'adding some bonus' to an otherwise neither healthy nor sustainable product. As the interviewed Food Industry Expert puts it: "you have a shitty product, you put something good in it and it is less shitty". In contrast, he states that branding's new role is to transparently reveal the whole chain "from production to consumption into recycling". In this regard, CFO Water expresses: "It's easier to have a totally different brand that comes from fresh distance". With respect to innovation-ability, the established food brands are described as risk averse and detained by the value of their brand name: "They will never risk their brand name. So they will never do something new" (Founder Oat). Instead, it is described as common business model that the established food players buy "successful, cool, fun brands, because they can't come up with them themselves" (CEO Water). The entrepreneurial brand identity, yet devoid of associations, has the inherent advantage of starting fresh with an authentic and transparent approach. This finding strengthens Rivadeneyra et al.'s (2010) suggestion to better introduce radical innovations under a new brand name as opposed to literature mainly highlighting the advantage of an existing brand for innovation introduction (Brexendorf, Bayus & Keller, 2015; Erdem & Swait, 1998; Gielens & Steenkamp, 2007). It furthermore reflects the assertion that brand position and its associated meaning, determine the brand's innovation abilities (Beverland, Napoli & Farrelly, 2010).

To sum it up, the following proposition can be made:

P2:   *In contrast to established brands tied to existing associations, the newness of the entrepreneur works as an advantage for innovation introduction.*

5.1.3 Entrepreneurial Positioning: Shaping the Category by Addressing an Industry Conflict

> *The brand is strong when there is a conflict. 'Cause if there is a conflict, then there is a strong belief in the brand and it has a clear mission (Food Branding Expert, 2016).*

In all three cases the creation of a new subcategory turned out as a central pattern of entrepreneurial brand positioning. The case brands do not only add a new product to the existing category but create new demand and thus change the market. This key finding reflects Kim and Mauborgne's 'Blue Ocean Strategy' (2005). *Brand Baby* has become the pioneer of innovative infant nutrition by being the first in the category with a fresh and organic proposition. As outlined by Aaker (2007), a pioneer has the power to define the emerging subcategory based on the characteristics of the brand. *Brand Baby* embraces this task by altering the retail offer with a branded fridge in the supermarkets and thus takes ownership of the newly created subcategory. *Brand Oat* has initially been a functional niche product for a very specific target group. Yet, after its repositioning, the brand takes a more provocative stance towards the established dairy industry and presents itself in direct opposition to the category. While milk is a basic commodity product, bought for its functional value, *Brand Oat* adds a purpose and lifestyle dimension to consumption by highlighting the sustainability-crusade of the brand. In a manner of speaking, it is not only better for the environment but also more fun to consume *Brand Oat* instead of milk. Thus, new market space is created through adding emotion and purpose to a mostly commoditized category. Challenging "the functional-emotional orientation" of an industry is described as one success strategy of creating a blue ocean by Kim and Mauborgne (2005, p.70).

As a common positioning pattern and a new strategy to open these blue oceans, we detected the exploitation of a category-inherent. In this respect, creating new market space does not only make the competition irrelevant, as described by Kim and Mauborgne (2005). It much more directly challenges the established industry by calling its practices and assumptions into question. For *Brand Baby* the inherent conflict is addressed by challenging the established production of infant nutrition. CEO Baby expresses his conviction that "the whole baby food category is wrongly made from the beginning". *Brand Oat* is addressing the inherent conflict that animal-based food production over-proportionally harms the environment. For *Brand Water* the latent conflict consists of the fact that the established food industry itself is partly responsible for the rise of wellness diseases as diabetes. In order to keep the health systems intact, it will be inevitable to "de-sugar" the products offered. Whether or not the underlying criticism is openly communicated, the case brands challenge the

established industry already by providing an innovative solution. Branding Expert describes the potential of industry-inherent conflicts as follows:

> We have, in our best practices, identified what are the success factors of an entrepreneurial innovation and one of the success factors is that you tell the truth about the category. And telling the truth about the category actually means that you've revealed a conflict.

However, openly triggering the conflict is a fine line for the completely new brand, given that the established industry is superior in terms of organization size and power. The opposition faced offers a real threat for the new venture, which is why the founding team of *Brand Baby* decided to start the brand in a community approach "under the radar". Yet, for Brand Oat, the openly fought law case turned out as highly beneficial and strengthened the brand's position in a "David against Goliath" scheme.

