

Master Thesis:

An entrepreneurial journey: Navigating between
academic theory and lived practice

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The process of writing my master thesis was without a doubt one of the most challenging activity I have ever engaged in. I was granted the possibility to focus on one of my main areas of interest, namely the process of starting up a new venture. During the process of writing this paper, I have encountered many challenges, both in my entrepreneurial and personal life, but I was very lucky to be surrounded by amazing people that helped me through my journey.

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Executive Summary

This paper explores the applicability of social construction theory and practice theory to a real life case of entrepreneurial venturing. There is a lack of research on the process of starting up a new venture where the activities of the entrepreneurs are analyzed in strong relation to academic theory. Because of this, the overreaching goal of this paper has been to determine whether or not social construction and practice theory have provided me with any value in the process of establishing a new venture.

In order to write this paper, I have chosen autoethnography as a method of research, using myself as the data on the process of “getting into business”. In order to gather the necessary data, I have used a “journal log”, where I have tracked my daily activities, over a period of six months, in relation to the new venture. Doing so, I had the possibility to observe myself and the activities I undertook in order to establish a new venture. The autoethnographical method allowed me to write in a highly personalized style and express my personal opinion on the usefulness of the academic theory on the process of entrepreneurial venturing.

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Introduction

One of the key drives for economic development is entrepreneurship. By creating new and innovative ventures, entrepreneurs introduce new ways of thinking, tackling society's problems, anticipating trends and creating opportunities. Every year there are more than 15 million entrepreneurs in the USA actively engaged in starting a new business (Mullins, 2013). Launching a new venture has always been a hit-or-miss proposition. According to the common, decades – old practice, you start off with a business plan, pitch it in front of investors, assemble a team, introduce a new product/service and start selling as well as you can. The problem with this practice is the fact that it neglects the customer and his needs in the process of product development, ending up with products in markets where no real customer exists. According to Shikhar Ghosh, a senior lecturer at Harvard Business School, over 75% of all start-ups fail (Blank, 2013).

Recently an important new approach has risen, better fitted for the chaotic environment of entrepreneurial ventures, called the “lean start-up”. It can make the process of starting a new company less risky, favoring experimentation over elaborate planning and customer feedback over intuition. The core idea of this approach is to continuously integrate customer feedback, from the beginning, in your product. Terms like “minimum-viable-product” and “pivoting” have quickly taken root in the start-up world, while business academics have already begun to teach them. Yet still the abundance of research (Mullins, 2013) makes it clear that the vast majority of new ventures fail for opportunity related reasons. With all the available academic literature on entrepreneurship, most entrepreneurs fail when they face cruel punch of reality. After entering the start-up scene in Copenhagen with a new venture and having to write my master thesis, I have decided on taking up the challenge of using autoethnography as a research method for exploring academic theory on social construction and practice theory on business creation, using experiential data from my efforts at developing a new venture. Autoethnography has value as a way of delving into the details of the start-up process in ways that other kinds of data collection cannot do. It provides details about reflexivity in the learning process over time as individuals act and then change their behaviors as they encounter new information (Wall, 2006).

Problem Statement

After two years of studying entrepreneurship at CBS, I already knew I wanted to enter the entrepreneurial battleground. As I dug deeper in the academic literature on process of building new ventures, I became more and more fascinated. Even though I had access to a vast pool of information, I did not understand what kind of behaviors can individuals engage in, that can help them create new ventures. Although the authors behind the literature gave theoretical knowledge to the reader, I did not find anything that shows how does the actual venturing process work. Given the limited amount of time and resources an entrepreneur has, what are the best practices, when engaging into a new venture. There is little information on the startup process that takes into account the entrepreneur and the challenges he encounters, his personal experience, his behavior in the starting phase and the personal internal battle he faces every day. It is not clear to me if the available literature has any impact over the process of “getting into business”.

This issue ignited my interest in personally exploring the process of starting a new venture while applying social construction and practice theory. With the help of autoethnography, a relatively new research method, I am going to observe my actions and activities, while using myself as the data on the process of “getting into business”. In order to conduct this investigation meaningfully, I was willing to experiment with my own early stage venture, BeClue, a customer engagement and customer behavior tracking service/ product.

The Company

BeClue, formerly known as BeaconOS, is a customer engagement/ customer behavior tracking service that targets shops, retailers (and libraries).

The core idea behind BeClue, is to deliver custom notifications, with discounts, offers, promotions and information, to customers when they are most likely to use them (in close proximity of the store’s location) and track their behavior within the chosen location. The service/ product that we offer is composed out of three elements:

1. The Beacons/ hardware – small devices that connect to a mobile device through Bluetooth
2. The Mobile app – the application that allows the beacons to connect to a mobile device

3. The Content Management System (CMS) – The internal platform (admin), where retail shops can manage their account and choose what information/ content they want to deliver to mobile app users.

BeClue operates on a two sided market. The first side of the market is composed out of the businesses (retail shops) that want to deliver information to customers and track their movement in a specific area. The other side of the market is composed out of the end users (mobile app users), which are interested in that information.

In order to make the system work, the beacons have to be mounted at the physical location. They connect to our mobile app, and once a customer passes by a store that has our app, he/ she receives a notification on the mobile device with information delivered by the store. Once a customer enters the store, through the use of our beacons, we track his movement to see in which corner of the shop he spends the most time, at what products does he/ she looks at and how many times he/ she has visited the shop. Afterwards the CMS provides the business with rich analytics on their customers. The key selling point right now, is to deliver information to customers when they need it.

The entrepreneurial team is composed out of three people and we have been working on this start-up for the last year, in our spare time.

Objective of the Study

During the process of writing this thesis, I assumed the joint role of researcher and entrepreneur, by documenting every activity, thought, reflection and activity that I have made related the new established venture, in a “journal log”. As the paper reveals, it was my decision to apply social construction and practice theory to company and see the outcome as I moved forward.

The ultimate goal has been to apply academic theory on the process of building a new venture and document my entrepreneurial journey, to see how these specific frameworks affected me and if they added any value to this process. In order to do so, I have used autoethnography as the main method of research for this paper. Autoethnography is an approach to research and writing that seeks to describe and systematically analyze (graphy) personal experience (auto), in order to understand cultural experience (ethno) (Elise, 2004) (Holman, 2005). A researcher uses tenets of autobiography and ethnography to do and write autoethnography. Thus, as a method, autoethnography is both

process and product (Wall, 2006). With a personal experience in the process of starting a new business, I was able to conduct an evaluation on the applicability of the theoretical frameworks.

The Research Question

Based on the given problem statement, the following research question has been guiding my research:

Does the academic literature on social construction and practice theory on developing new businesses have any applicability in real life?

With this question in mind, I want to establish if there is a strong link between academic theory and real life practice. This will serve as the backbone of my research.

Literature Review

Autoethnography

Long – established scientific approaches are still very much at play today and require researchers to minimize their selves, while considering self as impurity and attempting to overstep and deny it. The researcher evidently puts bias and subjectivity aside. Looking at it from a positivist perspective there is only one way to “do science” and any intellectual investigation must conform to established research methods (Neuman, 1994). Academics have been socialized to believe that “real science” is quantitative, experimental, and understood only by a select and elite few. Ways of inquiry that connect with real people, their lives and their experiences are seen as mushy and featherlike, although nice, are not considered valid in the scientific community. With the rise of the postmodern era, critical theories have emerged that take hold in academic inquiry and open up the possible range of research strategies. The door has opened for questioning the old scientific paradigm, while making room for other ways of knowing, associated with the sharing of unique, subjective and evocative stories of experience that contribute to our understanding of the social world and allow us to reflect on what could be different because of what we have learned (Wall, 2006). Thus, comes into play the autoethnographical method.

Wall defines autoethnography as “an emerging qualitative research method that allows the author to write in a highly personalized style, drawing on his or her experience to extend understanding about a societal phenomenon. Autoethnography is grounded in postmodern philosophy and is linked to the growing debate about reflexivity and voice in social research. The intent of autoethnography is to acknowledge the inextricable link between the personal and the cultural and to make room for nontraditional forms of inquiry and expression” (Wall, 2006). Autoethnography builds on a familiar qualitative research term while introducing a whole new way of pursuing social knowledge. Autoethnography is an approach to research and writing that seeks to describe and systematically analyze (graphy) personal experience (auto) in order to understand cultural experience (ethno) (Elise, 2004) (Holman, 2005). This approach challenges canonical ways of doing research (Spry, 2001) and treats it as a political, socially-just and socially conscious act (Adams & Holman, 2005). A researcher uses tenets of autobiography and ethnography to do and write autoethnography. Thus, as a method, autoethnography is both process and product.

Other researchers have used different terms to define this way of doing research. Heuristic inquiry is one of the terms introduced by Moustakas, (Moustakas, 1990), that has arisen from the phenomenological tradition and began with a question that has been a personal challenge for the researcher. The aim is to “awaken and inspire researchers to make contact with and respect their own questions and problems, to suggest a process that affirms imagination, intuition, self-reflection, and the tacit dimension as valid ways in the search for knowledge and understanding” (Douglass & Moustakas, 1985, p. 40). The basic design of a heuristic research project involves six steps: initial engagement, immersion, incubation, illumination, explication, and culmination in a creative synthesis (Moustakas, 1990). Autobiographical research methods have become more and more known as autoethnography. This has been further advanced by the post modern challenge reiterated by Ellis and Bochner (Elise, 2004), to infuse social science with the emotions and person of the researcher (Wall, 2006).

Doing autoethnography

As a technique, autoethnography combines characteristics of autobiography and ethnography (Ellis, Adams, & Bochner, 2010). Authors retroactively and selectively write about past experiences. When writing, the author may use interviews with others, as well as examine text, photos and journals to aid with the recall. Most often autoethnographers write about “epiphanies”—remembered moments perceived to have significantly impacted the trajectory of a person's life (Ellis, Adams, & Bochner, 2010), times of existential crisis that forced an individual to attend and evaluate lived experiences, and events after which life does not seem quite the same (Zaner, 2004). While epiphanies are a self-claimed phenomena in which one person may consider an experience transformative, while another may not, these epiphanies reveal ways a person could negotiate "intense situations" and "effects that linger—recollections, memories, images, feelings—long after a crucial incident is supposedly finished" (Bochner, 1984, p. 595).

When researchers do ethnography, they study a culture's relational habit, familiar values and belief, and shared experiences with the end goal of better understanding the culture. Ethnographers become participant observers in the culture, by taking field notes of cultural happenings as well as their part in and others' engagement with these happenings. They may also interview cultural members (Berry, 2005), examining members' ways of communicating and relating (Ellis, 1986),

investigate uses of space and place and analyze artifacts such as clothing and architecture, and text such as books, movies and photographs (Neumann, 1999).

When researchers do autoethnography, they retrospectively and selectively write about epiphanies that derive and are made possible by, being part of a culture or by possessing a particular cultural identity. However, in addition to telling about experiences, autoethnographers often are required by social science publishing conventions to analyze these experiences. Autoethnographers must not only use methodological tools and research literature, but must consider other ways to express similar epiphanies, and in doing so, make characteristics of a culture familiar for insiders and outsiders (Ellis, Adams, & Bochner, 2010). To achieve this may require comparing personal experience against existing research, interview cultural members or analyze admissible cultural artifacts.

Writing autoethnography

In order to write an autoethnography, researchers must possess a good command of the print medium (Gergen & Gergen, 2010). An autoethnography should be creative and expressive, engage readers and use elements of story telling such as character, scene and plot development (Ellis & Ellingson, 2000). It must also exhibit new perspectives on personal experience, epiphanies by evidencing and replacing a gap in existing, related storylines (Goodall, 2001). By altering authorial points of view, autoethnographers can make the text artful and evocative. Using the first person to tell a story is acceptable, typically when authors personally live and participate through the experience. Sometimes, autoethnographers use the second person to lay down the scene and acquaint the reader to the environment, to actively witness, with the author, an experience or be apart of the event. Third person is used to establish the context for an interaction, report findings and present what others do or say (Ellis, Adams, & Bochner, 2010). Researchers produce a “thick description” of a culture when they write an ethnography. The purpose of this description is to get the reader acquainted with the culture, and the picture is constructed by knowledgeable patterns of cultural experiences like reoccurring feelings, stores and happenings – evidenced by field notes, interviews and artifacts.

The quest of researchers when writing autoethnographies is to produce aesthetics and evocative thick descriptions of personal and interpersonal experience. They attain this by first exposing patterns of cultural experience illustrated by field notes, interviews and artifacts and then

describing this patterns using story telling (e.g., character and plot development), showing and telling, and alterations of authorial voice. Thus the autoethnographer, tries to make the personal experience purposeful and the cultural experience engaging. By creating accessible texts, autoethnographers are able to reach a wider and more divers mass audience that conventional research usually neglects, a move that can make personal and social change possible for more people (Ellis, Adams, & Bochner, 2010).

Forms and approaches

The forms of autoethnography diversify in how much significance is placed on the study of others, the researcher's self and interaction with others, traditional analysis, and the interview context, as well as on power relationships (Ellis, Adams, & Bochner, 2010).

Indigenous/native ethnographies evolve from conquered or economically subjugated people and are used to address and disrupt power in research, particularly a researcher's right and authority to study others. They work to develop their own personal and cultural stories, no longer finding subjugation excusable (Denzin, Lincoln, & Smith, 2008).

Narrative ethnographies use the researcher's experience into the ethnographic descriptions and analysis of others. Here the significance is put into the study of others which is accomplished by following the encounters between the researcher and the members of the groups being studied. The narrative often collides with the scrutiny of patterns and processes (Tedlock, 1991).

Reflexive, dyadic interviews concentrate on the composed meanings and emotional acts of the interview itself. The thoughts and feelings, personal motivation, knowledge of the topics discussed, and emotional responses of the researcher are also considered, but the focus is on the participant's story. Even though the main spotlight is not on the researcher's experience, his/her personal reflection adds context and layers to the story told about participants (Elise, 2004).

Reflexive ethnographers register ways a researcher changes as a result of doing fieldwork. Practically a combination of the ethnographer's biography, field work and the impact of living among the cultural member through memoirs or confessional tales, where the ethnographer's endeavors become the focus of the investigation (Elise, 2004).

Layered accounts concentrate on the author experience alongside data, abstract analysis and relevant literature. Layard accounts illustrate how "data collection and analysis proceed

simultaneously” (Charmaz, 1983, p. 110) and frame existing research as a “source of questions and comparison” rather than a “measure of truth” (Charmaz, 1983, p. 117). Layard accounts use vignettes, reflexivity, multiple voices and introspections to “invoke” readers to enter into the “emergent experience” of doing and writing research (Ellis, Adams, & Bochner, 2010).

Co-constructed narratives highlight the connotation of relational experience, particularly how people collaboratively cope with ambiguous and uncertainties. Joint activity structures co-constructed research projects. (Ellis & Ellingson, 2000)

Personal narratives revolve around the author who creates the stories and views himself as the phenomenon while writing evocative narratives specifically focused on their academic, research and personal lives. These are usually the most disputed forms of autoethnography for traditional social researchers. Personal narratives propose the understand the mixture of a life event that intersects with a cultural context while connection to other participants, co-researchers and invite readers to enter the author’s world and use what they’ve learned to reflect on, understand and cope with their own lives.

Social Construction

Social construction theory addresses the processes by which people jointly construct their understandings of the world. Defenders of the theory believe that meanings are constructed in coordination with others rather than separately within each (Leeds-Hurwitz, 2009). A multitude of terms are used to define this line of thought (social construction of reality, social constructionism, social constructionist, social constructivism, social constructivist), but the most well known is simply social construction, which indicates to both the process and the movement of academics who use this approach. The backbone of the theory has two elements that are most relevant: (a) the central assumption is that people make sense of experience by constructing a model of the social world and how it works and (b) the language is the most important element of the system through which people construct reality (Leeds-Hurwitz, 2009). The crucial tool that serves for reality preservation is communication.

One of the requirements of social construction theory is the acceptance that social reality happens with the interaction of individuals. Collaborative effort is necessary to construct reality. The understanding of the world is created by each individual culture or social group having its own

meaning. Social actors create meanings that are specific to their own group and can be different from other groups. Construction of reality implies building or making something which did not exist before. Critical to communication is the language which people use to make things emerge. Social actors use language to make things happen: Naming things gives them substance and makes them real. Thus language, the most important social construction, moves to center stage as the key topic for analysis. Groups develop their own individual way of communicating. Each social actor uses a different linguistic code during an interaction to construct the self that is relevant to a particular moment. According to the social construction theory “the self is not unitary, but multiple, so there is always a choice of which self is relevant in a particular context. For example, someone may be simultaneously a daughter, lawyer, tennis champion, and cancer survivor.” - (Leeds-Hurwitz, 2009, p. 894). Communication is the most important aspect because through our actions and words we create the social world and our understanding of it.

With the rise of social construction theories, academics see the possibility to apply similar concepts in the field of entrepreneurship. The shared process and negotiated understandings in which people engage to create meanings has seen applicability in the study of business and management. For example, Fletcher (Fletcher, 2006) makes use of social constructionist ideas when analyzing the process of opportunity formation – a process that is commonly associated with the term of entrepreneurship. She argues that the business venturing process is relationally and communally constituted – not fully considered in descriptive and linear process models of opportunity recognition. The aim of her research is to find out how concepts that describe the opportunity recognition process, like networks, expertise, idea sharing, prior knowledge of the market, are contributing to the incubation, recognition and discovery of entrepreneurial opportunities. Frameworks of opportunity recognition are limited in their aptitude to explain why people engage in opportunities that keep account of broader societal economic and political processes. These limits appear to rise from three reasons: the belief that opportunities come from certain market disequilibria, waiting to be discovered; too much power has been attributed to individuals who make assumptions of existing gaps in the market based on their market knowledge and ability to identify and select opportunities; limited consideration to the wider societal, economic or cultural patterns that form entrepreneurial practice. Social constructionist thinking is used to understand the emergence of opportunity in the real world

and the constructed understanding of reality. In entrepreneurship enquiry, individual's human relations and their social context are often marginalized (Fletcher, 2006).

When constructing their social reality, people make sense of their-selves, their lives, world and identities in strong relationship with the culture and society they are part of. Individuals usually are influenced by culture, education, family and peers which act as "structural properties" embodying how individuals make sense of things and act in social contexts. Similar in the process of business emergence, the accounts entrepreneurs give are often a reflection of the ties to their culture, society, economics and politics, in which they were born. For example, the "light bulb" moment is considered by most people a sense – making process developing "in the mind" or "inside" the person. Taking into account the social constructionist ideas it is attainable to dispute that the emergence of the business idea is in fact created in relationship to the things surrounding the entrepreneur (Bouwen, 2001). Numerous acts and supplements are related to the identification of market opportunities and new venture creations; thus concepts are constantly related to some previous knowledge or experience acquired by the entrepreneur. Ideas are tested with potential customers and discussed with trusted friends, family members invest capital, energy and emotional resources, investment managers may give out business loans or not, suppliers come into play. In this way the process of business enactment is always relational, depending on a mixture of economic and socio-cultural elements; "it connects to something else that is going on, has gone before or will come again in the future" - (Fletcher, 2006). It is attainable to dispute that opportunity formation is closely related to the culture and society in which it was reproduced.