The following proposition summarizes the aforementioned insights:

P₃: *Entrepreneurial brands can create uncontested market space and shape the category by addressing industry conflicts.*

5.1.4 Innovation Positioning: Networking as a Tool to Combine Market and Science Competence

> *If the entrepreneur is on his own he is usually able to develop a product but not the market. So you need a combination of people. You need the scientist, you need the developer and then you need support from the marketer and an optimizer. (Branding Expert, 2016)*

Over the case analysis, *networking* turned out as a highly important factor to develop an innovation of market potential in the first place and to understand how to build and position a brand around this innovation in the second instance. The in-case results revealed that all three innovations hold varying degrees of technological innovation but also bear the potential to introduce the technology as a value innovation (Kim & Mauborgne, 2005) or a cultural innovation (Holt & Cameron, 2012) to the market. In this context, it was found that the positioning of an innovation is a process that actually starts in the laboratory, with the initial entrepreneurial task of "discovery and exploitation of opportunities" (Shane & Venkataraman, 2000, p.219). It was shown that this initial process requires the collaboration of different scientific teams as well as marketers with industry knowledge. Especially, an understanding of the market and the customer (Shane, 2000) played an important

role in innovation development in order to prevent research with a mere technological 'product focus' (Chorev & Anderson, 2006). This is exemplified by the product development process of *Brand Baby*: Although adding more functional features was a possibility, the founders decided to keep the product rather natural in consideration of the sensitive target group. As Branding Expert explained many products in knowledge-based entrepreneurship would fail because of a one-sided scientific view and the attempt "to push science into the consumer world". As described in trait-based literature on entrepreneurship (Carland et al., 1984; Hull, Bosley & Udell, 1980) the in-case analysis revealed the need for an 'entrepreneurial mind-set' to enable the "identification of market opportunities and their exploitation" (Eggers et al, 2013). In the three examined cases, it is primarily the scientist and founder of *Brand Oat,* who has the ability to combine scientific knowledge with market trend anticipation. CFO Water describes this trait as follows:

> Some people have the ability to see the need of that change ahead and I think [Founder Oat] is one of those people. That's his strong side. Except from being a good scientist. There are many scientists that are as good as him in being scientists, but he has the ability to see the possibilities for changing patterns.

Yet, Founder Oat (B) himself points out that you require "some other type of genius", with "a feeling for trends and design" to further *develop a brand* around the innovation and *to position* it on the market. *Brand Oat* exemplifies how important interdisciplinary competences and different industry backgrounds are for successful positioning: It was the newly hired CEO who understood the opportunity to turn Brand Oat into a lifestyle brand and knew how to adapt communication in that regard. On purpose the founders hired a person with a different mind-set.

Beyond the entrepreneurial team, further external network partners turned out to play an important role for successfully positioning the brand on the market. For instance, doctors were addressed as brand ambassadors to fortify the credibility of *Brand Water*. Most strongly for *Brand Baby*, early customers themselves were a strong source of co-creation and brand building. Both ways of external collaboration mirror Petkova, Rindova and Gupta's (2008, p.327) findings that "strategic alliances and partnerships" and establishing "relationships with key customers" are central reputation building activities of an entrepreneur. In general, the use of external relationships has been established as an important factor of entrepreneurial development (Johannisson, 1998; Lechner, Dowling & Welpe, 2006). Lechner, Dowling and Welpe (2006, p.515) particularly outline the function of social networks, reputational networks, marketing information networks, co-opetition networks and technology-networks. With exemption of co-opetition, all network-functions were mentioned in the context of brand positioning during the interviews. Especially the social network was referred to repeatedly ("You have a friend that has a friend that has a

friend...that's usually how it works", CEO Water). As an example given, the wife of CEO Water, being a social media expert in the US, early raised the founding team's awareness for the growing importance of social media. Likewise, the brand agency that worked with finding a name for Brand Water on the US market is owned by an old friend of CEO Water, who himself has started and launched seven companies and thus provided valuable insights on how to develop a consumer brand on the US market.