Katz and Gartner link the emergence of organizations to the interactions of agents (individuals, partner groups, parent organizations, etc.) and the environment (specific society, culture) - (Katz & Gartner, 1988). In order to identify the emergence of a new organization four major properties, that have both structural and process characteristics, come into play: intentionality, resources, boundaries and exchange.

Intentionality. Organizational theory literature links intentionality to sense making, organizing and enacting realities. *Organizational intentionality* describes the agent's activity of finding information that can facilitate the goal of building a new organization. It is a cross between the goals of the entrepreneur and the goals of different societal sectors like capital and industrial, technological,

government – legal and community (Katz & Gartner, 1988). As the organization matures and grows it will bear increasingly differed goals from those of the agents and the environment.

Resources. In the process of organization creation, resources refer to the physical elements that blended construct the organization. Human and financial capital, property (real estate, equipment, raw materials) and credit create the essentials of most organizations (Cole, 1965).

Boundary. Boundary plays an important role in a new emergent organization defining the barrier conditions between the organization and its environment (Katz & Kahn, 1978). The organization exercises government over some of the resources in its environment, within the boundary, and develops the physical and legal basis of exchange across its boundary (Cole, 1965). In this process the organization's identity is created. This also results in the formation of subsystems of maintenance (Cole, 1965) (Katz & Kahn, 1978). The establishment of boundaries such as incorporations, tax number request and phone listings, project the first sign of something real, that exists. Boundaries also separates the individual and the organization resulting in two different entities. This is observed when an individual sets ground for organizational boundary and establishes identification symbols like organization name, mailing address, telephone number and tax identification, that differentiates work done as an organization member(i.e., inside the boundary conditions) from work done as an individual (i.e., work done outside the boundary conditions) - (Katz & Gartner, 1988).

Exchange. In organizational and entrepreneurial theory exchange points out to the cycles of transactions. These transactions can manifest within the boundaries of the organizations (managing human resources) or across the organizational boundaries in relationship to individuals, the environment or other organizations (Singh, Tucker, & House, 1986). Common in the nature of organizational exchange are two notions: the recurring nature of the exchange process and the need for the exchange to be beneficial to the organization. Once in play exchange can not stop in an organization. Doing so will end the organization. Each exchange can be compared to the other and it is possible to say that one is more efficient or effective than the other. This may be seen as a problem in a new establish organization because, for example, the venture may offer products below cost to establish entry in the market place. For this reason exchange is seen as the “most dynamic and volatile of the four properties” - (Katz & Gartner, 1988, p. 432)

According to Katz and Gartner these four properties of emerging organizations (intentionality, resources, boundary and exchange) are necessary for an organization to exist. This view on emerging organizations is closely related to social constructionist ideas.

(Gartner, Bird, & Starr, 1992) refer to entrepreneurship as a process of “emergence” and in their work they propose some relationships between the entrepreneurship and organizational behavior disciplines. They use “emergence” as a metaphor to explore how the organizational behavior area might be connected to entrepreneurship by thinking about entrepreneurship as organizational emergence. Because the complex nature of the organizational behavior area, they tackle a more limited set of topics (behavior and motivation) that could be connected to entrepreneurial issues and concerns. In their work, entrepreneurship is viewed as an organizational phenomenon: the process of organization creation. Because of the difference between entrepreneurial behavior and organizational behavior, the work is done at the individual level, analyzing the behavior of managers within organizational context, tackling *what* activates are undertaken by managers (managerial work) and *why* these activities are undertaken (motivation). Event though there are vast differences between emerging organizations and established ones, some structural characteristics and organizational process are similar. For example, the types of managerial work identified in most managerial work studies (Hales, 1986; Kotter, 1982; Stewart, 1967) are similar to the work done by entrepreneurs.

Emerging organizations are seen as equivocal realities (Weick, 1995) that move towards non-equivocal through entrepreneurial action. They are elaborate fictions of proposed possible future states of existence (Gartner, Bird, & Starr, 1992). In an emerging organization, action is taken in expectation of a non-equivocal event happening in the future. An example is given, of a Cuban American entrepreneur who makes use of a friend’s business resources (space, telephone, compute, delivery van) during the start-up of a clothing business (equivocal event), to “amplify” the emerging business’s size and legitimacy. This gives the emerging business the possibility to “act as if” it was an existing organization. Customers can see evidence of an existing business without immediate tests of its legacy and thus, they are likely to react to this emerging business “as if” it was an existing business: interact, test materials, place orders etc. For example, the Cuban American entrepreneur sets up a display (behavior) for his products, which can lead to a cycle of interactions with potential clients (response), which will encourage him to undertake this action again (behavior). Enactment, then, is an “as if” phenomenon. Emergence begins with enactment. On the opposite side, existing

organizations are bounded to non-equivocal events. Individuals behave in context of already determined interaction. Existing organizations function because the people both within and outside the organization, have knowledge of what behaviors are required in these cycles of interactions (Deal and Kennedy 1982).

The knowledge of what to do and when to act, is the outcome generated in the process of organizational emergence. Entrepreneurs engage in a wide variety of activities when starting an organization, that have some level of equivocality, without knowing the outcome of these actions. Because the process of emergence for new organizations is done in a more equivocal reality, it requires more time for individuals to create, accept and learn the appropriate behaviors, t.

An important element to the creation of reality is the way individuals communicate to each other. For example, the power of a good story about business emergence gives aspiring entrepreneurs the courage to “just do it” and implement their idea. Yet canonical ways of research often don’t give enough credit to the narrative accounts because of their inability to move past the person telling the story. According to Fletcher narrative “help inquirers to move beyond the ‘what’ and the ‘how’ of entrepreneurship and be able to answer theoretically ‘why’ such processes migrate and stretch across different cultures and contexts” - (Fletcher D. , 2007, p. 649). Analyzing the impact of story telling could enable researcher to answer how new ventures emerge in relationship to culture, society and interpersonal relations. According to (Hjorth & Johannsson, 2003) regional development initiatives and policies on enterprise creation are affected by the comprehension of how entrepreneurship comes about in social and economic life. The main “vehicle” through which people relate and connect to others is narrative and story telling about recalls on past events, activities and processes. Coming back to the individual level, people in similar situations as the narrator have something to relate to. A narrative is the “basic figuration process that produces human experience of one’s own life and actions and the lives and actions of others” - (Polkinghorne, 1988, p. 159). With the use of narrative we think (Bruner, 1986), talk to ourselves and remember events (O'Connor, 1998), compose meaning our of events (Josselson & Lieblich, 1995) and engage in sense-making (Weick, 1995). Through this process events are chronologically linked together, worries about existential issues are debated and moral chooses are assessed. It is noticeable to see that what starts off as fragmented, messy and non - linear becomes connected and integrated through narrative. Narrative is everywhere (i.g. conversations,

shows, seminars, newspapers) and we are affected and intertwined with it. “It is the fundamental way in which people compose meaning, inter-relate and connect to each other” (Fletcher D. , 2007, p. 653)

Looking at it from the perspective of entrepreneurship and its presence in research, education and media, narrative is the main pillar through which understandings and sense making of entrepreneurial activities are produced, reproduced and scattered (Steyaert & Bouwen, 1997). There are many examples of entrepreneurial story telling. When engaging into a narrative about business venturing, entrepreneurs recall on events and activates linked to the emergence of a new business and unfold them in the form a story. Some stories are messy and fragmented, others have a more linear coherent plot. The teller engages in two dialogs, one with the reader and the other with himself, recalling on past events, composing meaning and sense making of what has happened. By doing so it gives the readers/ listeners room for interpretation and enables them make sense of their own experiences understanding and occurrences (Josselson & Lieblich, 1995).

Understanding the value and significance of entrepreneurial narratives is useful when analyzing the activities individuals undertake in new business venturing. In the field of organizational studies, researchers have the opportunity to conceptualize entrepreneurship as a narrative, through narrative framing. The story becomes thus, a personal or autobiographical narrative. Conceptualizing on the entrepreneurial narrative, can lead to examining the ways in which this narrative occurs in relation to other generic or situational narratives involving family members, stakeholders, customers/ suppliers and market/ product/ service opportunities (Fletcher D. , 2007). The narrative analysis approach has another implication in the study of emerging organization. It brings the author closer to the analysis. This is new in the study of entrepreneurship, where canonical ways of inquiry are still very much at play today, leaving the researcher’s subjectivity bias aside and emphasize on objectivity and external validation. A narrative approach encourages the researcher to not separate the subject of inquiry from the inquirer and focus more on the relationship between the researcher and his research material, thus being able to analyze how emotional resources and labor are exchanged in the research process. It gives the possibility of developing deeper entrepreneurial understandings and insights. Another implication of the narrative style calls upon how entrepreneurial practices are coordinated relationally between people. Relational ideas have an impact over the individuals’ perceptions of world they live in, the dialogs, exchanged conversations and joint acts that form social reality. This concludes to the fact that acting, performing and coordination are an expression of relationship to past

and future conversations, events experiences, culture and ideas (Fletcher D. , 2007). In terms of entrepreneurship they emphasize the social, entrepreneurial self, but focus more on the relational rather than cognitive aspects of entrepreneurial being (Fletcher D. E., 2006).

Entrepreneurial narrative accounts play an important role and it is not far fetched to theorize, how new ventures emerge in the economic and social life, moving past the producer of the account to other unrelated individuals. Taking into account the reader response theory, (Rosenblatt, 1969) makes the assumption that reading is a dynamic and interactive process, where meanings and sense making emerges from the relationship between the text and the reader. Going back to the analytical point of view, this relation can be analyzed and conclusions can be deducted concerning the way in which the text performs for those connecting with it. Thus, focusing on the relation between individuals as they relate to a text, it is possible to analyze how knowledge about entrepreneurial practice “stretch away” from the narrator, and cross cultural boundaries creating connections and reducing distances between self and others.

Business Model Canvas (BMC)

According to (Osterwalder & Pigneur, 2010, p. 14) “a business model describes the rationale of how an organization creates, delivers and captures value”. They believe that the business model is a blueprint that shows how a strategy should be implemented through organizational structures, processes and systems and can be described through nine essential building blocks that shows the way in which an organization makes money. These nine building blocks cover the four major areas of a business: customers, offer, infrastructure and financial viability.

The nine blocks of the BMC:

1. Customer segments: a business may serve one or several customer segments;
2. Value Proposition: through its value proposition a company wants to solve customer problems and satisfy customer needs;
3. Channels: how is the value proposition delivered to customers? (communication, distribution, sales);
4. Customer relationships: the relationship with each customer segment;

5. Revenue streams: the result of the successfully offered value proposition to customs, in short, the way in which the company makes money;
6. Key resources: the assets required to offer and deliver the value proposition;
7. Key activities: the activities performed to offer and deliver the value proposition;
8. Key partnerships: all the necessary partners needed to offer and deliver the value proposition to the customers. Some activities may be outsourced and resources acquired outside the company;
9. Cost structure: the business model elements result in the cost structure;

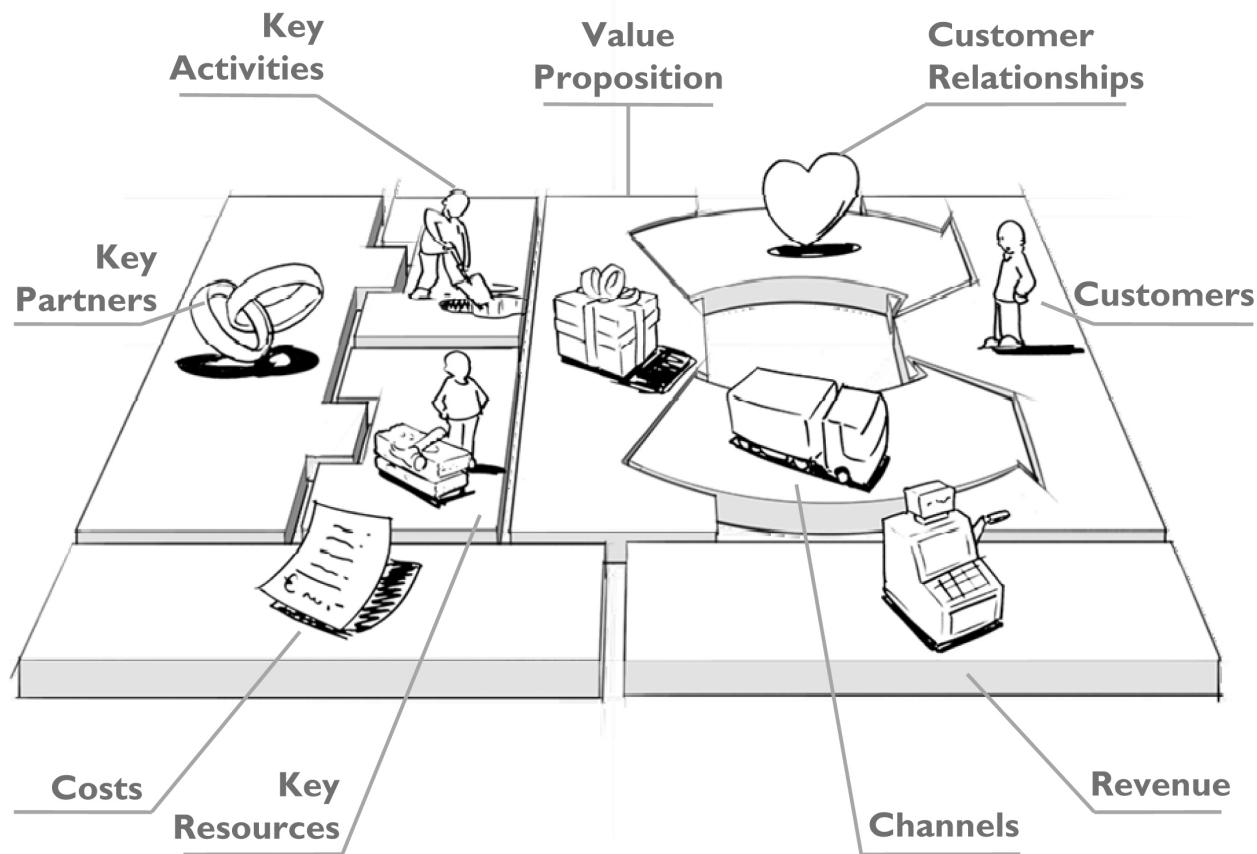


Figure 1. – The Business Model Canvas (Osterwalder & Pigneur, 2010, pp. 18, 19)

Customer Segments. This block defines the actual customers (groups of people or organizations) the new venture wants to reach and serve. Customers are the most important element of any business. With no customers a business can not sustain itself for long. Customers can be segmented differently, having groups that have common needs, common behaviors or other attributes. With the help of the BMC, entrepreneurs may define several large or small customer segments. The organization must make a very important decision here, and decide which customer segment to follow and which to ignore. Once this decision has been made, the business model can be created around the well defined knowledge about customer needs.

Businesses can have different segments of customers if they:

- Require a distinct offer
- Are reached through different distribution channels
- They require different types of relationships
- Have substantially different profitability

Value Proposition. This is where the company describes the multitude of products and services that create values for a specific customer segment. Because of the value proposition customers turn to one company over another. This is how a company differentiates itself from the competition by offering tailored products/ services that meet the needs of specific customer segments.

A value proposition creates value for customers either quantitative (e.g. price, speed of service) or qualitative (e.g. design, customer experience). There are many ways through which ventures can create value for their customer segments varying from newness, improved performance, customization, design and brand/ status to “getting the job done”, price competitiveness, cost reduction, risk reduction, accessibility and convenience/ usability.

Channels. This block describes how the company delivers the value proposition to the customer segments.

Channel Types		Channel Phases				
Own Partner	Direct	Sales force				
		Web sales	1. Awareness How do we raise awareness about our company's products and services?	2. Evaluation How do we help customers evaluate our organization's Value Proposition?	3. Purchase How do we allow customers to purchase specific products and services?	4. Delivery How do we deliver a Value Proposition to customers?
		Own stores				5. After sales How do we provide post-purchase customer support?
	Indirect	Partner stores				
		Wholesaler				

Figure 2. – Channels Phases (Osterwalder & Pigneur, 2010, p. 27)

Communication, distribution and sales channels comprise a companies interface with the customers. In *Figure 2.*, above, are outlined the channel phases and the types through which the company delivers the value proposition.

Customer Relationships. This block describes the relationship between the company and its customers. They can range from personal to automated. They are driven either by customer acquisition, retention or boosting sales (upselling). There are multiple ways a company can maintain the relationship with its customers, which co-exists with a particular customer segment. Either companies go for personal assistance (based on human interaction), dedicated personal assistance (account managers) or self –service (one to many), automated services, communities (forums, e.g. Apple's support forum) or they move forward by co-creating value with the customers (e.g. some companies engage users in the design and creation of innovative products, Amazon.com invites customers to write reviews for products, YouTube.com solicits customers to create their own content).

Revenue Streams represent the ways a company generates income from each customer segment. It is important for a business to figure out for what value proposition is each customer segment truly willing to pay. By answering this question, a company can have multiple revenue streams depending on the pricing mechanism (e.g. fixed prices, bargaining, auction, market dependent, volume dependent). A company has multiple ways to generate revenues: asset sale, usage

fee, subscription fees, lending/ renting/ leasing, licensing, brokerage fees or advertising. According to (Osterwalder & Pigneur, 2010) these are divided in two categories:

1. Revenue that results from one-time paying customers
2. Recurring revenue, generated from ongoing payment (e.g. monthly subscription) or post-purchase support.

Pricing Mechanisms

Fixed "Menu" Pricing		Dynamic Pricing	
Predefined prices are based on static variables		Prices change based on market conditions	
<i>List price</i>	Fixed prices for individual products, services, or other Value Propositions	<i>Negotiation (bargaining)</i>	Price negotiated between two or more partners depending on negotiation power and/or negotiation skills
<i>Product feature dependent</i>	Price depends on the number or quality of Value Proposition features	<i>Yield management</i>	Price depends on inventory and time of purchase (normally used for perishable resources such as hotel rooms or airline seats)
<i>Customer segment dependent</i>	Price depends on the type and characteristic of a Customer Segment	<i>Real-time-market</i>	Price is established dynamically based on supply and demand
<i>Volume dependent</i>	Price as a function of the quantity purchased	<i>Auctions</i>	Price determined by outcome of competitive bidding

Figure 3. – Pricing Mechanisms (Osterwalder & Pigneur, 2010)

Each revenue stream may have different pricing mechanisms. By choosing the right pricing mechanism, a company can make a big difference in its revenue stream (see Figure 3.)