To sum it up, we introduce the following proposition:

P₄: *To develop a knowledge-intense innovation and successfully position it on the market, an interdisciplinary network combining scientific knowledge and marketing competence is needed.*

5.1.5   Positioning Entrepreneurial Innovation: Not Only Problem-Solving but also Lifestyle-Supporting

> *So a brand today in the area of health and food is not just that you are a solution to a physical need or health need. The focus is not only on the product. You as a brand are a supporter of your consumers' beliefs and lifestyle. (Branding Expert, 2016)*

The in-case analysis showed that the positioning strategy of all three case brands did not instantly "reveal all of the brand's richness of meaning nor reflect all of its potential" (Kapferer, 2012, p.154). Whereas the functional attributes of all three case brands were a pivotal factor of the initial position, the more abstract brand vision or crusade was initially not communicated to its full extent. In addition, positioning was referred to in two contexts, namely the introduction phase and the targeting of a broader mass market. Combining these insights lets us suggest that the focus of the entrepreneurial brand positioning might evolve from a *specific market-entry strategy* with focus on *functional* attributes, to a more *abstract positioning strategy* stronger highlighting *cultural* attributes.

A Functional Problem-Solving Positioning to Enter the Market
As Aaker & Shansby (1982, p.57) state, "probably the most frequently used positioning strategy is associating a product with an attribute, a product feature or customer benefit". For instance, *Brand Water* accentuates its health claim of reducing the blood sugar level. *Brand Oat* promoted the lactose-free, plant-based feature of its products in its initial positioning and *Brand Baby* advertises being organic and fresh. All three product innovations are "positioned with respect to an attribute that the competitors have ignored" (Aaker & Shansby, 1982, p.57). Highlighting the innovation's functional added value *(for what?)* helped to position the brand as a problem-solver for the matching

unfulfilled needs of a narrow target group *(for whom?)*. These were for instance pre-diabetics, lactose-intolerants, vegans or health-conscious urban parents. To build trust within the target group, the consumers first need to be educated and convinced about the product's functionality. A focus on "unique, provable attributes of the product" is said to offer the simplest way of establishing credibility (Keller, Sternthal and Tybout, 2002, p.85). This may be particularly true in an industry that generally faces growing consumer distrust.

The functional attributes depicted the unique 'point of difference' vis-à-vis the brand's competitors (Keller, Sternthal and Tybout, 2002). This way the new brands managed to gain the attention of the target group. At the same time, the initial positioning of the case brands also established 'points of parity' with the category and thus anchored the product in the "consideration set" of the customer (Punj & Moon, 2002; Urban, Hull & Weinberg, 1993). For instance, *Brand Oat* promoted the similar functionality to milk and used the name 'oat-milk' to clearly establish the innovation as an 'alternative dairy product'.

A Cultural Lifestyle-Supporting Positioning to Fortify the Market Position

To increase market share, *Brand Oat* transcended from a functional to a lifestyle-supporting strategy by accentuation of its cultural attribute of sustainability *(why?)*. The brand's new focus of providing a 'milk-product' that is better for the environment enriched the brand with a "visionary promise" (de Chernatony, 2009, p.104). De Chernatony (2009, p.104) describes it as part of an evolutionary brand process that "emphasis might initially be placed on functionally oriented values which then become augmented with emotionally oriented values". Furthermore, backing on the support from its subculture *Brand Oat* took a more provocative stance in highlighting the industry conflict *(against whom?)*. Likewise, *Brand Oat* met the customer's symbolic and experiential needs (Park et al, 1986), through a new design-oriented and funny manner of packaging as well as the affiliation with urban lifestyle through sponsoring respective events.

In line with, Holt & Cameron (2012) it was found that timing and waiting for the right moment of 'social disruption' played an important role for highlighting the brand's cultural attributes. *Brand Oat* had to anticipate the right moment for its cultural innovation to become relevant on the market. It was only the subculture of vegans who adopted the product for its cultural value right from the beginning. This reflects Holt & Cameron (2009, p.186) saying that "cultural brands back on subcultures, media myths or brand assets, to gain foothold for their meaning".

While the other case brands exhibit a similar richness for cultural innovation, they appear to still prepare for the time when a matching social disruption takes place. For instance, for *Brand Baby*,

the potential of a "cultural innovation" is inherent within the product as it questions the way of the existing baby food culture. The founders anticipated the trend of natural homemade baby food and also describe the target groups' suspicion against highly processed baby food. However, while there is a vivid debate on food choices for adults, there is no public debate on the quality of baby food so far. Although, *Brand Baby* has a strong foothold within the subculture of urban parents and also provides credible brand assets (fresh and organic) it appears as if the media factor is still missing to start a brand crusade or a cultural debate. In this respect, the CEO is still looking for a way to draw attention to current baby food habits ("I think a lot about this: How do we start this discussion or debate outside", CEO Brand Baby, B).

In its current brand position, *Brand Oat* unites functional and symbolic attributes. Whereas, the functional attributes are still of importance, they find a different expression in communication. This strengthens the findings of Bhat and Reddy (1998), who support a possible synergy of both attribute types, as opposed to Park, Jaworski and MacInnis (1986), who see functional and symbolic attributes as mutually exclusive. Yet, as Bhat and Reddy (1998, p.40) point out "conveying multiple associations can be quite tricky" and might cause confusion for the consumer. This might be particularly true when positioning a radical innovation, where the potential customer first needs to apprehend the new product's value proposition. Thus, an initial focus on the functional attributes might help the new brand to enter the market with a clear position. CEO Water himself describes the dilemma of positioning the new beneficial water between function and lifestyle.

In all examined cases a back and forth between market needs and brand capabilities bestowed the brand with a "specific angle to attack the market" (Kapferer, 2002, p.156). For the new ventures a close affiliation with the customer and a thorough understanding of their needs was pivotal to select relevant identity factors for the brand's intended position. At the same time, the entrepreneurial brand identity was the prerequisite to authentically address and claim ownership of an innovative market position. Thus, the dynamic interplay of market and brand-orientation supports Urde and Koch's (2014) synergistic approach to positioning (Figure 2, chapter 2.1.3). The three examined cases first and foremost reflect the outlined characteristics of Urde and Koch's proposed school of 'Wild Card Poker' as a hybrid positioning approach (2014). Through an authentic identity the entrepreneurial brand has the ability to not only fulfil unmet needs in the market but to change the category together with the consumer. Whereas Urde and Koch describe the 'Wild Card'-strategy as a mean "to liven up a game", we further found that this is achieved by addressing an industry conflict. In line with Holt and Cameron (2012) it was found that timing plays an important role in this respect. The found difference in positioning practice between entry

and fortification corresponds to Kapferer (2012, p.155), who finds that "positioning changes over time as growth is achieved by expanding the competitive field".

In their entirety, the chapter's insights are summarized in the following proposition:

P_5: *Based on external market factors, the positioning strategy selects which brand identity attributes are highlighted in brand communication at what point in time. These can vary from functional and problem-solving (for whom? / for what?) to cultural and lifestyle-supporting (why? / against whom?).*