Key Resources are the main assets required to make the business model work. Through the key resources a company is able to create and deliver the value proposition, reach markets and maintain relationships with customer segments, and earn revenue. Key resources vary, depending on the what type of business model the company chooses and can be categorized as followed: physical (e.g. buildings, lands, vehicles, etc.), intellectual (e.g. brands, patents, copyrights, databases, etc.), human (e.g. human resources) and financial (cash, lines of credit, stocks options for employees).

Key Activities are the most important activities a company should do in order to make its business plan work. Every business requires a number of key activities. In order for the company to operate successfully it must undertake some important actions. These activities are necessary to create and deliver the value proposition, reach markets and maintain relationships with customer segments, and earn revenue and are also dependent on the business model type (e.g. Dell – supply chain management, McKinsey – Problem solving).

Key Partnership. This block describes the network of suppliers and partners that make the business model work. Partnerships are made for a various number of reasons. Companies create partnerships to optimize their business model, reduce risks or acquire resources. The most common partnerships are either strategic alliances between non-competitors, cooperation partnerships between competitors, joint ventures to develop new businesses or buyer – supplier relationships to guarantee reliable supplies.

Cost Structure. This block consists of all operating costs necessary to run the business. Creating and delivering value to customers, maintaining relationships and generating revenue all incur costs. These costs are strictly depended to the key activities, key resources and partners. While every new venture should keep their cost down, they still occur. Depending to the type of business, there are two types of cost structures: cost – driven (minimizing costs wherever it is possible, e.g. Ryanair, easyJet) and value – driven (usually companies less concerned about cost, e.g. luxury hotels). Drawing from accounting principals we can distinguish the following characteristics of cost structures:

- Fixed costs: costs that don't change despite the volume of goods or services
- Variable costs: costs that change depending on the volume of goods or services produced
- Economies of scales: cost decreases as companies have a bigger output
- Economies of scope: cost advantages due to larger scope of operations.

These nine blocks form the BMC (Osterwalder & Pigneur, 2010, p. 55) call business models with similar characteristics, arrangements or similar behaviors “business model patterns”. Here we identify the following business model patterns:

1. Unbundling business models: a combination between infrastructure management, product innovation and customer relationship. Typically, the challenges vary from spiking costs to undesired conflicts in the organizational structure. Thus, the business is unbundled into three separate models but complementary (e.g. private banking, mobile telecommunication).
2. The Long Tail: applicable to businesses that target only the most profitable clients. This particular type of business model can be used when a company fails to target less profitable customer segments because of the cost encountered when delivering the value proposition to these segments. The solution would be a new or additional value proposition that targets these segments while aggregating profitability.
3. Free as a business model: the problem that this model solves is that some businesses offer a high – cost/ high – value proposition to paying customers. Implementing the “free as a business” model will give a business the possibility to offer several value propositions to different customer segments with different revenue stream, one of them being free of charge. The end idea is to attract the maximum number of users (e.g. advertising and newspapers – Financial Times, The Wall Street Journal; Metro; Flickr, Red Hat)
4. Open business models: Companies that have R&D resources and key activities in house face the challenge costly R&D and/or failing productivity. By leveraging internal R&D to outside partners, companies can provide another value proposition to interested customer segments. Acquiring R&D from external sources can be less expensive, resulting in faster time to market (e.g. P&G, GlaxoSmithKline, Innocentive)
5. Multi – Sided Platforms: According to (Osterwalder & Pigneur, 2010), multi – sided platforms target two, or more, distinctive but independent groups of customers. These type of business models present value to one group of customers only if the other groups are also present. The value provided to one group is proportional to the value provided to the other groups. These platforms go also by the name of multi – sided markets, which create value by connecting interdependent groups of customers (e.g. Visa, Google, Microsoft Windows, Facebook, etc.). The most difficult aspect of these business models is that they must attract and serve all groups simultaneously in order to create value. For example, a video game console will attract users only if there are enough games out there. On the other hand, video game developers will develop games only if there is a big number of users out there. There relationship is strictly

dependent on each-other. Entrepreneurs refer to this as the “chicken and the egg” dilemma (which comes first?). Often multi – sided platforms solve this problem by offering a free of charge value proposition to one customer segment. Luring in one group of customers with this value proposition to, often attracts users from the “other side”. Now, the difficult part is to figure out which part to subsidize and how to price correctly to attract customers. Answering questions like “Can we attract sufficient users from each side of the market?”/ “Which part should be subsidized?”/ “Will the first side generate enough revenue to cover the cost of the second?” will help entrepreneurs avoid making costly mistakes as they move forward with their venture.

The design process of any business model is a challenging activity. In their book, Oskar and Pigneur outline five phases any company should undertake when developing a business model: mobilize, understand, design, implement, and manage.

Mobilize. The first phase relates to framing goals, testing preliminary ideas, planning the project and assembling the team. Initial planning should cover the first three phases of the development: mobilize, understand, design. The next phases, implementation and management, rely heavily on the outcome of the first three phases. Crucial activities like testing ideas, planning and finding the right team members while gaining access to information are undertaken in the first phase. It is important to understand that the major threat here, lies in the overestimation of potential related to the business model ideas, which can lead to limited exploration of other possibilities.

Understanding the context in which the business will operate, plays a key role when developing the business model. Scanning the environment through a mix of activities like market research, customer inquiry, domain expert interviewing and competition surveillance results in understanding where the strengths, weaknesses, opportunities, and threats lay. All areas need careful consideration, but most important is developing a deep knowledge of the customers. While this may seem obvious, often it is neglected, especially by tech – focused projects (Osterwalder & Pigneur, 2010), which are “still in search for a problem to solve” that could be applicable in several different markets.

Design. There challenge here lays in identifying and generating bold new models. Expansive thinking is a critical success factor. Abandoning the status quo, will give the model a competitive advantage and will set the road for unexplored potential. Usually, the activities identified in this phase

are brain storming exercises, which generate models, prototyping and testing, ending up in the selection process where, the potential business model is chosen.

Implement. Once finished with the design phase, it is time to implement. Implementing the design consists in defining all related projects, specifying milestones, organizing any legal structures, preparing a detailed budget and project roadmap, etc. This is usually found in the business plan and itemized in a project management document. Special attention should be given to managing uncertainties, which means comparing risk/ reward expectations to actual results and developing structures to quickly adapt the business model to the market feedback.

Manage. This phase is directed towards established organizations. It relates to the scanning and continuously assessing the model and environment to understand how it may be affected by external factors over time (e.g. new legislation, substitutes products, new competition). This should be done regularly in order to keep up with tomorrow's market place.

The New Business Road Test

According to (Mullins, 2013) successful entrepreneurship is composed of three important elements: markets, industries, and most important people. In his book, Mullins tackles these elements through the use of the seven domains model (Figure 4.). This model offers a toolkit to better assess market opportunities and team qualities.

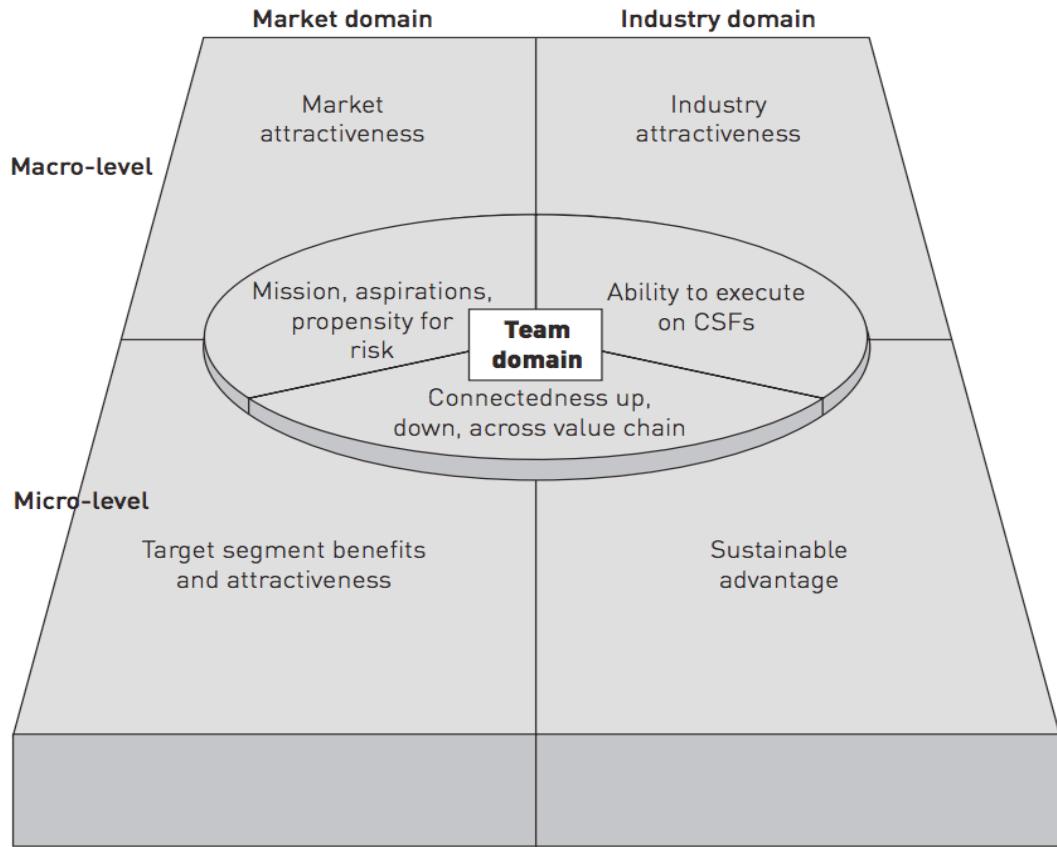


Figure 4. – The Seven Domain Model (SDM) (Mullins, 2013, p. 7)

The model (Figure 4.) is composed of four market and industry domains, including both macro and micro levels and three additional elements relating to the entrepreneurial team (people).

Target segment benefits and attractiveness. One of many important aspects is the ability to understand and capitalize on the needs of carefully defined target markets. Examples are given in book about both sides of the coin. Miller Brewing managed to create an entirely new product class (light beer) that now has a big share of the American beer market, by spotting a large and growing market segment interested in low-calorie beer (consumers concerned with health and fitness who didn't want to give up beer) and perusing it. For entrepreneurs having limited resources niche markets are a good start. Nike managed to enter into a market segment by focusing on the consumers' needs.

This lead to the successful penetration of additional segments. Nike master the trade in one segment (elite distance runners) by carefully understanding the needs of such athletes, engineering products that appealed to them, sourcing the production to off-shore manufacturing location, building relationships with high – profile athletes and marketing on the performance of these athletes to attract interest from others. Future more, Nike used these capabilities when entering into new market segments. On the other side of the coin there is OurBeginning.com, who did in fact identified the target market (couples wedding invitations) but failed to market effectively to this segment. Because of the lack of understanding about the target market, the company made decisions about how to reach it, which lead to huge amounts of money being invested in the wrong direction. While understanding the market is a step in the right direction, effective execution wins the game. Without clearly articulating one's target market up front, execution is likely to miss the mark.

Things to consider in this section:

- Pain/ solution for the customers. The incentive for customers to pay for this solution.
- Knowledge about the customer; who exactly is the customer?
- Competitive advantage
- Evidence of willingness to pay for the solution from the customer.
- Growth potential of the market
- Other segments that might benefit form the solution
- Risks at the micro –market level which should be given early consideration.

Market attractiveness. At this point the author moves to the macro level, where he takes a macro perspective in order to explain the attractiveness of a market. Four companies are analyzed here to give the reader a better understanding of the topic. Hero Honda spotted a market potential for motorized two – wheel vehicles in India. Understanding the limitation in that market segment moved them beyond their competitors. Knowing the still –modest purchasing power of their customers, they offered products whose reliability and overall economy appealed to their market. The two key factors of success for Hero Honda were their ability to identify an under-served market (large and with growth potential) and the matchmaking of their offering to the market's needs. Whole Foods Market has managed to capitalize on sociocultural trends (the health and nutrition trend in the US). Understanding today's macro terms is one step forward in discovering

where the next entrepreneurial opportunity lays. EMC rode wave after wave in the tech world, managing to identify and pursuing one opportunity after another by focusing on some key practices. Most important practices identified are:

1. Speed to market matters, even if the product/ service is not perfect when it leaves the door.
2. Selling to low profile customers rather than high profile customers can minimize the cost of failure. It is a good strategy to for early stage ventures to remove gradually the bugs and understand the customer's real needs.
3. Spending time with customers. They are the ones having the pain and they can provide unexpected insights. Building your customer network and constantly receiving feedback from them can be a crucial factor to a venture's success.
4. Having a clear knowledge about the business you are in. Entrepreneurs have limited resources when it comes to time, money, attention and people. Focusing on doing one thing exceptionally well than rather spending one's effort all over the place reduces risk.

On the other side there is Thinking Machine a company that ignored all these steps. There is nothing wrong with developing a new technology if the company manages to identified the market fit (what pain it solves). In this case, Thinking Machine failed to identify the target customers and understand their needs. Assessing the number of customers and their spending powers is one crucial element most tech - driven entrepreneurs don't do.

Industry attractiveness. There is a difference between the market and industry. In order to identify the industry attractiveness, Mullins makes use of well known Porter's five forces: threat of entry, supplier power, buyer power, threat of substitutes and competitive rivalry. Key practices that the author encourages the reads to identify are: defining industry; barriers of entry for the specific industry; the power of both suppliers and buyers; level of difficulty of creating substitute product; the level of competitive rivalry and risks.

Competitive and economic sustainability. In order for a company to be sustainable it has to tackle both the competitive and economic side. Competitive advantage arises when a venture can provide differentiated benefits to the customers that are better, cheaper or faster than those offered by competitors. This advantage is likely to be sustained when the company has proprietary elements

(patents, trade secrets, etc.) and superior organizational processes, capabilities or resources that are not easily replicated by other competitors. Economic sustainability appears when the company's business model is sufficiently robust so as to no run out of cash. Thus, the revenue has to be proportional with the capital investment required and margins obtainable; customer acquisition, retention cost and new customer attraction time have to be viable; contribution margins have to be adequate to cover fix costs. Special attention should be given to operating cash cycles: the amount of cash tied up in working capital (inventory); the time required for customers to pay and the time required to pay suppliers and employees. Companies with a strong patent protection enjoy the freedom to set prices at levels that bring about sustainable profits. In the case of Zantac, the company enjoyed 12 years of freedom on the market (five spend on FDA approval). Building superior organizational processes and capabilities in one's company can maintain a sustainable competitive advantage without a patent protection. Nokia's processes for attracting and retaining skilled people and for managing innovation helped the company remain innovation and agile, despite it's rather large size. Superior patented protection and first mover advantage don't always ensure long time success. More often it takes more than just patent protection and newness of a product to be sustainable. Adding organizational processes, capabilities and resources that keep the organization at the cutting edge has proven to increase a company's competitive advantage. In addition to this, the business model plays a major role. Without a viable business model companies can not operate and sustain themselves for a long period of time. Mullins proposes to future entrepreneurs to identify the following: proprietary elements (patents, trade secrets, etc.) for products/ services; superior organizational processes, capabilities and resources hard to replicate by competitors and an economically sustainable business model. In order to have an economically sustainable business model, entrepreneurs must know:

1. If the revenue is adequate in relation the the capital investment and the margins are favorable;
2. If the customer acquisition and retention cost proves right
3. If customers are attracted in a timely matter
4. If fix costs are covered by the contribution margins
5. How much cash must be invested in working capital (inventory) and for how long.
6. Will customer pay quickly
7. How slowly will suppliers and employees be paid.

Mission, aspirations, propensity for risk. Each entrepreneur who is opening a new venture, brings to the table a different set of elements that drive the entrepreneurial dream. A mission that states what kind of business is to be build and what markets are to be followed, a personal aspiration on the level of achievement and a level of risk affinity, that shows how much one can bite and the necessary sacrifices need to pursue the entrepreneurial dream. In the mission statement entrepreneurs can lay out which market they want to serve, what particular industry and how passionate are they about the venture. Relating to the aspiration aspect, entrepreneurs must analyze and clearly define what do they want to build, is it something big or small, what role should they assume and what do they want to change with the help of the business. Moving towards the risk, most entrepreneurs, see themselves as managers of risk and not risk-takers. Figuring out the level of risk they should take gives a better perspective of the overall picture. People are different and their affinity to risk is also different.

Ability to execute on CSFs (Critical Success Factors). A common practice within successful ventures is the ability to identify the factors critical to succeeding in their particular industry and assemble a team that can execute on those CSFs. Most ventures do not manage to identify those CSFs or are not able to deliver on them. The quest of identifying these factors is not an easy one and depends on the knowledge and experience of those who have learned them the hard way. A good practice is often: identifying the few decisions or activities, that if done wrong, have a major negative effect on the company's performance, even when other things are done right; identifying the few decisions and activities, that if done right, will almost always deliver a positive effect on the performance, even when others thing are done poorly.

Connectedness up and down value chain. Connections matter in any business and this does not come as a surprise to entrepreneurs. In most cases, entrepreneurs give little or no though at all to them. Because of this, identifying fruitful trends, new information or changes in the market place before others competitors and obtaining solid evidence of such development form multiple sources outside the firm might prove extremely difficult. Several types of connections are identified: connections *up* the value chain to suppliers that have a close contact with the leaders in the specific industry and companies in other industries that might serve as substitutes for the offered product; connections *down* the value chain to potential customers, distributors, consumers and users;

connections across industry with competition and companies that offer substitute products. Connections across the industry also helps in identifying and understanding the CFSs, a crucial issue when establishing the team.

Compare and contrast

After going through the literature, I have noticed some similarities between the social construction theory and the practice theory (Business Model Canvas and Seven Domain Model). The BMC and SDM have many common aspects. While the BMC describes the rationale of how will an organization create, deliver and capture value, the SDM proposes a much bigger analysis, categorized in 3 sections: market, industry and people. The interesting thing to notice is that both revolve around the same principles.

Similarities between the Business Model Canvas and Seven domain Model

1. In the market domain at the micro level in the SDM (Fig. 4, pp. 34), we find the same elements describing the “customer segment bloc” and the “value proposition block” in the business model canvas. They both relate to the identification of the right customer group that will benefit from the proposed value proposition. Thus, a major element when engaging into an entrepreneurial venture is to identify the potential groups of customers, carefully understand their needs and problems and create the value proportion around those elements.
2. The “competitive and economic sustainability” block in the SDM proposed by Mullins is closely related to the “value proposition” and “revenue stream” blocks in the BMC. Finding the right value proposition for your selected group of customers ensures the organization with a competitive sustainability, that allows it to differentiate itself among the existing or upcoming competition. The revenue stream in the BMC outlines the way in which the organization is able to make money (different revenue streams). The analysis proposed by SDM ensures, at the micro market level, if the proposed revenue streams will result in an economically sustainable organization. Thus, another major element when establishing a new venture, present in both the BMC and the SDM, is the revenue streams. The SDM takes if a

step future and suggests analyzing whether or not the proposed revenue streams will ensure economic sustainability for the proposed organization.