5.2   Positioning as a Filter of Brand Identity: Summary and Theoretical Framework

In Chapter 2.4 we introduced a preliminary research framework, based on central elements derived from literature and the pilot interview. In consideration of the rich case insights, we were able to gain new knowledge on brand positioning practice in the context of entrepreneurial innovation, which enables us to revise our initial model. Whereas the afore provided propositions describe entrepreneurial brand positioning practice on a rather managerial level, the revised framework (Figure 5) aims to integrate these insights in a higher theoretical context. In this regard, we introduce the *metaphor of a filter* to describe the role of positioning over the new venture's growth and the process of innovation diffusion. In the following the revised framework (Figure 5) is introduced from top to bottom.
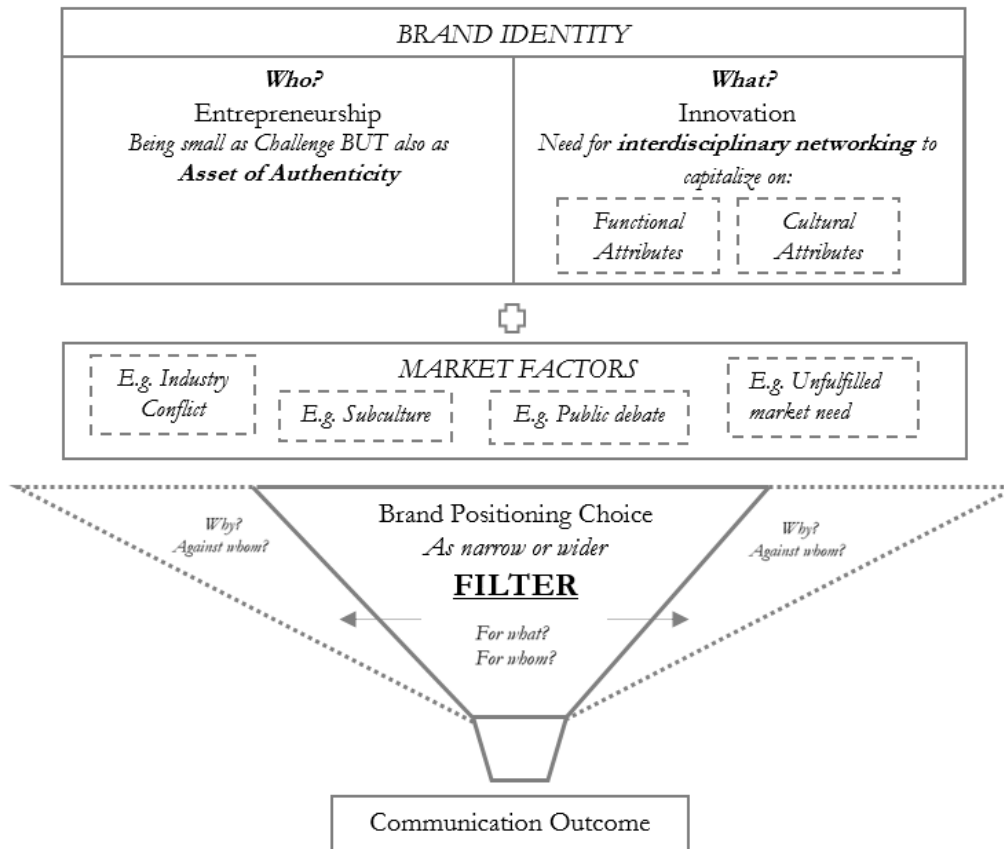
Figure 5 Theoretical Framework: Positioning as a Filter of Brand Identity

Brand Identity

To begin with, our research findings affirm that brand identity provide the basis of brand positioning practice (de Chernatony, 2009; Riezebos & van der Grinten, 2012; Kapferer, 2012). Both building blocks, the unique characteristics of being an entrepreneur and the newly introduced innovation, were found to define the emerging brand identity and thus guide the positioning practice. Firstly, with regard to *entrepreneurial characteristics*, we found that the *inherent asset of authenticity* acts as central differentiating factor (Figure 5). In addition it enables the brand to partner up with influential subcultures and thus to address industry-inherent conflict. In contrast to the established industry, the entrepreneurial identity, free from prior associations, is advantageous to introduce radical innovation in a credible way. Secondly, with regard to *innovation characteristics*, it was found that knowledge-based entrepreneurs are mainly dependent on an *interdisciplinary network* combining scientific and marketing competences (Figure 5). The network enables to develop true functional added value (e.g. through a patented-technology) and can help to capitalize on cultural shifts (e.g. trend anticipation, access to subculture). This provides the knowledge-based entrepreneur with the basis for exceptionally rich positioning options.

Market Factors

The empirical insights highlighted the important role of different market factors for the entrepreneurial positioning practice. First of all, entrepreneurs face the challenge to conquer the market while being small and new. The therefrom resulting restrictions make it impossible to compete with established brands on a mass market or in a 'red ocean'. Different market drivers can be used to gain foothold on the market and to create a 'blue ocean' for the small new venture (Holt & Cameron, 2012; Kim & Mauborgne, 2005). For instance, this can be an *unfulfilled need* of a small target group or the affiliation with a certain *subculture* but also an *industry conflict*, which the new venture can uncover. The link to a topical *media debate* can help to gain attention for the brand's cultural attributes and to address a broader mass market (Figure 5).

To summarize so far, a central insight is that brand positioning of an entrepreneurial innovation is *synergising market and brand identity forces*. For instance, the entrepreneurial brand does not only address a subculture but truly becomes part of it, building on the inherent asset of authenticity. In its hybrid position between market and brand the entrepreneurial brand is equally building on "external market demand and industry structure" and "internal, strength-driven brand potential" (Urde & Koch, 2014).

The Filter-Function of Brand Positioning

Based on our empirical insights, we perceive the role of positioning practice as best described by the metaphor of a *Filter of brand identity*. Primarily, *the positioning-filter* matches internal brand attributes and external market factors: Depending on contemporary external factors (e.g. a rising subculture), the positioning filter 'selects' matching identity attributes that lie dormant within the brand. These 'internal/external matches' are then translated into communication to implement the intended brand position on the market. We suggest that the positioning filter starts with a narrow scope, which is rather focused on functional attributes *(what?)* to solve the needs of a narrow target group *(for whom?)*, thus avoiding a fiercely competitive mass market at the time of market-entry. Over time, the filter may take a wider scope revealing more lifestyle-supporting identity attributes *(why?),* which are truly unique compared to the category leaders *(against whom?)* (Figure 5). This fortifies the brand's market position through further differentiation from the competition and elevates the brand from a necessity to an expression of cultural movement.

The right timing plays an integral role in this process. If the competitive positioning strategy is applied too early, the entrepreneurial innovation might, for instance, not yet have a strong enough backing from its target group to withstand counteraction from a large competitor. Likewise a small brand's more abstract or aspirational messages might not be heard, understood or believed if the

overall debate is not on people's minds yet. This *filter function of positioning* endows the entrepreneur with the flexibility to evolve the brand along with consumers' changing needs and mind-set while at the same time shaping the market based on the brand's vision and disruptive power. Whereas these insights were derived in the context of knowledge-based entrepreneurship, we suggest that the basic *filter function* of brand identity attributes holds true for diverse brand positioning processes, which are mutually influenced by market and brand-orientation. This can include corporate and product or service brands, SME or MNE brands, as well as brands from a variety of industries.

6 Conclusion

Changing consumer demands currently startle established food companies and give momentum for entrepreneurs entering the market with often more healthy and eco-friendly food innovations. However, to position a new brand and to communicate the innovations' unique value on the competitive food market, poses a challenge for an entrepreneur. By investigating the brand positioning practice around entrepreneurial food innovations, this thesis has addressed an under-researched concern of high practical relevance.

Overall, the purpose of this study was to increase knowledge within the intersection of brand positioning, entrepreneurship and innovation. Given the scarcity of academic knowledge, the project took an exploratory and inductive-driven approach, based on the following research question: *How is entrepreneurial brand positioning applied to establish a science-based food innovation on the market?* To provide a more precise research focus, we raised two sub-questions on the particular role of entrepreneurial identity as well as innovation characteristics. Drawing from central literature, a conceptual framework set the three areas into relation and further guided the empirical process.

Based on the multiple case study's rich insights, we derived five propositions on knowledge-based entrepreneurial positioning practice:

P_1:   *Authenticity and transparency are pivotal assets of the entrepreneurial brand identity that can be leveraged to occupy a differentiated market position.*

P_2:   *In contrast to established brands tied to existing associations, the newness of the entrepreneur works as an advantage for innovation introduction.*

P_3:   *Entrepreneurial brands can create uncontested market space and shape the category by addressing industry conflicts.*

P_4:   *To develop a knowledge-intense innovation and successfully position it on the market, an interdisciplinary network combining scientific knowledge and marketing competence is needed.*

P_5:   *Based on external market factors, the positioning strategy selects which brand identity attributes are highlighted in brand communication at what point in time. These can vary from functional and problem-solving (for whom? / for what?) to cultural and lifestyle-supporting (why? / against whom?).*