3. We also identify similar principles in the “ability to execute on CSFs” block of the SDM and the “key activities” block in the BMC. The key activity block, outlines the most important activities that need to be done in order for the organization to evolve and exist. The CSFs (critical success factors) are more or less the activities the entrepreneurial team has to undertake in order to make the organization function. The identifications of these activities is the outcome of the trial and error process where entrepreneurs engage in numerous activities and analyze what works and what does not. Both practice literature, emphasize on the identification of these activities.
4. The “consecutiveness up and down value chain” in the SDM, proposes a strong relation and investigation in the “key partners” block from the BMC. Mullins refers to the possibility of obtaining information, that might benefit the new venture, from connections up, down and across the value chain. Suppliers (up the value chain), customers and distributors (down the value chain) and competitors (across the value chain) can also be potential key partners in the BMC. Thus, there is a close connection between these two blocks.

Differences between the BMC and the SDM

The biggest difference between the two, is that the BMC is more targeted towards the internal operations of the organization, while the SDM proposes a much more comprehensive analysis of all the elements surrounding the new established organization. For example, the SDM also analyses the industry and the people aspect of the organization, while the BMC focuses mainly on the market side of the SDM. In my opinion the SDM is more useful for entrepreneurs that want to test their idea and see if the proposed business “will fly or not”, in the pre-venting stage, while the BMC is a “tool-kit” or framework that can be easily used to implement an idea or get a better overview of the market surrounding a potential or existing business.

The SDM model proposes a much deeper analysis of the elements surrounding the organization, which the BMC neglects. For example, Mullins suggests analyzing the industry and people aspect of the organization as well. The BMC does not pay attention to the competition surrounding the venture,

the attractiveness of the market or the motivation and aspiration of the people involved in the entrepreneurial team, nor should it. It is important to understand that the two models have different attributes but they are somehow intertwined. The BMC is strictly designed to analyze and understand the operational aspect of the organization, while the SDM is designed to understand the environment in which the journey emerges.

Social construction theory and practice theory

Social construction theory (SCT) provides an understanding of how new organizations emerge, but it also gives entrepreneurs a framework of what is needed in order for an idea to materialize into an emerging organization and afterwards into a fully functioning organization. According to STC, in order for an organization to emerge into a fully functioning organization evidence of four elements must be present: intentionality, resources, border, exchange. Even if social construction theory is different from practice theory, there are similar elements that are found in both. For example:

1. In the initial venturing phase (intentionality) activities are undertaken by the entrepreneur that describe the goal of building a new organization. Elements of the BMC and SDM can be also present here. For example, gathering information about the markets, industry and people (SDM) is seen as intentionality. Also the identification of how to create, deliver and capture value (BMC) is seen as intentionality. Both developing the BMC and subjecting the proposed idea to the SDM test can be linked to intentionality. Like in most cases, in the initial phase some activities are more important than others. Most important activities in the initial phase of the BMC is to determine the customer segments and value proposition block. Likewise, in the SDM, focus is given to the identification of the target segments benefits and attractiveness in the beginning. In my opinion, I would link the intentionality aspect to the identification of these elements
2. In order for an organization to exist it must have resources, according to SCT. Resources are also present in the BMC under the “Key Resources” block. Both theories underline the important aspect of resources in an organization.

3. Exchange refers to the cycles of transactions happening between the organization and the surrounding actors in the environment (customers, suppliers etc). We can link the exchange to the “Key Activities” block in the BMC and “Ability to execute on CSFs” bloc in the BMC.

A conclusion can be drawn here, that even if social construction theory and practice theory are different, there are some similar aspects that can be identified in both of them. Thus, in a way, they are all interconnected, but they have different purposes.

Methodology

Structure and research design

I have chosen autoethnography as a method of research in order to describe and systematically analyze my process of starting a new venture. Because the nature of my research, I will use tents of autobiography and ethnography to provide the reader with an understanding about the value/usefulness of social construction and practice theory to the process of getting into business. In my endeavor of doing this research, I retrospectively and selectively write about my past experiences in strict relation to the process of creating a new venture and analyze these experiences, making use of theoretical and methodological tools and research literature. As a form of autoethnography, I will be using *personal narratives*. Personal narrative come about when “authors who view themselves as the phenomenon, write evocative narratives, specifically focused on their academic, research, and personal lives” (Ellis, Adams, & Bochner, 2010). By using myself as the data on the process of “getting into business”, I’m observing my actions. The overall goal is to use my experience to test the theory and see if it has any value and relevance to where I am heading with my start-up.

In order to collect data, I have used a “journal log” where I have kept evidence of my activities, findings and thoughts, concerning my process of business venturing. The overall data collection stretches over a period of six months, starting from June 2015 and ongoing. In my journal log I have coded each activity I undertook with a number in a chronological matter. I have managed to identify over 180 activities during the given time-frame. The purpose of coding with numbers, in a chronological matter, is to make the process of categorizing my activities easier.

My research is strictly based on my personal experience, thus calling out for a more qualitative approach. The gathered data will be analyzed taking into account social construction theory and practice theory. Thus, the humble, yet reasonable and well-thought through research design has been chosen:

Part 1 – The applicability of social construction theory

The first part of my research will tackle the social construction theory in relation to my experience within the emergence of a new venture. In order to conduct my analysis in relation to social construction theory, I have categorized every activity in my journal log according to where it belongs, based on the theory. Identifying the applicability of social construction principles to my real life practice has been a challenging effort, but will serve as a starting point for future research. Doing so, I hope to provide future young entrepreneurs with a general sense making and understanding of what is happening in the equivocal reality of business venturing.

Part 2 – The Business Model Canvas

In the second part, the analysis is focused on the business model canvas proposed by (Osterwalder & Pigneur, 2010). I have made use of their handbook since the beginning of my entrepreneurial journey. During the process of data gathering (the journal log), the business model of the new venture has changed dramatically and has been constantly improved in light of new findings. Here I also categorize my activities in the journal log, based on the proposed theory. I do this in order to identify, in which blocks of the canvas I spent most of my time.

The end goal of this analysis is to see whether or not, creating, modeling and revising the business model canvas has helped me in better understanding the overall picture of the venture, market, and industry and if this process had any useful outcome.

Part 3 – The New Business Road Test

In the final part of my analysis, I solely focus on Mullins' business road test, making use of the seven domains model (Mullins, 2013). According to him, a vast majority of new ventures fail because of opportunity related reasons: market reasons, industry reasons and entrepreneurial team reasons. In my analysis I will cover these three major areas (market, industry and people) by subjecting my documented experience to the road test. Also I will categorize my actions and activities within the journal log according to the seven domains model proposed by Mullins.

The intended outcome, like in the other parts, is to see in which block of the seven domain model I spent most of my time and if these principals have any applicability in real life practice, based, of course, on my personal experience.

Part 1 – The applicability of social construction theory

According to the social construction theory, reality is jointly constructed by individuals and their understanding of the world. In relation to entrepreneurship, this line of thought, addresses the process of venture creation and how things “come to be” in this equivocal environment. In order to provide nascent entrepreneurs with an understanding of how new organizations emerge, principles of social construction theory are applied.

In my analysis I will make use of (Katz & Gartner, 1988) proposals for identifying emerging organizations. Organizations emerge as a result of the interactions between agents (individuals, partner groups, parent organizations, etc.) and the environment (society, culture, etc.). According to them, four key properties must come into play when new organizations emerge: intentionality, resources, boundaries and exchange. I will tackle each property in my analysis as follows:

1. Intentionality. What are the activities that I undertook to find information that facilitated the building of a new organization?
2. Resources. What are the tangible and intangible resources used in the process or building the venture?
3. Boundary. How did the new venture become one separate entity?
4. Exchange. What are the cycles of transactions identified within and across the boundaries of the new organization?

In order to analyze my personal experience according to social construction, I identify the actions and activities in my journal log that relate to each of the properties outlined by (Katz & Gartner, 1988): intentionality, resources, bonder and exchanged. This process will help me understand, in which category I placed most of my efforts and in which chronological phase.

As I move forward with my analysis I tackle Gartner, Bird and Starr's work on emerging organizations in relationship to organizational behavior (Gartner, Bird, & Starr, 1992). They view entrepreneurship as an organizational phenomenon which makes the transition form an equivocal to a non-equivocal reality.

In this section I will identify, based on my gathered data, the following:

1. *What* activities I undertook, in the ambiguous beginning stage, to "act as if" the new venture was an established organization. Here I identify my behavior in the equivocal reality of business emergence.
2. *Why* I undertook these activities. What was the hoped result of these activities? Here I identify the motivation behind my actions in the equivocal reality.

Because entrepreneurs deal with a lot of uncertainty, it is very hard to tell if the activities done at the beginning stage of the emerging organization will end up in the wanted results. Thus, the knowledge of *what* to do and *why* is the outcome of the process of organizational emergence.

Part 2 – The Business Model Canvas

In part 2, consideration is given to the Business Model Canvas and its evolution over a duration of 6 months. In order to determine if this theory added any value to my efforts of "getting into business", I undertake a thorough analysis of each block of the business model canvas in strict relation to the new venture and show how the content in each block has changed in light of new information received.

I start off my analysis by identifying the actions and activities in my journal log that correspond to each block of the canvas. By doing so, the intended outcome is to show, where focus was given and at what chronological phase.

I showcase the very first business model canvas made, with the information available at the beginning of my entrepreneurial journey and I track its evolution, which is still ongoing, based on the new information I received and the activities undertaken. Each daily activity in the journal log has been assigned to one of the blocks in the canvas. I conclude the analysis with the last updated business.

I make use the following canvas, proposed by (Osterwalder & Pigneur, 2010):

Key Partners	Key Activities	Value Proposition	Customer Relationships	Customer Segments
	Key Resources		Channels	
Cost Structure		Revenue Streams		

Figure 5. – Plain Business Model Canvas

Most new ventures start off in a chaotic environment, with little knowledge about what activities are needed in order to deliver their value proposition to their potential clients. The purpose of this analysis is to determine if the “tool kit” provided by (Osterwalder & Pigneur, 2010), has given me a better understanding of the overall picture. In my analysis I include the following:

1. Key Partners – who are the key actors we need for the business to operate?
2. Key Activities – what activities we must undertake to operate the venture?
3. Key Resources – what are our main resources?
4. Cost structure – what is our cost structure?
5. Value Proposition – what is the value proposition of our venture?
6. Customer Relationship – how do we maintain our relationship with the customers?

7. Channels – how do we deliver our value proposition to the customers?
8. Customer Segments – who are our customers?
9. Revenue Streams – how do we make money?

Because different businesses serve different customers, they end up with different business models. In my case, the start-up serves two independent groups of customers:

1. *Retail shops*: Businesses that benefit from our solution
2. *End users*: Customers that use our mobile application

The value provided to the retail shops is proportional to the value provided to the end users. In this case, the more users we have on the mobile app the more value our service provides to the shops and vice versa, the more shops we have on our platform the more value it provides to the end users. Because of this, the start up ends up with a multi sided business model or “multi – sided platform” (Osterwalder & Pigneur, 2010). The most difficult aspect of this type of business model is generating value simultaneously at both ends (retail shops and end users). I will address this and show our approach towards coming up a viable solution to the problem of growing both sides in the same time.

Part 3 – The New Business Road Test

In the last part of my analysis I will address Mullin’s book and subject the emerging organization to the business road test. I will tackle each element of the Seven Domain Model (SDM) proposed by Mullins. This will give me a better overview over three important elements:

- *Market* – in what market we operate?
- *Industry* – in what industry we operate?
- *People* – who are the people that compose the entrepreneurial team?

In order to do so, I assign my daily activities from the journal log to each corresponding block of the SDM. The intended outcome is to identify where my effort was spent the most, in relation to the SDM blocks. For my analysis I use the following structure to determine if the SDM had any important contribution to the newly established venture:

Target segment benefits and attractiveness – the micro – market test:

1. What is the customer pain we will resolve and how strong is the incentive for customers to buy?
2. Who are the customers with the pain?
3. What differentiated benefits do we provide that others don't?
4. Is there any evidence that the customer will buy?
5. Does the targeted market have the potential to grow?
6. What are the other markets that can benefit from what we offer?
7. Is it possible to develop capabilities that are transferable from one segment to the other?

Market attractiveness – the macro –market test

1. How large is the market we want to serve? How do we measure it?
2. What is the growth potential of the market?
3. What economic, demographic, sociocultural, technological, regulatory or natural trends can we identify that will affect the market, and what effect will these trends have on our business?

Industry attractiveness – the macro - industry test:

In this section I will make use of Porter's five forces in order to determine the attractiveness of the industry:

1. Threat of entry. Are the barriers of entry low or high?
2. Supplier power. Do suppliers have the power to set terms and conditions?
3. Buyer power. What power do the buyers have? Can they set terms and conditions?
4. Threat of substitutes. Is it easy or difficult for substitute products to steal our market?
5. Competitive rivalry. What is the level of competitive rivalry?

Competitive and economic sustainability – the micro – industry test:

1. Are there any proprietary elements (patents, trade secrets etc.) that we possess, that other firms cannot easily duplicate or imitate?

2. Can we develop superior organizational processes, capabilities or resources that others will find it difficult to duplicate or imitate?
3. Is our business model economically sustainable?
 - a. Will our revenue be enough to sustain the capital investment we need?
 - b. How long does it take to attract customers?
 - c. Can we cover our fix cost?
 - d. How quickly will the customers pay?

Mission, aspirations, propensity of risk – test:

1. What is our entrepreneurial mission?
 - a. What market to serve?
 - b. What do we want to change in a industry?
 - c. To market a particular product?
 - d. Is there passion in what we do?
2. What is the level of aspiration for the entrepreneurial team?
 - a. To build something big or small?
 - b. To create? To do? To manage? To lead?
 - c. To change the world in some way?
3. What risk am I willing to take?
 - a. Am I willing to risk a secure salary? For how long?
 - b. Am I willing to risk losing control of the business?
 - c. Will I risk my own money? And how much?

Ability to execute on CSFs – “can we execute” test:

1. What are some of the critical success factors in our industry? Have we identified them correctly?
2. Can we execute on those CSFs?
3. What are the CSFs identified that my team and me are not well prepared to meet?

Connectives up and down value chain test:

1. Who do we know up the value chain in the companies that are suppliers to our proposed business and to our competitors?
2. Who do we know down the value chain among distributors and customers that we will target?
3. Who do we know across the value chain among our competitors and substitutes?

Answering the above mention question, I will subject the new venture to the business test proposed by Mullins. By doing so, I am able to conclude if this practice theory has added any value and shared some light in my process of “going into business”. The goal is to apply the theory to my practice and provide nascent entrepreneurs with my personal opinion, in the messy world of business venturing, which hopefully they can relate to.

Analysis

I will, in this section, analyze the gathered data (journal log) according to the research model in the methodology section. In my journal log I have managed to identify 184 “daily” activities that I have undertaken in the last 6 – 7 months. My activities will be categorized and attributed to each part of the theory according to their intention.

Part 1 – The applicability of social construction theory

Nascent young entrepreneurs, like myself, face many challenges in the process of business venturing. The level of uncertainty is high and the activities that need to be undertaken, most of the times, end up with an unknown result. One of the biggest challenge, is to make sense of what is happening, what activities to undertake and what is their result in this equivocal environment. Moving the discussion to my own practice, I can relate to the ambiguous environment. After the minimum viable product was created, I undertook many activities, some more important than others and tried to make sense of what was happening. I knew why I was doing those activities, but I really did not know the end result. Thus my journey into ambiguity began.

Intentionality:

1, 2, 3, 7, 8, 10, 11, 16, 17, 19, 20, 21, 22, 24, 25, 26, 27, 28, 29, 31, 38, 39, 40, 41, 42, 50, 53, 60, 93, 97, 105, 106, 107, 108, 109, 123, 124, 129, 171.

Total Activities: 39

Resources:

5, 6, 13, 14, 17, 26, 29, 35, 38, 41, 46, 49, 53, 67, 68, 78, 91, 101, 102, 103, 112, 113, 114, 115, 119, 124, 130, 132, 134, 145, 146, 150, 158.

Total Activities: 28

Boundary:

10, 15, 22, 23, 26, 61, 89, 01, 91, 93, 109, 111, 113, 117, 133, 146, 145.

Total Activities: 17

Exchange:

6, 15, 22, 23, 26, 30, 32, 33, 34, 36, 37, 39, 41, 42, 44, 47, 52, 55, 56, 57, 58, 62, 63, 64, 65, 66, 70, 71, 72, 73, 74, 75, 76, 79, 80, 81, 82, 84, 85, 96, 87, 88, 92, 96, 98, 99, 100, 110, 115, 116, 118, 120, 121, 122, 125, 126, 127, 128, 136, 137, 138, 139, 140, 141, 142, 143, 144, 147, 148, 149, 151, 152, 153, 154, 155, 159, 160, 161, 162, 163, 164, 165, 167, 170, 174, 175, 176, 177, 178, 180, 181, 182, 183, 184.

Total Activities: 92

Table 1. – Categorized activities based on social construction principles

In the initial phase, my first activities were related to the *intentionality* aspect, where I was gathering information about how to start the new venture. Table 1, provides an overview of where my activities are placed according to the properties of emerging organizations. After the intentionality phase, consideration was also given to the *resources* and *boundary* properties, but my main focus was niched towards the *exchange* aspect.

Key elements of the emerging organization “BeClue”:

Intentionality. According to (Katz & Gartner, 1988) intentionality is linked to the general process of sense making, organizing and enacting realities. During the beginning stage of the emerging organization “BeClue”, formally known as “BeaconOS”, me and my team were involved in this particular activities. From simple actions like talking to experienced people and getting information, to more complex actions like creating and developing a business plan. Because we entered in the game with a new technology (“ibeacon technology”), my main activity was to figure out the market in which we can place it. I had a general idea about where we can place this technology. In the beginning stage the main objective was to target universities and retailers (Activities: 5, 6, 7). Of course, given the available resources, no real analysis was conducted in order to figure out the best market fit for the product. Thus, I began to talk with experienced entrepreneurs to figure out how to sell this technology and where to place it. Talking to different experience individuals (Activities: 1, 2, 3, 23, 24, 26) has helped me view the entire process from different perspectives. One of the most influential individuals who helped me during the process of intentionality was my mentor, with whom I work closely each day. Our biggest problem was that:

“you are looking from the engineering point of view not form the customer’s. Well you have a cool technology, but how does this help the customer, what is the problem that it solves, you guys have created something that doesn’t solve a problem but only can improve something” – (Activities 26, 27).