Based on the introduced propositions, we feel confident to answer our research question. With respect to the role of entrepreneurship and innovation, we found that both factors define the emerging brands' identity and thus guide the applied positioning practice. Primarily, we detected authenticity and transparency as central differentiating assets that can set the entrepreneurial brand apart from larger competition in a positive way *(P₁)*. Across the examined cases, authenticity found manifestation in three different brand positions, namely the *'trustworthy scientist'*, the *'close friend'* and the *'witty underdog'*, capitalizing either on a science-based identity, a grass-roots approach or a brand crusade. The case insights furthermore pointed towards the exploitation of a category-inherent conflict as a common pattern to conquer uncontested market space by calling industry standards into question *(P₃)*. In contrast to traditional food brands, who are associated with prevalent industry practice, the new brand's 'clean slate' was found to be of advantage in order to introduce new innovations and thus shape the category *(P₂)*. Although the entrepreneurial network has not been part of the initial research focus, the empirical insights strongly pointed towards its vital importance in the context of knowledge-based entrepreneurship. The founders' ability to build a network, combining scientific and marketing insights, evolved as a major premise to not only discover science-inherent commercial potential but also to develop a successful brand position *(P₄)*. Finally, it was found that the entrepreneur's positioning practice is mutually shaped by market and brand orientation. Depending on current market factors, positioning practice *'filters'* relevant brand identity attributes, which then find implementation in brand communication. The case insights suggested that the entrepreneurial positioning strategy might initially highlight the innovation's functional attributes (for whom? / for what?), in order to convince a narrow target group of its problem-solving capacity. In accordance with external social or cultural change, the brand might widen its positioning scope and further highlight its cultural and lifestyle-supporting attributes (why? /against whom?) *(P₅)*. From a theoretical perspective, the study's insights are summarized in a framework, which illustrates the interplay of brand positioning, entrepreneurship and innovation. In particular, the framework displays how *positioning acts as a filter of brand identity* by matching identity attributes and market factors.

6.1   Theoretical Contribution

Located at the intersection of three different research domains, the findings contribute in manifold ways. *Firstly,* the study makes an advance to increase knowledge on the interplay of branding and innovation and thus responds to a recent call for more research in this regard (Bayus, Brexendorf

& Keller, 2015). Whereas prior research has described an existing brand as supporting tool for innovation introduction (Brexendorf, Bayus & Keller, 2015; Erdem & Swait, 1998; Gielens & Steenkamp, 2007), the case-based insights indicate that the entrepreneurial brand's 'newness' may be of advantage to authentically position radical innovation on the market if industry distrust is high.

Secondly, the project contributes to the nascent field of new venture brand building (Bresciani & Eppler, 2010; Juntunen et. al., 2010; Krake, 2005; Rode & Vallaster, 2005; Spence & Essoussi 2010). The study's clear focus on knowledge-based entrepreneurship has revealed the important aspect of networking in the context of brand building, which has not been a major matter of discussion so far. Furthermore, whereas existing studies have highlighted entrepreneurial challenges with regard to brand building (Abimbola, 2001, Witt & Rode, 2005, Wong & Merrilees, 2005), this study primarily highlights authenticity as a strategic advantage in terms of positioning.

Thirdly, the study deepens academic knowledge on brand positioning in the context of market- and brand-orientation. In particular, the study adds case-based insights to Urde and Koch's recent conceptualization of market- and brand-based schools of positioning (2014). The multiple case study primarily mirrors the outlined characteristics of the 'Wild Card Poker' strategy. The five propositions provide new knowledge on "how" this particular school of positioning is applied in practice. In line with Kapferer's view (2012) that positioning alone does not reflect the brand's full potential, we introduced the new metaphor of *positioning as a filter of brand identity*. This might be of help to more precisely define the still vague meaning of brand positioning and contributes to the nascent academic stream of identity based positioning (Kapferer, 2012; Riezebos & van der Grinten, 2012; Urde, Baumgarth & Merrilees, 2011).

6.2   Further Relevance and Practical Implications

Apart from enriching the theoretical body of research, the study's findings relate to an issue of greater social importance and constitute high practical relevance for practitioners. A growing world population as well as aging societies demand for new food innovations to safeguard the planet's wellbeing and to relieve aching health care systems. This demands for food innovations that are of true functional added value but also appealing to the consumer and therefore have the inherent power to change consumption patterns. Thus, science alone is not the only key to successful innovation introduction. As Industry Expert coins it: "Science doesn't sell the product - without

science you don't sell a product". In this respect, we hope that our propositions might be of value for knowledge-based entrepreneurs facing fierce competition on the market. The outlined cases might provide a best practice example for practitioners and sharpen the entrepreneur's view for different positioning options. For instance, it might be an option to partner up with subcultures to gain foothold on the market and thus take position on the forefront of new knowledge and cultural change. As such we advise knowledge-based entrepreneurs 'to have an eye on the lab and the market' to successfully commercialize an innovation with the help of a proper brand positioning strategy.