Based on the acquired information, we have changed accordingly and now our focus was to figure out what problem can we solve with the technology we have and for what market. Once we had a better understanding of the problems we can solve, it was time to contact clients. I had no sales experience and I did not know how to get in touch with the potential customers. First I started off by sending emails to potential customers and contacting people within my network. The result was not the one hoped for, but it did end up with a pilot campaign in a library (Activities: 36, 37, 38), which happened out of pure luck – the result of generally talking to people within our network. We had in our team a sales person, but his results were not the ones we hoped for. As time passed, I began to research sales, in hope of identifying the best way to contact potential customers and sell the idea. We had a lot of troubles in explaining our business idea to people and because of that, the message we wanted to deliver had to be understandable by all people (Activities: 49, 50). A lot of time was spent just on building the message we want to deliver to customers. In order to do so, we tested different variants, explained to people in different way, but my biggest mistake was that I did not talk to real customers directly. After countless struggles to figure out the right message (building power point presentation, presenting them to friends, talking with my mentor etc.) and creating a list of potential customers (leads), I picked up the phone and did my first cold sales call. That was the peak moment of my sales experience, which lead me to a pilot campaign with a retail shop – (Activities: 70, 71, 72, 73)

The most important activates identified in my journal log related to the intentionality aspect of emerging organizations were:

1. Reaching out and talking to experience entrepreneurs who have been through the process of business venturing several times and writing on hard paper their opinions, suggestions and advices in order to make sense of the overall picture.
2. Figuring out what problem do we want to solve with our technology and for what market.
3. Identifying the potential customers.

4. Identifying a simple way to explain our solution to potential customers and people in general.
5. Contacting/ talking to potential customers, trying to sell our business idea.

Resources. In our case, like in most start-ups, resources were scarce. Bootstrapping was our main course of action. We had some financial resources, but the most important resource of all was human. Time played also a very important role, but because of our ability to work at the start-up after our real jobs, we did not need huge financial resources to operate. Most of the times we worked from the offices at Copenhagen School of Entrepreneurship, which were free, and before that in my university's cafeteria. I had a part-time job and for me it was easier to contact and meet with clients during the days I was free and work on the venture. Most of the operating cash, was invested in hardware (beacons) and server maintenance, while some went into marketing (google AdWords). Apparently there is a lot of free materials/ tools, out there, that entrepreneurs can use in the beginning phase of business venturing.

The most resources identified were:

1. Human capital – me and my team.
2. Time – the ability to work on the start –up while working on our main jobs.
3. A very low financial capital.

Boundary. The process of making the emerging organization into one separate entity was not given to much consideration. Of course, necessary activities like incorporating the organization and creating the brand were undertaken but, still I see myself closely associated with the start-up. The organizational identity is still in the process of creation. Mainly because the necessary resources are not available yet, a distinct separation was make between us and the organization. Focus is not targeted towards this activity and it is more on testing the product/ service with customers, while developing on the feedback from the customers. I believe, once we will have our first paying customers, the separation will begin.

Exchange. Exchange happens in two places: within the organization and across the boundaries of the the organization. Within the organization, exchange is at the highest level. Every meeting with the team results with an outcome. It is crucial for us to be as transparent as possible, to leave

room for new ideas and ways that we can improve on what we have. The activities that I undertake are different from my team, because they have a technical background and mostly they are involved in the creation and improvement of the product. We keep a close relation and every decision we make is closely discussed and analyzed

Exchange across the boarders of the organization happens when contacting customers. At this stage, the exchanges happening have the indented out come to onboard customers in a testing pilot campaign. In the process of exchange, we set up the proposed retail shop with the technology and in return we get feedback on the product, with a hope to charge them after three months. Here are some examples from the journal log:

- “13:22 – Just had a phone call with Apair, and established a meeting for this Friday at 12:00, where I will present the technology and show them how it works” – (Activities: 120)
- “Established a meeting with EliseGUG for next week to move forward with the pilot, Wednesday 9:30 in the Moring. Remember to bring the beacons and everything with you. They were enthusiastic about starting, so this is great news” – (Activities: 121)
- “10:00 – I’ve just received the signed contract form the Library. The project manager form the library is pretty excited about this and this is a good sign. We will push and keep a clear communication with her as we move forward with the pilot” – (Activities: 117)
- “9:00 – Today was a very interesting day. I’ve got up at 8 o’clock had my morning coffee and tried to wake up. It was the big day, I’ve got the news that VILA from Bestseller is willing to give us a shot in testing our technology with them into their main store on Støget, the main pedestrian street in Copenhagen” – (Activities: 179)
- “13:00 – Just got news from Sports Master. They are interested in doing a pilot campaign with us, but after the holiday period, somewhere in January, because they are very busy right now and they can’t handle a plot campaign at the moment.” – (Activities: 184)

The identified cycles of transactions happening within the organization and across the boundaries of the organization were:

1. Knowledge exchange among the team members
2. Transactions between potential customers and the organization

What activities and why?

In the process of business venturing I undertook many activities, in hope to make sense of what is actually happening and get the start-up of the ground. The practice of knowing what to do, at what time and why, is the knowledge generated in the emerging organizational process.

Key activities identified in my journal log are:

1. *Creating the identity of the company (brand).* **What:** Here we include processes like creating the website (Activities: 50, 109, 112), finding a new name for the company (Activities: 114, 115), integrating and changing logo and design of the mobile app and website, integrating the new design in your customer's content management system (Journal log, pp. 35). **Why:** These particular actions were undertaken to create the brand of the company and its identity so potential customers can search for more information and get a fell that is an actual quality service.
2. *Identify the target market.* **What:** Very hard for us was to narrow our efforts towards identifying our target market. Many ideas were floating around about where we can place this technology (Activities: 37, 56, 58, 97). I did not want to start off with libraries as a potential market, but because we already had a contact that was interested in our technology we decided to implement it and see the results. Finally, we decided to go after retail shops because of the huge market size. **Why:** Because we had limited resources we could go firstly for one market and focus our effort on building and improving our service targeted to the needs of the specific market.
3. *Identify the customer's problems.* **What:** The main struggle was that we had a product/service, but we did not know what problem we can solve with it. After identifying the market, it was easier for us to focus on the specific need of that particular group of customers. The process of identifying the problems that we can solve was very complex and time consuming. Countless hours were spent on this process, meetings with experienced entrepreneurs (Activities: 26, 57) and talking with potential customers. **Why:** The desired end result of these activities was to come up with a way to sell the technology to customers and actually solve their pain (Activities: 124).

4. *Present our product/ service as a solution to their problem.* **What:** Now that we have figured out what problem do we solve and for what group of customers, it was time to create an easy way to deliver the message to them. Countless hours were sent on building PowerPoint presentation with what would be the proposed message. Word sheets were filled and redefined to create an easy message that can get potential customers interested. What I found here to be very useful was the “trail and error” problem solving method. I tried different messages when contacting customers, saw what worked and what didn’t, reshape the message accordingly and tried again. **Why:** It is crucial to communicate in an easy way your solution to customers so they understand you have the cure for their pain. People are usually busy, and hate the be sold to, so they tend to lose interest after seven seconds into the conversation.
5. *Creating the business model canvas.* **What:** This was, by far, the most important activity I undertook in the process of business creation. With the help of the business model canvas, we were able to redefine and better understand our value proposition, who are our clients and how do we deliver the value proposition to them (Activities: 20, 24, 43). Not too much consideration was given to the left side of the canvas at the beginning. **Why:** The business model canvas is a great tool to get a better overview of the whole business.
6. *Identifying and contacting potential customers.* **What:** Contacting customers is one of the daily activities I undertook. The main struggle here was that I had no sales experience and I did not know how to deliver the message to potential customers. My journey in sales began with researching this area and talking with experienced sales people. (Activities: 46 50). In order to identify potential customers a CRM was created (Activities: 132), where I input leads and follow their journey in the sales process, plus the active customers. After identifying customers, I use the following method: call or email the retail shop, find the person responsible for making the decision of adopting the service, calling or emailing the person responsible. **Why:** The intended outcome of these actions is to get clients onboard with the idea of starting a testing pilot campaign with product/ service.
7. *Meeting clients.* **What:** After contacting clients, I establish a meeting, walk them through the process, lay out the conditions of participating in the pilot and if possible deploy the beacons in the same day. **Why:** I undertake these activities in order to get customers familiar with the

8. technology and explain to them how to use it. The outcome of this is the approval and beginning of the pilot campaign.

9. *Testing and keeping a close relationship with the clients participating in the pilot campaign.*

What: After the system is in place, I make sure to provide the clients with anything they need, assistance or information. I keep a close relationship with them and follow up to make sure they use the system. **Why:** In order to improve our minimum viable product and figure out exactly the problems of the customers and how can we integrate a solution in our product/service.

Part 2 – The Business Model Canvas

The creation of the business model was one of the most challenging and long lasting activities. It gave me a better understanding of the overall picture and it helped us understand our customer segment and our value proposition. In the analysis I am going to present the first business model canvas created and the change it undertook in light of new information, by tackling every block of the canvas and ending up with the “up to date” business model canvas. Here I also categorize my activity from the journal log and link each one to the corresponding block of the BMC. In doing so, I identify where my time was spent the most and in which chronological matter.

Based on the evidence provided in Table 2, it is noticeable that in the beginning phase (Activities 1-20), most of my effort was spent on finding the right target market and the proposed value proposition for it. After the identification of these elements, I niched my activities towards “Key Activates” block.

<i>Key Partners:</i>
20, 24, 33, 47, 53, 59, 62, 63.
Total Activities: 8
<i>Key Activities:</i>
30, 32, 33, 34, 36, 37, 39, 40, 41, 42, 43, 44, 46, 49, 50, 52, 53, 55, 64, 59, 65, 66, 70, 71, 72, 73, 75, 76, 79, 80, 81, 82, 84, 85, 96, 97, 88, 92, 96, 98, 99, 100, 116, 118, 120, 121, 122, 123, 125, 127, 128, 132, 134, 136, 137, 138, 139, 140, 141, 142, 143, 144, 147, 148, 149, 151, 152, 153, 154, 155, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 174, 175, 176, 177, 178, 179, 180, 1801, 182, 183, 184
Total Activities: 93
<i>Key Resources:</i>
20, 24, 67, 68, 91, 101, 132, 134
Total Activities: 8
<i>Value Proposition:</i>
1, 2, 5, 7, 8, 11, 17, 20, 23, 24, 25, 26, 27, 29, 36, 43, 50, 57, 97, 102, 103, 105, 108, 171
Total Activities: 24
<i>Customer Relationship:</i>
17, 19, 20, 24, 25, 78, 110, 112, 115, 119, 145, 150, 157, 158, 173
Total Activities: 17
<i>Distribution:</i>
29, 30, 32, 33, 39, 43, 47, 58, 74, 110, 115
Total Activities: 10
<i>Customer Segments:</i>
1, 2, 3, 6, 7, 8, 9, 11, 13, 14, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 36, 37, 39, 55, 56, 57, 58, 163, 171
Total Activities: 28

Cost Structure:
20, 24, 129, 130, 131
Total Activities: 5
Revenue Streams:
12, 20, 24, 131
Total Activities: 4

Table 2. – Categorized activities based on the Business Model Canvas

Key Partners. At the beginning, consideration was not given to the partners that would help us deliver the value proposition to the customers. We narrowed our efforts toward the value proposition and customers segment blocks of the canvas in order to figure out, who do we target and what can we offer them to solve an existing pain. At one point we were contacted by Kontakt.io (a big beacon supplier), because they were looking for a Content Management System, that they could offer to their smaller clients (Activities: 62). After numerous discussions with the person in charge, the deal fail, because they decided to go with someone else. This made me rethink the “Key Partners” block of the canvas and its importance. In present, the main partner is our beacon provider (April Beacon) and we are in search of a marketing company to handle our PR.

Key Partners	Key Activities	Value Proposition	Customer Relationships	Customer Segments
-Sales	<ul style="list-style-type: none"> -Drive traffic to the store -Track customers, their habits -Communicate in a smarter way with the customer -Create custom content directly from the web 	<ul style="list-style-type: none"> -One to many -One to one 		<ul style="list-style-type: none"> -Retailers -Small and medium stores -Shopping malls -Brands that are open to new technologies -Brands that want to invest in their customer relationship -Brands that want to pose tech savvy -Libraries -Hotels -Office buildings
	Key Resources		Channels	
	<ul style="list-style-type: none"> -CMS -Mobile app -Beacons -Tech team -Sales team 		<ul style="list-style-type: none"> -Website -Sale Force 	<p>Revenue Streams</p> <ul style="list-style-type: none"> -Subscription based model (pay per month) -3beacons / access to CMS and Mobile app 149EUR/Month

Figure 6. – The Initial Business Model Canvas

Key Activities. In that starting phase, the only key activity was talking to experienced entrepreneurs and potential customers. As we dug deeper in to the mind set of the client we realized that we did not solve a specific problem. After we figured out our customer segment, it was time to develop the value proposition. Because we had a technology in place, we were looking at what problems we can solve for our group of customers. After we discussed with several entrepreneurs and potential clients we understood actually what is one of the most important *key activities*. We focused our efforts on research and development. Research – after starting our pilot campaigns with potential customers, we pinpoint the main problems they have, gather the feedback and – develop based on new findings. Sales transformed into “convincing potential customer to participate for free in a pilot campaign”, which lead to research and development (R&D). In order to test, the behavior of our mobile app users within the retail stores, we had to promote the mobile application to them and get as many shops as possible into our system. From that point on, my main activities were: contacting potential clients, establishing meeting, meeting potential clients and closing them. (Activities: 100-184)

Key Resources. Like most start-ups, resources are scarce. In our case, the same principal applied. We had limited resources. Most important resource we possessed was the team. With time, the team handling the development, managed to create our content management system (CMS) and mobile application. Currently these are among the most important resources. Because, we all work on creating this business on the side, time becomes the most important resource by far.

Cost Structure. The cost structure has not seen to many changes since the beginning of the process. In order to operate, we have to support the cost of the webservers, beacons and few marketing activities. Mostly because we do not have a salary and we do not pay rent on the work place, our operating costs are low. Until we dramatically expand and hire new people, our cost is going to remain the same. This is one of the biggest advantage, young entrepreneurs have. We are flexible, can work from any place and we do not have many expenses.

Customer Segments. Defining the right group of customers to go after was a challenging task for us, because we created a technology and we had to find the right market to pursue. In the beginning, we thought of placing this technology in universities, hotels, retail shops, libraries, museums and office buildings. After realizing that our resources are limited, we decided to narrow down our efforts towards one more specific customer segments. In the meanwhile, while we were

thinking about how to get in contact with potential customers, we came across a library that wanted to implement the technology (Activities: 20, 26). Since we were still in the phase of identifying potential markets, we decided to move forward and implement our service in the library, but this was not our main target group. Some of the most important aspects of choosing a customer segment were related to the market size and possibility to scale. In our case, retail shops were the perfect fit. Not only the market was huge, but it was easy to convince them to participate in our pilot campaign. Now that we had nailed down a broad customer segment, it was time to define it in detail. When I started contacting retail shops, I did not give too much consideration to its type. Like most businesses, retail shops target different types of customers. Since the technology was new, we defined the potential customers as: having a small or medium size; are open to new technologies; want to pose as tech-savvy brands; and they appeal to high end customers. (Activities: 163). After discussing with luxury retail shop, we found out they were not interested in this type of technology. Mostly because their clients don't care about offers/ information etc. It was time to go back to the drawing board. After careful consideration I managed to find out that retailers that appeal to the mid-end customers are mostly interested about this particular service. Finally, we defined the target market. Figuring out our target market, was one of the most useful activities that we have done, mostly because it helped us make decisions easier on what features to build and what type of message we want to deliver to our potential customers. Also, it had a huge impact in our value proposition, because we could narrow our efforts to finding the problems that this particular type of shops have and coming up with a better solution to solve it. I can say that from my experience, figuring out the right target market and defining it in detail as much as possible, can save the new venture a lot of time and money.

Value proposition. The value proposition is always in strict relation to the customer segment. Different customers have different problems that need to be solved. Our initial plan was to build the service/ product and integrate as many features as possible into it, hoping that it could be used in different scenarios. After careful consideration, we realized that this was a bad idea. Mostly because, some problems that a specific customer segment has are not the same as the other. Countless hours were spent in developing the right value proposition for the chosen customer segment (retail store). Now, we offer them a customer engagement/ customer behavioral tracking technology that is cheap and easy to use. This is valuable for them because there is no easy way to engage customers at the physical location of the store and very expensive to track customer behavior. With our solution, retail

shops can increase their sales (impulse buying from users in close proximity of the store), provide information to people when they need it the most, receive information on their customers' shopping behavior (customer tracking) and improve the customer's in-shop experience. As I mention earlier at the beginning, we only had some idea of what our potential customers might be interested in. Finding the right value proposition was very challenging. What worked for us, was developing a minimum viable product and constantly improving our product based on customer feedback.

Customer Relationship. The customer relationship block refers the way we interact and maintain our relationship with our customers. This is a very important element, because right now, we are in the testing phase, doing pilot campaigns with potential customers and gathering feedback. In order to receive feedback from them we have to keep a close personal relationship with them and interact as much as possible, while being there day and night to help them with the setting up/ errors of our system. For the time being, we maintain a one to one relationship with every customer to find out more about their problems and build solutions into our product. It is very important for us to really understand their needs and as we move forward.

Channels of distribution. This segment of the business model canvas has given us a lot of struggles, mostly because we did not know, from the beginning, what our value proposition is and to whom we want to deliver it. In the context of selling the idea to businesses, my biggest struggle was getting in contact with the key individuals that have the authority to implement this technology in stores. I tried multiple ways to find clients. We began with Google Adwords, which did not show potential for the time being, moved toward contacting people within our network. Afterward, I started sending emails (Activities: 32) to various individuals within the organizations (retails shops) and ended up with simply cold calling, which showed very promising results. A lot of focus was given to the ways in which we can sell to customers but little effort was associated with the message delivered. In our case, the message we wanted to deliver was very complicated and it included a lot of features and benefits. Turns out that there was not the hook needed to grab customers. Only after we managed to revise our value proposition, I could construct a message that immediately clicked with the customers (Activities: 27). Finding their pain and pushing on a solution for it, proved to be very successful when talking to potential customers (Activities: 70, 71, 73). Right now our message only includes the solution to their pain.

Revenue stream. One of the first things we gave consideration was the way we can make money. In the beginning I had the impression that this would be an easy task. Two years have passed and still our revenue is equal to zero. The reason behind this is that we are in the testing phase now and we offer the product for free in exchange for its usage and the feedback, in order to improve the technology. Even so, we had to figure out a way to generate income. The initial idea was a simple subscription model, in which customers have to pay a monthly fee equal to “EUR 149”. After realizing that this technology is hard to sell even for free, we looked at other ways to make money. One idea was to offer the product for free during the first 3 months to shops and afterwards we impose a monthly fee. Another idea, was to tax the customers on the number of notifications sent to users, following Google Adwords’ model. After we realized that implementing this was very difficult, we went back to the monthly subscription fee. Only recently, I have decided to follow a different approach and try to work around the freemium/ premium model. In our case, this means offering stores one beacon, instead of three, and giving them access to send out a finite number of notifications to mobile app users without the analytics and extra features. More consideration has to be given to this, but the idea came when we were thinking how to provide value to our mobile app users. By following this freemium/ premium model we solve this dilemma, because we manage to get shops onboard with little cost (the cost of a beacon) and provide some kind of value to the mobile app users.

BeClue has a two sided business model. One that deals with the retailers, and the other that deals with the mobile app users. In order to fully analyze its business model, consideration must be given to the second side of the market also. In this part I am going to tackle, the customer segment block and the value proposition block.

Customer segment. Because we operate on a two sided market, we also have to find the right profile of the mobile app users that are going to download the application. The lack of resources has lead to the shattered picture of this customer segment. Finding the right customer segment in this area will be a very difficult task. Right now a rough draft of the perfect customer is:

- Age 16-35;
- Gender: M/F
- Posses an iOS device
- Is interested in shopping
- Always on the run and has little time for shopping.

- Is interested in offers/ promotions/ information about possible purchases.

Value proposition. At the beginning I did not took into consideration the mobile app users. I had the idea that they will just come. One of the biggest problems you come across when dealing with a two sided market is the simultaneously growth of both side. Often young entrepreneurs face “the chicken or the egg” dilemma – which comes first? We also constantly faced this dilemma. Because of the nature of the business, you can not provide from the beginning value for both of the customer segment. The value you provide one with, is directly proportional to the value you provide the other. Thus, the more mobile app users we have in our system, the more value we provide for our retail shops, while the more shops we have in our system, the more value we provide to the mobile app users. I knew form the beginning that this is going to very difficult challenge, but even so, I did not give it my full attention. Not only that we had to figure out what value we must provide to the mobile app users but, we also have to consider which side of the market to go after first. Our way of operating now is to grow both of the sides simultaneously, go after shops and mobile app users in the same time.

Presented below is the fully revised business model:

Key Partners	Key Activities	Value Proposition		Customer Relationships	Customer Segments
		Retail Shops	Mobile app Users		
-Beacon Providers -Advertising Companies -BIG retail Brands (BESTSELLER, IC Group, etc.)	-Feedback Gathering -R&D -Sales -Marketing	<ul style="list-style-type: none"> - Increase Sales -Provide information to people when they need it the most -Rich analytics on your customers (behavior) -Improve customer in-shop experience -Easy to use software -Cheap and accessible 	<ul style="list-style-type: none"> - Information when you need it the most -Multitude of brands -Best offers/ promotion 2 meters away from you -Not time consuming -Easy solution to get discounts when walking the city -Easy to use 	<ul style="list-style-type: none"> -Acquisition -Retention -Key Account management -One to many -One to one 	<p>Mobile app Users</p> <ul style="list-style-type: none"> - Age 16-35 -M/F -iOS device users -Interested in shopping -Always on the run -Busy life -Interested in offers/ promotions/ information about products
				<p>Channels</p> <ul style="list-style-type: none"> -Website -Sale Force -App-store 	
					<p>Revenue Streams</p> <ul style="list-style-type: none"> -Freemium/ Premium (1 beacon for free/ limited notifications) -Subscription based model for Premium -3beacons /access to all features 1000EUR/Month
				<p>Cost Structure</p> <ul style="list-style-type: none"> -Development -Beacons 	

Figure 7. – The Final Business Model Canvas

Part 3 – The New Business Road Test

Table 3. – Categorized Activities based on the Seven Domain Model

<i>Market Attractiveness:</i> 12, 13, 17, 20, 24, 26, 36, 57, 58, 97.
Total Activities: 10
<i>Industry Attractiveness:</i> 17, 24, 59, 62.
Total Activities: 4
<i>Target Segment Benefits and Attractiveness:</i> 1, 2, 3, 5, 7, 8, 11, 13, 14, 17, 18, 20, 23, 25, 26, 36, 37, 56, 57, 58, 97, 163.
Total Activities: 23
<i>Competitive and Economic Sustainability:</i> 1, 20, 24, 102, 103, 108, 114, 124.
Total Activities: 8
<i>Mission, Aspiration, Risk:</i> 17, 24, 35, 45, 67, 68, 101.
Total Activities: 7
<i>Execution on Critical Success Factors:</i> 14, 15, 19, 25, 28, 30, 32, 33, 34, 36, 37, 38, 40, 42, 43, 44, 46, 49, 50, 52, 53, 55, 63, 64, 65, 66, 70, 71, 72, 73, 74, 75, 75, 79, 80, 81, 82, 84, 85, 86, 87, 88, 92, 93, 96, 98, 99, 100, 101, 110, 116, 118, 120, 121, 122, 123, 125, 126, 127, 128, 132, 134, 136, 137, 138, 139, 140, 141, 142, 143, 144, 147, 148, 149, 151, 152, 153, 154, 155, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184.
Total Activities: 102
<i>Connectedness up, down and across the value chain:</i> 1, 2, 3, 21, 35, 40, 41, 42, 53, 55, 56, 57, 62, 64.
Total Activities: 14

In the last part of my analysis I am going to subject the new venture to the road test proposed by Mullis (Mullins, The New Business Road Test, 2013). I have assigned each activity, from my journal log, to the belonging block of the SDM in order to see where my effort was placed and in which chronological matter.

In the beginning phase, from the evidence on Table 3, it is noticeable that most of my efforts were spent on identifying the target market and the value proposition for it (*Target Segment Benefits and Attractiveness*). After we managed to identify them, I moved most of my activities (102) toward the execution of CFS (Critical Success Factors).

Target segment benefits and attractiveness – the micro – market test:

1. What is the customer pain we will resolve and how strong is the incentive for customers to buy?

In order to answer this question, we must take a look at the business model canvas (value proposition block). The main problem of our customers, is that the online retail world is getting more and more popular among consumers. In the online store, engaging and tracking customers is really easy and businesses can easily find a 3rd party to provide this service. In the real world, there is no easy and cheap way of engaging and tracking customer behavior at the physical location of the store. Because of this, retailers face a very difficult and costly challenge to engage users and provide them with information when they need it. Also, being able to see their behavior, products, in stores, can be rearranged, new offers can emerge and old stock can easily be sold at a discount. Right now, the market tells us there is an incentive to buy our product, but we did not make any sales yet. Until we actually move towards sales we can't determine if the incentive is there, only based on the feedback from the clients (Activities: 85, 120, 174, 176, 179).

2. Who are the customers with the pain?

The new venture operates on a two sided market. This means that we are pursuing two markets and the product can not exist if it doesn't target both markets. One side of the market is the retail shops who implement our technology and the other is the mobile app users (end-users). Our solution is defined as a better way to deliver the retail shops' value proposition to their customers. More intelligent, more accurate and more interacting. Thus, the more value we provide for one side of the

market the more valuable it becomes for the other side of the market. In our case, the more retail shops we have on our platform, the more valuable our mobile app is for end users. The more end users we have on our mobile app the more valuable our service/ product becomes to the retail shops.

3. What differentiated benefits do we provide that others don't?

Currently, the competition is scarce and we have the first mover advantage. Our way of differentiating our self from others is to provide a better and cheaper solution to our customers. Right now, most of the new ventures dealing with this technology only offer the hardware part (beacons) and not a “plug-and-paly” solution like us.

4. Is there any evidence that the customer will buy?

During our pilot campaigns we are actively engaging with our potential clients. Right now, it is really fuzzy, we do not really know how much are they willing to pay or if they will even pay at all. But, form my discussions with the participants in our pilot campaigns, I can see that there is definitively evidence willingness to buy. Our main struggle is not to sell right now, but it is to develop a service/ product that will solve their problems. Once we do this and price it according to the market, we can make this statement.

5. Does the targeted market have the potential to grow?

In order to answer this question, we have to look at the two sides of the market. The number of retail stores in every country is rather large. There has been a great debate on customers' shopping habits. Even with the rise of e-commerce, and the overly exaggerated hype about online shopping, it is important to acknowledge that “shoppers actually find physical stores appealing. Stores provide consumers with a sensory experience that allows them to touch and feel products, immerse in brand experiences, and engage with sales associates who provide tips and reaffirm shopper enthusiasm for their new purchase” (ATKearney, 2014). According to them, 95% of all retail sales are captured by retailers with brick-and-mortar presence, while two-thirds of consumers who purchase online use the store before or after the transaction.

6. What are the other markets that can benefit from what we offer?

The interesting thing about this technology is the it can be placed not only in multiple markets but also in multiple industries. For example, as we are currently doing a pilot campaign with a library, this technology is easily transferable within different markets. Anything that has a physical location

can use our service if we adapt it: libraries, museums, office buildings, shopping malls, universities etc.

7. Is it possible to develop capabilities that are transferable from one segment to the other?

Yes, it is easy to transfer capabilities from one segment to another, the only impediment is the lack of resources.

Market attractiveness – the macro –market test

1. How large is the market we want to serve? How do we measure it?

The size of the market is rather large. Retail shops are everywhere. This information is widely available online. In UK alone, there are over half a million businesses operating in the retail sector, which equals to 10.3% of all UK businesses (Rhodes, 2015).

2. What is the growth potential of the market?

When talking about the growth potential of the market is important to notice that this is a pretty rigid sector. When looking at the number of people that still shop in the retail, we can see that there is evidence that they still prefer to do their shopping in physical locations, even though, the online space is more convenient. It is not a matter of growth, but a matter of adaptation. People are and always will be interested in the best deals available. We are just facilitating the communication between the retail shops and their potential customers.

3. What economic, demographic, sociocultural, technological, regulatory or natural trends can we identify that will affect the market, and what effect will these trends have on our business?

One of the most important things to notice is how the role of the physical store is changing. According to (ATKearney, 2014), physical stores are sifting their position and become showrooms that help drive online sales. Still the future of the retail is solidly anchored in the physical channel, but the shift has emerged and it is not a matter of physical or digital anymore. It has become physical plus digital space. As a retailer, having multiple channels to sell your products is just “good for business” (ATKearney, 2014).

Industry attractiveness – the macro - industry test:

1. Threat of entry. Are the barriers of entry low or high?

The downside of the new organization is that the barriers of entry are low. It is easy to enter the game of close proximity location tracking. One of our biggest advantage right now is that we are among the first movers and if we manage to lock our clients offering them a great service at a low price, we establish our dominance.

2. Supplier power. Do suppliers have the power to set terms and conditions?

Our only suppliers are the beacon providers and online hosting service providers. Both of them have a low power to set terms and conditions, mostly because the competition in that area is huge. If we are not satisfied with their service, we move the the better or cheaper one.

3. Buyer power. What power do the buyers have? Can they set terms and conditions?

Our customers are retail shops. Important to notice here is that if we manage to retain a big client, like “BESTSELLER” that has a rather large number of physical stores, then they have the power to set terms and condition. Looking form the “one brand – one shop” perspective, given their large number, we can say that their bargaining power is rather low.

4. Threat of substitutes. Is it easy or difficult for substitute products to steal our market?

There are a lot of similar technologies out there that retailers can use to engage customers and track their behavior. Substitution is possible. The only disadvantage is that they are really expensive and do not provide the same benefit. For now, substitutes are not a problem, what can happen in five years from now, is really uncertain.

5. Competitive rivalry. What is the level of competitive rivalry?

Because the technology is rather new, competition is scarce. The hype around the beacon technology has been here for some years now, but until the present day, nobody has really managed to really crack the code. There are multiple was this technology can be used and the only way to find out if it works is trial and error. I do expect in the following years that a lot of new competitors will bloom out of nowhere, but with them, comes the paved pathway towards easy integration.

Competitive and economic sustainability – the micro – industry test:

1. Are there any proprietary elements (patents, trade secrets etc.) that we posses, that other firms cannot easily duplicate or imitate?

Unfortunately, there are no proprietary elements that we have, that are not easily duplicated. The problem here is that we can not patent this technology, nor our code. Mostly because of the limited resources and the inefficiency of the possible patent.

2. Can we develop superior organizational processes, capabilities or resources that others will find it difficult to duplicate or imitate?

Yes, we can develop superior organizational process, capabilities and resources that others can not easily duplicated. As the company grows, the processes become more and more complex. At the time being, there is no example of such processes, mostly because we are at the beginning and we are still trying to figure out if this technology can prove useful for our clients. Once we do that, our main focus will be on improving the product based on customer feedback and keeping the cost as low as possible. Developing these processes will give us an upper advantage against our future competitors.

3. Is our business model economically sustainable?

- a. Will our revenue be enough to sustain the capital investment we need?

At the moment we are bootstrapping and we believe we don't need capital investment for the initial phase. Our plan is to get the first 50+ clients using our own resources and afterwards seek an investment of DKK 500000, that will help us reach 200 clients. With 200 active paying clients, we will have a monthly revenue of DKK 750x 200 = 150000 and be able to break even after three months.

- b. How long does it take to attract customers?

In the initial phase, the customers are not aware of our existence, thus sales is one of the most important activities needed in order to get clients onboard. After we manage to reach a critical mass of shops, then we can provide mobile app users with a better value proposition. Reaching a large number of mobile app users will increase the value we provide to the retailers and the time necessary to attract customers will go down. Like any start up, in the initial phase the customers do not come to you. The struggle is that you have to go after them and create the so called awareness among the customer segment.

- c. Can we cover our fix cost?

Our fix costs are low at the moment. The only expenses we have revolve around the hardware we use (beacons) and the cost involved with the operation of our Content Management System (web servers). We manage to keep our fix cost low, mostly because we do not get salaries and we bootstrap as much as possible. For time being we can easily cover our fix cost.

d. How quickly will the customers pay?

We do not have any evidence of this right now. My assumption is that we make it in an automatic way and we charge them every month in order to get access to the premium version of the service/product.

Mission, aspirations, propensity of risk – test:

1. What is our entrepreneurial mission?

The mission is very simple. We want to improve in – shop customer experience for all our mobile app users and help retailers know their customers so they can deliver a better service to them.

a. What market to serve?

It is not a matter of just a single market, it is a matter of a whole industry. We want to improve the retail industry.

b. What do we want to change in an industry?

The retail industry is very complex. We want to improve their ability to know their customers and offer them the best in – shop experience. One of the most important thing that we want to do is remove the hype from e-commerce and give it back to the brick and mortar shops. Essentially shopping is a painful experience for some people and we want to make it better.

c. Is there passion in what we do?

Given the fact that we spend countless night on building this service/ product, I can tell for a fact that there is a lot of passion involved. It is more about building something that we can be proud of and during this process being able to contribute to other people's happiness.

2. What is the level of aspiration for the entrepreneurial team?

a. To build something big or small?

Our aspiration is to build one of the biggest start ups from the Nordics. We aspire at being the pioneers in this field, like most entrepreneurs who are fueled with a need of recognition and self fulfilment.

b. To create? To do? To manage? To lead?

Our main goal is to create and lead the industry that we take part in. Working with our customers we want to create something that they find valuable and that solves their problems. Also, there is the factor of recognition among our peers, and I believe everyone that engages in an entrepreneurial journey wants to prove that it can be done by anyone.

c. To change the world in some way?

I would not go so far to say that we want to change the world in some way. We are not engaging in social entrepreneurship or trying to solve societal problems. I do believe there is far greater satisfaction in pursuing those journeys, but for the time being we focus our efforts on smaller problems.

3. What risk am I willing to take?

a. Am I willing to risk a secure salary? For how long?

I do not know if I am willing to risk a secure salary, me nor the team. This is why we are working part time on creating this business. If at some point we manage to secure an investment to cover our daily expenses, I am willing to risk security for something greater. Until we run out of cash.

b. Will I risk my own money? And how much?

For something I believe in yes, I would be willing to risk my own. I can give assumptions, but a concrete answer can not be given here. To answer this question a thorough analysis has to be made in order to assess the level of risk. If the success of the business is seen as a long shot and there is no evidence of willingness to buy the product, I think most people will not gamble their own money. If there is evidence, I would risk all my available resources. We are not that far in our journey to tell if the evidence exists or not.

Ability to execute on CSFs – “can we execute” test:

1. What are some of the critical success factors in our industry? Have we identified them correctly?

In this field, like most technology startups, the ultimate CFS is the time factor. In the future this technology will boom and there will be an increase in the competition. Our success depends on the ability to push the technology as fast as we can to the market. Also, one other important factor is the quality of our service/ product. If we only take into consideration the time factor and deliver a faulty service, both our main customers (retail shops) and end users (mobile app users) will not be satisfied. Being able to deliver value on both ends of the spectrum will guarantee our spot among competitors. Third, offering a great service at a very competitive price is another CFS. If we manage to keep our cost low and deliver great quality at an affordable price, I believe, will skyrocket our success.

2. Can we execute on those CSFs?

We have the means to execute on those CSFs. The team is build on a bootstrapping backbone, with a proven record of execution. Closely working with our customers and figuring out how can we solve the problems they have in a cost efficient way will give us the ability to execute on the demand.

3. What are the CSFs identified that my team and me are not well prepared to meet?

We are struggling with the time factor, because non of us really want to go full time until we manage to see some concrete evidence of wiliness to buy. Once we have that confirmation, with no doubt we will “risk all” to see the start up grow.

Connectives up and down value chain test:

1. Who do we know up the value chain in the companies that are suppliers to our proposed business and to our competitors?

Too much consideration was not given to this area. When we first tried to get a hold of potential customer our initial process was going through our network. That indeed helped us a lot in the formation process. People were very open to help struggling startups with advice, but no more than that. Being a nascent technology, there are a few suppliers we can talk to, but the down side is they want do move also towards to service sector and provide their customers with a “plug and play” solution. Unfortunately, we do not know any representative of the supplier we use.

2. Who do we know down the value chain among distributors and customers that we will target?

We keep a close relationship with our customers and encourage them to give us as much feedback as possible. In our pilot campaigns this is one of the requirements stated in the contract “to actively use our service and provide us with feedback”. Keeping a close relationship with them give us access to new information and most important for us, at this stage, new potential customers.

3. Who do we know across the value chain among our competitors and substitutes?

Recently I have participated to a gathering with a strong focus on beacon technology. Was interesting to see that there were not so many participants, but those who were present shared their experience with the product and potential ways to use it. We do not know individuals among competition or substitutes, but being in an entrepreneurial environment has many advantages, most important access to a vast network of people. Asking within this network could be a great starting point.

Discussion

In order to determine the applicability of the social construction and practice theory I have subjected my own venture to the test and applied the principles within the theoretical literature. By doing so, I have used autoethnography as method of research and related the literature to my own experience as a nascent entrepreneur in order to critically evaluate its applicability into a “real life” scenario.