6.3   Limitations and Further Research Suggestions

The conducted multiple case study enabled us to gain rich and substantial insights into the positioning practice of entrepreneurial innovation. Nonetheless the project bears several limitations that may offer interesting points of departure for further research. Given our cross-disciplinary research approach, covering three different and expansive research areas, our outcomes provide a broad basis, yet various aspects need to be examined in further depth.

Due to the limited academic knowledge at the crossroads of entrepreneurship, innovation and positioning, it was our intention to capture the central elements from each area and set them into relation. The empirically derived five propositions shall present a starting point for theory development but need to be validated in further case-based research. A quantitative study could build on the findings to establish concrete hypotheses and test those in a larger number of cases. Likewise, the introduced metaphor of *positioning as a filter* requires more concerted research in terms of how the filter is applied over time and in different contexts (company size, industry). The repositioning process of Brand Oat indicated that entrepreneurial positioning strategy changes when the new venture aims for further growth and tries to address a broader target group. It would be highly interesting to conduct further longitudinal studies on positioning strategies over the course of innovation diffusion and new venture growth in order to see how positioning is applied over time.

Furthermore, the collection of empirical data was restricted to three brands within the food industry and thus insights are not necessarily generalizable to other industries. Entrepreneurial authenticity was detected as a major asset of the entrepreneurial brand positioning. Yet, our findings are solely based on interviews with the entrepreneurs, supported by two expert interviews and therefore only represent a managerial perspective. Future studies could reassess the

authenticity-factor and examine the actual position from a consumer perspective. Beyond that we highly encourage further research on the question of how to actually stay authentic over the course of entrepreneurial development when the initial factors of 'being new and small' fade (see for example: Vallaster & Kraus, 2011). Last but not least, the three studied brands were obviously interrelated and developed by the same network of entrepreneurs. Thus the three positioning strategies were not totally self-contained. Nonetheless, this 'unique case-setting' revealed the high relevance of networking to combine science and marketing competences. This important aspect could only be captured to a limited degree within the study. From this perspective, we want to highly encourage further research on the role of networks when building a brand as a knowledge-based entrepreneur. Further understanding in this respect might help to bring more 'brand new food' from science to market.

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Appendix

Appendix A: Topic Guide for In-Depth Semi-Structured Interviews

Theme	Content/ Exemplary question	Exemplary Probes & Follow-Ups
Introduction	"We are currently conducting our master thesis in..." "The purpose of this study is…" "Confidentiality is ensured."/ "Allowed to audio-record the interview?"	"Further questions before we start?"
Initial question to ease participant into conversation	"Could you quickly introduce yourself?"	"What exactly is current (past) role in company X?"
Main Interview		
A. Innovation in product	"Could you explain the innovation of the product?"	"What makes it special?" "Is it patented?" "Does this present a challenge when commercializing the product?" "How long did it take from idea to the product in the shelf?" "What is your take on the role of innovation in the food industry?"
B. Entrepreneurial identity	"What are your thoughts on commercializing an innovation as an entrepreneur?"	"Is this how you came up with the idea?" "Why has it surfaced in this product?" "Is this a special advantage of you?" "Is this a special challenge for you?" "When was the company founded?" "Who was is involved in the company and commercialization of the innovation?" "What is your take on the role of entrepreneurs in the food industry?"
C. Positioning	"What is different about [product name]?"	"What benefit does [product name] offer?" "For whom is [product name]?" "Who are main competitors of [product name] and why?" "Has it always been like this?"
D. Brand communication	"How do you let people know about [product name]?"	"What do you tell them?" "How do you reach them?" "What is your take on the role of talking about [product name] with your consumers?"
Remaining comments	"Do you have anything you would like to add to the discussion?"	"Do you feel there is anything we did not cover?" "Would you be open for a follow-up interview?" "Do you have further questions to us?"
Closure	"Thank you very much for your time."	"We will send you a final version of our thesis and a record of transcripts if you require."