Social Construction Theory

In the chaotic environment of entrepreneurship, nascent entrepreneurs like myself, face many challenges that are filled with uncertainty. Especially in the starting phase, doubtfulness is at every corner of the journey. The biggest challenges entrepreneurs encounter are: making sense of what is happening, understanding the whole picture and figuring out the result of equivocal activities. While most individuals have a general sense of what is needed in the starting phase of an emerging organization, as they move forward, things become more uncertain and complicated. In this phase reality is continuously constructed with the actions undertaken by those entrepreneurs. Social construction principles suggest that reality is jointly built by individuals and their understanding of the world. When it comes down to entrepreneurship, this line of thought addresses the process of venture creation and how things “come to be” in an equivocal environment. When my supervisor suggested this line of theory and I started digging in the literature, I became skeptical and my initial thought was that the proposed ideas do not relate to my current situation. Only after I applied the practices to my venture, I began to fill in some gaps and started to understand what exactly social construction theory suggests in relation to entrepreneurship. When I started off my analysis in relation to social construction, I had a strong impression that “well this is nice to know, but not a must”. It was challenging to understand the applicability of social construction principles in “real life” practice, mostly because these principals propose a more philosophical approach towards the process of venture creation.

The principles proposed by (Katz & Gartner, 1988), gave me a better understanding of how organizations emerge in an ambiguous environment. Keeping track of my daily activities (journal log) has helped me in the process of analyzing my own experience. In the starting phase there were many activities and ideas floating around with no structure at all. We had something developed (minimum viable product) and we were trying to find a customer segment that had problem, which could be fixed with our solution. This was by far the most difficult task I have ever came across. In this process of identifying these elements, many individuals and actors were involved, thus reality was jointly constructed, based my interaction with them and my team members. In my analysis I have structured the activities surrounding the process of venture creation based on the four principles of emerging organizations: intentionality, resources, boundaries and exchange. Doing so, has helped me in the process of making sense of what has happened in the past and gave me a better understanding of the overall picture. Identifying *what* activities, I undertook and *why* I undertook them, did not have any impact over the current situation of venture, but it has given me a framework that I can follow in my future entrepreneurial endeavors. Undertaking different activities, seeing what works and what does not, for me, was all part of the venturing process. There is no clear definition of what needs to be done. Every single move that I made was part of the learning process. Especially for nascent entrepreneurs like myself, seeking answers, talking to more experience entrepreneurs, having a mentor, simply trying things out and engaging in multiple activities are all part of the entrepreneurial journey. What I can agree on, is “acting as if” the emerging organization is an already established organization does make it real in the eyes of other but, from my experience, potential clients were more open to the idea of a start up. Also having a structure is of great aid during the process, because you know what to tackle next and do not spend huge amounts of time trying to figure out the following move. Aside from that, I stand by my initial assumption. Having a general knowledge about social construction theory does help, but I still have to place it the “it is nice to know, but not a must” category.

The Business Model Canvas

The business canvas is one of the most powerful tools an entrepreneur has. Engaging in the creation of the canvas, for me, ended up in a very positive outcome. During the initial phase, when we were trying to figure out what our target market was and what exactly our value proposition for that group of customer was, the business model canvas proved to be most helpful. Our canvas has changed dramatically over the last seven months, in light of new information acquired and has helped us understand how should the new venture operate. A minimum knowledge of the theory surrounding the business model canvas is required in order to understand where to place all the pieces of the puzzle, so I do advise nascent entrepreneurs to get familiar with the literature. In our case, we were dealing with a two sided market problem and we had to define both segments of the market and identify the value proposition for each one. Things become more difficult when we actually did find the answers, and it was time to grow the value proposed for both sides. Being able to see the whole picture, reading about different strategies, that others used in their canvases, let us to the final result – offering the product as a freemium/ premium service. Going through the literature proposed by (Osterwalder & Pigneur, 2010), gave me more information on how others solved this problem and looking at different types of business models helped me come up with a solution for our new venture. Right now, our business model canvas is a combination between the “multi-sided platforms” and “freemium/ premium” model. Combining elements from both of the models has given us a robust business model that we can use for the present.

The generation of the business model canvas is not a one-time activity. We have worked continuously on improving it and adapting it in light of new information that we have received, either from potential customers or from more experienced entrepreneurs. Analyzing each block of the canvas has provided us with a framework that we can use, whenever in doubt, and most importantly it has kept us from running after different customer segments. Because of the boot-shaping nature of the new organization, we had to manage our resources carefully and niche our efforts in one direction (retail stores). I believe that the business model canvas is one of the most important pieces of literature out there, mostly because of its practical manner. It is a tool that can be used immediately in your current situation and it is something that entrepreneurs can use easily to get a better overview of the whole picture. I am a true fan of the lean-startup movement and I do believe an entrepreneur has to move fast, develop and improve as she/ he goes, but the problem with that in our case was that we hit

many walls. As an entrepreneur you are heavily involved in the process of starting up a new venture, both physically and emotionally, and some times it becomes really hard to take a step back, relax, look at the overall picture and come up with better way to climb the walls encountered. I do believe, based on my personal experience, that the business model canvas is one of the tools that helps you do exactly that.

The Seven Domain Model

In order to analyze if practice theory has helped me in the process of “getting into business”, I have taken up the challenge of subjecting my startup to the road test proposed by (Mullins, 2013). In his work, Mullins underlines the three important elements that must be analyzed when venturing into a new business: markets, industries and people. When looking at new opportunities, all three elements play an important role. In my analysis, I go through the seven domain model and answer the proposed questions for each block of the model in strict relation to my personal experience with the new established venture, covering all three elements (market, industry, people). In my process I make use of my journal log to recall upon my past activities and give answers to the proposed questions.

What I liked most about the way Mullins explains how each block works, is the fact that he gives several examples of real companies, both positive and negative, about how they failed or succeeded. It was interesting for me to realize that other individuals and companies went through the same struggles. Mullin’s work is more a pre –venturing tool that gives entrepreneurs the opportunity to test their venturing idea. In my case, I found it to be a great exercise which ended up in filling some missing gaps, that I never came around to revise. Looking at the venture from three different perspectives has given me a better understanding of the market we want to operate in, the industry that is composed out of several markets and what processes we can replicate when going after similar markets. Also the “people’s” perspective has made me and my team realize what types of risks we can afford and what is our mission and aspiration in relation to our future within the start – up. In my opinion, going through the test is a great exercise for nascent entrepreneurs, that have a vague idea about the market and industry in which they operate. I say this, because I was exactly in that stage. Based on my personal experience, I can say that SDM has helped me in understanding what mistakes not to make and where to look if I make these mistakes. For me, the “road test” was more, exactly

like the title of the book says, a “test” to see if my venture can pass it, unlike the business model canvas, which is a more practical exercise. I would encourage nascent entrepreneurs to go through the test and fill in the missing gaps related to markets, industries and people within the team. It is in fact a good exercise, but I do not consider that this theory had huge impact over my process of “going into business”. I would place it in the same category as the social construction theory, “nice to know, but not a must”.

Will it “fly” or not?

At the given point, it is hard to make the assumption that the new venture will succeed or not in the future. Based on my history and the given evidence, there are signals that there is a need for the service we provide.

In relation to social construction theory, we engaged in all four key properties of emerging organizations (intentionality, resources, boundary and exchange) and at the moment our actions are niched towards the 4th property (exchange). According to the theory, this means that the organization has passed beyond the “emergence” point and it moves towards becoming a fully functioning organization. In the present there is no revenue, so the organization can not sustain itself, because we are still in the testing phase of the minimum viable product. Once we pass this phase and come up with a fully functioning service/ product, we can start charging our potential clients. I would define this as the breaking point, were we determine if this new venture will “fly” or not.

Based on BMC theory, we have managed to clearly define our business model and tackle each block of the canvas. We have managed to find out who our customers are (Customer Segments) and what value (Value Proposition) we want to deliver to them. I believe that finding out these two elements was the most challenging activity, but also the most crucial. The BMC does not have the ability to determine if the venture will succeed or not. According to the information in the canvas, individuals can make their personal assumption relating to the future of the venture. The BMC is a tool that outlines how will the business operate and how value is created, captured and delivered to the identified groups of customers.

The SDM, proposed by Mullins, has the ability to determine a bias opinion related to the success of the venture. Identifying the elements surrounding the blocks of the SDM, has given us a

better understanding of the environment we are in and has provided us with bias answer about the future of the startup. Based on the theory surrounding the SDM, there is clear positive evidence, in all seven blocks of the model, that suggest a promising future for the established venture.

If I would have been asked, seven months ago, if this new venture will “fly” or not, I would have not known the answer. Seven months later, after subjecting the venture to the theoretical literature and being heavily involved in the process of starting up, both physically and emotionally, I can say with a strong conviction that the established venture has the possibility to succeed.

Conclusion

During the last tow years, I have managed to immerse myself in the filed of early venture entrepreneurship. Being a student of entrepreneurship, I always had the impression that there is a lot of theory out there and in order to venture into a new business you must be acquainted with a large proportion of it. When my professor proposed me the idea of writing an autoethnography about my process of “going into business” with my nascent start – up, I was both excited and somehow worried. I was excited because I got to write about something that I am really passionate about, but in the same time, worried about the autoethnographical process. Using this very personalized way of doing research, having a journal log, documenting almost all my daily activities within the new venture and being the subject of my research, gave me not only a better knowledge of all the elements revolving around the new established venture but also it helped me making sense of what is actually happening. My objective on this paper was to see, according to my own experience, if social construction theory and practice theory has any value in the real life practice of starting a new venture. What I did not expect, when I started gathering data, was the usefulness of the journal log. Keeping track of all the activities that I have undertaken, related to the start-up, over the past seven months, has given me the ability to see which actions had a positive outcome, which did not and most important, it helped me take a step back, see the whole process form the outside, which had a major impact over my decisional process.

Social construction theory helped me make sense of what is happening and understand how organizations come to be, but this did not have an impact over my current situation, because I was already involved in the process of starting up a business. What it did in fact, was provide me with a general understanding of how things emerge, and how reality is jointly constructed by individuals with their perception of the world. Also it provided me with a general framework and “know-how”, that I can use in my next entrepreneurial journey. Aside form this, I can not really identify the direct benefit it had over my process of “getting into business”. I would encourage individuals that are interested in embarking an entrepreneurial journey to study social construction theory and its implications in the field of entrepreneurship, because it gives you the ability to make sense of your actions and how new organizations emerge in this chaotic environment. Unlike social construction theory, the BMC gives a more concrete solution towards identifying the key components of a

business. The BMC has had a great impact over my process of starting up a new venture and has directly participated to my understanding of the key elements surrounding the established venture. Also the SDM, gave me a better understanding of the environment in which we are entering and helped me in confirming that there is clear evidence of a promising future for the start up.

To conclude this paper, I recall upon a particular lecture within a course, held by my supervisor, with the topic: “are entrepreneurs born or made”. I remember there was a huge debate on this topic, if either entrepreneurship should be studied or if entrepreneurs should just “storm the castle”. The course did not end with a concrete response. Only after I went through the experience of starting a business, while in the same time exposing it to the academic theory I came up with my own answer. For me, the academic literature was very useful and helped me in identifying the key elements to focus on for my established venture. I would say, it is more a mixture of personal qualities that defines entrepreneurs and the minimum knowledge required to start and operate a new venture. In my opinion, nascent entrepreneurs should have a minimum theoretical knowledge of the literature surrounding entrepreneurship and educate themselves as they move forward.

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Attachments

JOURNAL LOG

Wednesday, 18 March, 2015

(1) Today I had a very interesting discussion with Hans Henrik Hoffmeyer former Vice President of IT at Pandora about the technology we're working with.

I presented the business and told him we are in a bit of a struggle when finding the right market. We focus on retailers and small businesses that want to drive customer engagement and create loyalty programs. I told him about our strategy and the fact that is very difficult to sell the actual technology to business owners but we had a very positive reaction from people that want to resell the technology all over the world. So the discussion begin and he pointed out some interesting facts:

1. It is very hard to be the trendsetter for a new technology and make people adopt this.
2. You are trying to create value for both businesses and end users, which is a tough game. The more users you get the more valuable it is to the businesses and vice versa, the more businesses you get the more valuable it is for end consumers of the mobile app.
3. People find the technology really interested but they don't really want to buy.

He said that they used to play with the Beacon technology back at Pandora, but never really got to implement it, because the users were not ready. One suggestion was to go after Lego Land or Burberry because they want to show the world that they are really tech savvy companies, but this is a matter more of brand image than rather improving and driving customer engagement in his opinion.

One other thing that he suggested was the fact that this technology was too new and it's going to be a really tough game to push this service to normal retailers. The market is not ready for this yes. He gave me an interesting example here. Back in 2007 he and his team have developed a mobile pay system. Interesting is that they faced the same difficulties as we do right now. The market was not ready back then for that. They got on board 30.000 users and still big players asked for more users.

They liked very much the idea but, they felt like their customers will not be ready for this. After 7 years, mobile pay is introduced in Denmark by Dankse Bank and it has spread really fast. Now there are multiple factors why had it spread so fast but the main thing to subtract from this story is the fact that timing is one of the most essential things. Your idea might be great if the timing is not right, at this point your idea isn't worth a lot.

We ended up the conversation on a happy note, and he said that if I ever need to bouch off some ideas, just ask some things or need any help to give him a call. He is great guy and told me that it motivates him a lot to help young entrepreneurs on their journey.

(2) Now I understand what he is trying to tell me, but more and more stores in the UK are adopting this technology, not to mention the US. So the fact that more players are selling this technology is a good thing. It prepares the market for us. In this case I don't see competition as a bad thing, but as a good thing because more players can spread this technology. Right? x-difficult to say right now, there is too much uncertainty.

Lesson that I've learned today: Timing is important and one key thing to take into account.

Action plan: Try to focus on tech-savvy retailers that want the new technology like Burberry or big shopping malls in Dubai that are looking to have a great brand image and want to have the latest technology out there but are not that interested in increasing customer engagement or loyalty.

Thursday, 19 March, 2015

(3) As I'm working within a small incubator as my part-time job, I've asked my Mentor to give me some coaching about what to do next in the startup process. He was responsive and told me to arrange a session where we analyze what we have done so far and propose some suggestions.

Friday, 20 March, 2015

(4) Did nothing in that direction. Things are pretty hectic. Went for a walk to clear my mind and start fresh tomorrow.

Saturday, 21 March, 2015

(5) I had a meeting with my team at CSE. They were working on building a preference feature for the mobile app. With that feature people could select their interest. For example John is interested in receiving notification only on Men's apparel. Indeed a necessary feature, because we don't want to flood the end users with notifications that they are not interested in.

(6) After that, I wanted to discuss some important issues with them. My main concern was that we focus too much on development and did not manage to get any clients. After analyzing the e-mails we got one interesting thing appeared. Everyone was interested in being a reseller or the technology but no one was interested in actually buying the technology for their business. This is a major concern. I sat down with the team and told them that we need to stop the development process and concentrate all our efforts to sales. We have already achieved a great minimum viable product (MVP) and need to narrow down our efforts towards sales.

(7) Our initial market was formed out of every small business that wanted to increase customer engagement. Small local brands, the store around the corner etc. After being in talks with several potential customers, we found out that they indeed found the technology pretty cool, but they were not ready to adopt it. After I presented the facts and told them about my discussion with Hans, (8) we decided in the meeting to focus on bigger companies that want to pose as tech savvy, cool, using the latest technologies to add value to their customers. The assumption is that only these companies are willing to try out this technology, not for the sole purpose of increasing customer engagement but to increase their brand value.

Going for the new target market is gonna require a lot of effort and it will be 10 times more difficult to find out who are the people that have the decision making power to actually implement this technology in these businesses. Different ball game. (9) Our next assignment is to compose a big list with potential customers and go after them.

(10) Also one other important thing! We've decided was to change the business model. We were somehow not ready yet for the subscription based model.

It is very difficult to play a 2 sided game. (11) We had to create value both for the end user and the businesses that we have signed up. For businesses we have to get a lot of people to use the app to actually see the notification and for end users we had to get a lot of businesses in our system, to have

where to choose from. The major problem with the model we had before was that we charged clients with a monthly fee, but we did not have any end users on the platform to actually use the app. So they could create custom campaigns in the CMS but there were not a lot of people to actually see them. Now, on the other side, why should a end user get the mobile app if they only get notification form one store? There is no value for them also. The more businesses we get on the more value it creates for the end user.

(12) So we decided to go with a impression based model. For every notification that is sent to the user we get a small amount of money. So if businesses decide to adopt our system they will get charged as long as there are people using the mobile app. We get to sign more businesses, thus providing more value for the end user, and incentivise them to get the app. This we think is a better approach at creating value for both sides of the market. We are going to lose more money, because we have to provide the beacons for free and build the infrastructure on our cost but in the long rung as we get more end users, it will pay off.

Lesson learned: test, gather data, test, gather data, look at the data, change according to the data.

Action plan: Develop a new list of potential customers keeping into account the new target market and the new business model. Push for those shops to adopt the technology, present is as a cool, hip, modern new thing that will increase also their brand value.

Wednesday, 25 March, 2015

(13) I finally managed to build a rough list of business to persue. It is difficult to build this list, mostly because all the information that I find is in Danish, but I have to appreciate google translate. This made the job way easier. There is a shortage of information on retails stores in English. But I got resourceful and managed to come up up some techniques on how to find those physical stores, using google maps and general knowledge about Copenhagen. I didn't pay too much attention on who to contact in order to get that store onboard but, I had to start somewhere.

I think I need to (14) put more effort on optimizing the list. One important thing is to figure out a way who to contact, who is the decision maker or who has the power to implement this technology in these stores. One of the guys involved in the company (D) has a Premium LinkedIn account. I just need to find the right people and D. can send them an email via LinkedIn. Or I just can call the offices and ask. Don't know which solution is better. (15) Form my experience cold calling doesn't really do the trick and most people are so busy that they just ignore it or just hang up. But these are just assumptions. Only thing to do now is try both ways. I really have that I don't have a straight answer, but well, this is one of the many challenges that an entrepreneur faces.

(16) I have decided to make this list on the Google Drive shared folder so everybody has access to it and people can also contribute with information, if they have any or in any other way.

Monday 30 March, 2015

(17) I've meet today with S. to discuss the list I've created and to check some of the companies out. Things look good. We have decided after which companies to go first and highlighted them and also decided to shoot D. and e-mail to find the key people on LinkedIn and send them a message. Also, I feel that this is still not a good approach and I need to contact them personally by phone to see if I can get anywhere like that.

(18) What I found out is that some store are owned by bigger groups and I don't really know if I should go for a bottom up scheme, contact the particular store and move my way up the ladder until I find the right person or pursue a top -down approach and find which group owns what. For example Burberry, Gucci, Mulberry stores are owned by Group 88. Should I go for the CEO of Group 88 or go for the particular store and follow a bottom up scheme.

(19) I think I should try to both ways and see which one is better. Having little sales experience forces me to do my research on sales, how people sale and how to create a sales strategy. This is the fucked up thing with entrepreneurs, you have to learn a lot of new things, all the time, in order to survive.

Tuesday 6th April 2015

(20) I have read most of the book “Business Model Canvas” and I’ve played a bit with it. It really helped me understand some things. I managed to generate the business model canvas for BeaconOS, but still there is more to look at and dig in. So far the things that we had in our head were put on paper and it help me understand that, that this doesn’t really help solve our problems but it give a general idea of what are we doing. The business model canvas still needs improvement. I think we all need to sit down and look it through and see what areas we can change. As I mentioned before, we have changed the business model, and we are pursuing a “pay as you go” strategy.

Wednesday 18th April 2015

I just arrived back from my vacation. When I was back in Bucharest on the 8th (21) I’ve met with a investor over there and we have discussed possibilities of integrating this technology over there in big shopping malls. I’ve sent his all our material, but I haven’t heard back from him. He seemed very interested in the technology at the time being, but apparently, like most they lose interest. He saw the possibilities, but no word back. Very disappointing. In the meanwhile (22) I was sending e-mails to various companies that might want our technology and I got a response from the CMO of Jack&Jhones, unfortunately a negative response but still. Followed up with a new email to convince for a test.

20 Monday April 2015

(23) We just got a meeting with a library to present the possibility of integrating the technology. (24) Also I’ve arranged a meeting with my mentor to discuss more about how should we handle the sales process. Apparently it’s a very difficult process to sales this technology. Also the team had a meeting with a supervisor at CSE to discuss about our start up, how are we doing and how far we’ve moved. Unfortunately I couldn’t make it so my team went there and discussed. (25) For the next time we have to prepare 2x scenarios of how would a pilot campaign go and prepare a PPT for the CMO of a company, why should they be interested in our product? Could be interesting to have this approach. Try to think why should a CMO partner with us.

23 Thursday April 2015

(26) I've talked to my mentor about BeaconOS and I've explained what problems we have. Basically the main problem is finding where to sell/test this solution, should we have a top-down or a bottom up approach. It was a long discussion and we managed to come up with something interesting. He suggested going for small shops that are controlled only by one individual and suggested going for the hot-dog stands and present it as a solution for the slow hours when they don't have too many customers, something like "Hey, if you buy a hot dog in 10 sec, we give you one for free". Anyway something like that. But what was the most important thing out of the meeting was the fact that he managed to explain me what was one of our biggest problem. We have managed to come up with a great technology and we are trying to push it on the consumers/businesses. We are looking from the engineering point of view not from the customer's. He said, "well you have a cool technology, but how does this help the customer, what is the problem that it solves, you guys have created something that doesn't solve a problem but only can improve something". He was right, we were pushing in our sales pitch only the features that we offer, the technology, but we didn't come up with a solution for a problem. We only were presenting one piece of the puzzle in our presentations. So, after carefully listening to the recording of the meeting, I've managed to see that in fact yes, we were only presenting the technology and what you can do with it, giving the customer just 50 more things to think about how to sell/promote their products in stores. So after the meeting I've decided to meet with the team and discuss this topic.

Friday 1st May, 2015.

(27) I've met with the team around 10:00 and we began to discuss the topic mentioned earlier. We've decided to go with the, "why, how, what?" approach. This was one of the most productive meetings we've ever had. We started off with a very good question: what do we have, what is the thing that we have here (our company). Well we have a technology that uses beacons to interact with mobile devices. Simple that's what we have! Nothing complex, nothing more elaborate than that. This covers the "what?" section.

Now we've looked at the "why?". What is the most important thing for businesses/our clients. What does every business want to do? Well make money of course and after, make more money. Simple, this is the root; every business wants to make more money. So we got our problem: "how to

make more money as a business". We've covered the "why?". Why are we doing this? To help businesses make more money. Simple as that.

Now the tricky part is to connect the "why?" and "what?" through "how?". So it would be like: how do we make more money for business through the technology that we have. I'm still amazed that we've never done this before. We brainstormed a lot and came up with a simple solution. How can we do that? And most important how can we increase sales for a business in a sort period of time? Simple. Most important part of our technology is the fact that it can communicate with mobile devices. Now we've came up with this. We send push notifications to users with promotions offers, discounts etc when they are most likely to use them. When they are near the store that is offering this promotions. So we looked at the purchase funnel. How does a purchase happen? Well in order for someone to buy something you need to create awareness and after that consideration. After these two steps the purchase is done. So if you look at the funnel, we operate in first two. Creating awareness and consideration for people that are in close proximity of the store, when they are most likely to use promotions or discounts etc. That simple. (28) We've manage to create a presentation for an CMO without even mentioning the technology. We only mentioned how does a customer purchase something and how can we increase the number of customers in a new innovative way offering them a solution to increase sale, thus make more money. The meeting was very complex, because the other two were developers (tech guys) and they didn't have much impact with this side, but I've very pleased with the results that we've got.

Lessons learned: Think of the customers, what are their needs, what do they really want, what is their pain, what problem they have. The "why, how, what" approach works wonders when you're trying to match what you have with the actual problem of the customer. Try to click with your customers, present is in an easy understandable way.

3rd May 4, 2015

(29) Still working on the presentation for the new concept. We had some interesting approach right now, and we've change the whole thing. Now we're focusing of how can we help businesses make more money now, in the present and not in the long term pursuing a long-term strategy. (30) I've send a couple of e-mails to people that might be interested in the technology but with no luck.

4th May, 2015

(31) Had another meeting with the team. We discussed issues in general, looked over the drafted of the presentation and discussed some technical issues within the Content Management System and also, for a strange reason the mobile app had a couple of crashes and bugs. We looked into them and the guys are supposed to fix them, noting major, but it will take time to fix and it will sidetrack us from our goal right now, that is to find contacts in the retail industry. We discussed about the approach, but it really annoys me that, I don't have any experience in sales. It's crazy hard, but most difficult is the fact that I don't know where to start. It bugs the crap out of me, because I'm thinking how to maximize the efficiency of my time, as in how to get the most out of cold calls, e-mails etc. Talked with several sales people and they said, well you just need to pick up the phone and call. WHO??? Call who??, the most irritating part is that I don't know who to call, where do call and how to make that approach. You got a lot of gatekeepers that say: "well we're not interested right now" or just turn you down politely. Form my experience so far, I think having the power to sell is the most important thing when you hop on a new journey. **Sales are crucial at an early age of a start up.** I mean we bootstrap a lot, and we want to make sure the money that we have is spent wisely. Bad part is that we already had a sales guys, with 15 years of experience in tech sales, but apparently he is not involved at all. I can give it to him, he talks a lot, he's a good sales man, but only that. I mean, talk, talk, talk, that's all he has. Noting concrete. It is so fucking frustrating to see that you are involved so much and other people just don't give a crap. Probably we're going to exclude him from the company and push forward in three people. New plan would be to go at as many as possible sales events etc to meet people and present the technology. Apparently we don't know nobody in the retail industry. Next after this is to go for another sales guys that can take us to the next level of actually testing in shops the fucking thing.

6th May, 2015

Today, I had a meet-up with beacon technology enthusiasts and other developers to discuss future possibilities, new projects etc. It turned out to be a total fucking waste of time. The discussion was so miserable. There were supposed to be 15 people attending the event. 4 turned up. Pretty bad. But if you look beyond this, I found out some useful stuff that could prove to be valuable in the future, and also found out that there are not a lot of people interested in beacons apparently here in Copenhagen. Now, I don't know if this is a good thing or bad. But anyway, time to expand my

network and push forward this project. I feel trapped in a cage. Don't know why, I'm not enjoying this more, like I know that this would be a hard thing to do, but apparently is way, way out of my expertise, experience and comfort zone.

8th May, 2015

(32) I've sent a couple of e-mails to people to see if they respond back. Still no response, but I've made contact with someone from Romania. (33) I had a skype call with them this afternoon. The discussion was really great, I've spent over 1h and 30m with them and I've explained all the things related to the technology and how should they pitch it to their clients. Fortunately, they seem very interested in the idea of collaborating with us, interested in the technology and said they want to present it to their clients. They are a marketing company for retailers in big shopping malls. It seemed like they want to make a long lasting relationship. So I've got into talks with them and decided to send them a beacon, to test the CMS and mobile app and because they are enrolled in an Expo in 2 weeks, it would be really cool if they could do a live demo in front of their clients. So we have to send it by next week and guide them through. Also I've sent them the material we have on the technology and our client pitch deck. Could be something interesting over there. I don't know, never really considered to sell it back home in Romania, but I guess there is an interest for it. (34) Future more, I've talked with some other people that I trust and told them to put me in contact with people within the retail sector, shopping malls, retail advertisers, etc. Maybe there is space for us over there. The technology is rather new, and we have difficulties selling it here in Denmark. But, maybe is not because of the technology, maybe there is a cultural difference, because I'm not Danish and it's really hard to sell something in this environment. Don't know, maybe there is a matter of trust or something like that. Our expert sales guy hasn't responded back to our messages and e-mails so I guess he is out. At least have the decency to tell us to our face. (35) Anyway, new plan would be to start looking for a Danish sales person. Maybe that would work better.

Lessons learned: Never neglect a market, it could surprise you.

11th May, 2015

(36) Today was an interesting and productive day. We had a meeting with Greve Library about implementing the solution over there. They seem pretty interested and we've talked about how we can do it and presented the hole package. Now, we didn't know how this would exactly work, but they seem interested in testing it out for a couple of months and see if there is a used hook, if customers are interested, what would their reaction be, and how to better optimize the hole thing. Best thing to come out of this is the fact that we can set a foot in the door and this could be a great gateway to the other libraries. So, it's worth to test the thing for free at the beginning. Now, on the downside, our mobile app and CRM are customized for retailers, shops and not for library so this would involve some development hours into that direction and hopefully the guys can handle this. (37) They were concerned about the hole incentive to user thing, how would users download the app if they had no incentive, but this is no problem right now we will find a great incentive. They recommended contacting the shopping center across them and try to push this technology over there. Great! So if we close with the library we may have some leverage over them and can present some kind of proof of concept. Hope this would bring us somewhere. (38) Now, other interesting things have happened today. I've got some responses back from some people that I've contacted and I'm keeping a close dialogue with them

(39) I've talked to Sean and we've managed to send a beacon back to Romania for the add-media company that wants to show it for the expo to their clients. They will get the beacon in 3 days, so this is going to give us some time to coach them into the CRM and Mobile app. Sean also created, a new demo account for them that we need to deploy. (40) Also, today I've just found out that the DI (Danish Industry) is giving new startups a 1-year membership for free. Huge potential over there, a lot of networking events and all that, so we need to look into that. Other related news, go after some small shops (a list of 40 shops) also contact Drinkster a bar drinking app and also Falcon Social. We're thinking of going also after marketing companies. That would be interesting.

So far this was an awesome start of the week and hope to keep it like this the whole week.

12th May, 15

(41) Long day at the office, had an interesting phone call with a friend of mine, who is in Africa now on exchange, and he sells courses on how to sell your product. Because we had some difficulties in this sector, he helped me with some useful things and gave me some material to look over. He also recommended some courses that I find very interesting. Like I've said many times, it's hard to get the right contacts to sell our product. But, as we move forward I realize that this is just a numbers game. The more you contact the more you get. Not all people may respond to your cold call or e-mails but, some of them do. (42) Also, had new meeting with some people and discussed some issues. (43) We're preparing the pitch for the CMO required by a supervisor at CSE. All in all looks good.

13th May, 15

(44) This was a slow day, had to do some other things on my part time job and could not concentrate on working for the startup. Didn't do much, but I'm keeping the sales game on, and contacting more and more people, possibly with some results. (45) I need to relax and take a step back, look at the pros and cons of going in this entrepreneurial journey. It's difficult, because sometimes you feel like all things are going good and we are going in a good direction, but sometimes you feel like everything is messed up and you just are eaten from the inside out, you feel like this was a stupid idea from the beginning, but I guess this is part of the game. Nobody said that this would be easy, but I didn't think that it would be that hard. You always hear advice and stories about different things and how you should approach some things and what mistake not to make, but all seems relative. If you don't make these mistakes on your own, you don't learn from them. I feel like it's impossible to learn from someone else's mistakes. Anyway, I feel comfortable now, but still I have my doubts that this would happen.

14th May, 15

(46) Time to follow up on leads. It doesn't seem like an easy game, but I like it sort of. I'm really pissed at the other sales guys, because we haven't heard back from him in over 1 month and I'm gonna talk with the team to get him kicked out. You got to prepare for the unseen. (47) On the good side, the company from Romania, received the beacon and now are testing it to see how it works, we

just sent them the demo account information and waiting for their response. This thing looks like it could be a great opportunity, but you never know, you can never predict how this would end.

15th May, 2015,

(49) I had a meeting with the team and discussed all the progress done this week. I was in fact a good week, I've contacted a lot of people and waiting to see the following week how will they response to my inquiries. Future more, we have discussed the possibility of setting up an account on DI, to see if we can get it for free for the first year because we're a startup. This could generate a lot of new potential and opportunities. Also discussed the reformatting of the website following our new approach to the product. We also have to look at the business model canvas and change the value proposition. It's a matter of framing it better. I think we found out the way we should sell it and agreed on a new meeting to crate a better website following this. I really liked the last time we've meet and discussed how to approach what we have with the way, how, what schema. I think this is a really good exercise and we would use it more because it gives us the opportunity to take a step back and look at the situation no from within but from outside, which is what really matters. Take a step back and see what we have, why we have the website and how to communicate through how. Also, one of the guys is getting married this summer and he has invited us to China. But, I don't think we're able to go, since we have a lot of things to do over the summer to make this work. It's gonna set us back a bit, but we have to remember what exactly is important in life, and enjoy the big events like a wedding.

18th May, 15

(50) 9:00 AM, walk in to CSE, Sean and me have a meeting with our supervisor to see how are we going with the proof of idea. We explain what we were doing and how we have came up with a better way to sell the product. After the presentation, she sill didn't understand what we were doing. She thought the presentation doesn't give any value and that the clients will net be interested if we present like this. Damn, if she will have a problem understanding, most definitively other people will have a problem. She gave us some good examples, but in fact what she did say was, go and talk to the people. We explain our pain, that we need to find the right people and how do we find the right people but I don't think se really understood were we're coming form. I start to realize more and more that starting a business B2B is more a network game at the beginning and is really important to have

a big network, to ask right and left and something may pop out. We told her about the pilot with Greve Library and she was excited about it. She gave us a useful piece of advise. Develop the content that the library wants to push to clients with them. It is very important that the content should be interesting, should be something that appeals to the targeted public, because it becomes a problem of display. The technology may work, and may interact perfectly with the audience, but if the content is shit and the audience has no interest with it, than after the pilot the library will say, we've tested the beacon idea and it didn't work. So it's a matter of delivering also quality content to the users in order to make the pilot a success. Other things we have found out: there is a new initiative from the state to make people read more. So they are investing a lot of money in these type of activities that will end up with the result of people reading more. They're pushing the democracy card, and asking where does democracy start from? Books. Something like that. So this could be something interesting for us, let's see. I didn't understand what she wanted us to deliver the next time we meet but, I'm going to check up on that.

19th May, 2015

(51) Didn't work much for the startup, because I have also other things that are pressing me right now and I can't really concentrate on it. It's really frustrating that I can't focus more, but my mind is somehow in another direction. Went for a walk to clear my thoughts, didn't work. I may lose the apartment I'm living in so this is a bummer, because I have to deal with the stress of finding a new place and I can't concentrate on delivering for the start-up.

20th May , 2015

(52) TechBBQ 2015. Wow, this was a very long day. This event is one of the biggest events in tech in Copenhagen this year. Because the ticket was expensive and we're bootstrapping, I've decided to join the event as a volunteer, but not only that, I had access to the speakers and I've spent a lot of time with the staff. So, woke up at 5AM, went to the event. Arrange all the things into place, and we kicked off. I was in charge of making sure that the speakers were on time before they had to go up on stage. PERFECT! (53) This was a good opportunity to mingle in with the speakers, talk with them interact and make new contacts. It was just fantastic, because I got to meet a lot of VCs, business angels , founders and many more that all had interesting stories. By 5PM I got really tired, and I couldn't handle it anymore. After that there was a networking party so I've joined in hope to talk with

people. That was just a great idea. I've found some interesting opportunities and people to speak to. So let's see how this will play out.

21st May, 2015

(54) I'm relaxing now after a very hard day, yesterday. Cool fact, now after seeking a lot of people on stage, I fell very motivated to move forward with this. More and more I realize this is just a networking game.

22nd May, 15

After a stressful day at the office on my part time job, I've went to CSE to work a bit on the startup. I didn't really fell like doing much, but as luck has it there was a networking event with cold beer and junk food. Yey! Started to mingle and to talk with people. In that day got some (55) good news that somebody may also be interested in our technology and we need to wait a bit to see for sure. Also, I've got a good lead to IKEA! Woop, Woop. Found out that half a year ago they were testing the product with a team form CBS, but that was just a school project and they were interested in something like that. So it could be interested to contact and see. I found just the right person to introduce me to them. Now I realize, how important is to talk to people that also have connections. You never know, who might know someone, who knows someone. This is a think that I found out the hard way, but here we are, with a couple of prospects in our target. So I have to say that I've learned, that networking is essential at an early stage in a startup. Is a matter of whom you know. Damn. (56) Also, got news from Wonderful Copenhagen that they might be interested in testing with us. Yey. All in all, this was a fucked up week, and I've worked a lot and busted by brains but I'm beginning to see some good outcome.

4th June, 2015

(57) Today we had the last proof of concept meeting. After numerous discussions with an CSE representative, we decided to not go forward with them and stop the process for a while, until we have some customers and we can prove the concept. They are insisting very much on the Value Proposition for the end user. What is the value proposition? We told the representative the value prop. and se was not convinced about that. Her advice was to go and talk with the customers, talk with the clients and

then come back with some numbers that can help us understand, in what direction we are moving. I really began to hate the way they operate at CSE, but maybe this is just my frustration, because we can't really get clients onboard.

(58) Other interesting thing, the company that we're testing back in Romania, have just asked for an estimation for 100 beacons. We're in talks with them now to see if we can develop on the clients they have and improve the product as we show case with them. Still no news from the Library.

9th June, 2015

(59) Today I've got an email for a potential beacon supplier that is operating in Beijing. I've put together a meeting with him tomorrow to discuss a possible collaboration because they are looking for an CMS supplier for some of their clients. I have a skype with him tomorrow at 8 am. (60) The other thing I did today was look into the business model canvas of the business and try to see what is the value proposition for our end clients, the mobile users. I hit a question mark. I know we offer them promotions and offers but what is the value prop? What pain are we solving? What do they want in order to download the app? What are they looking at? I think for next time we should definitely do some research into that and try to come up with a better value proposition for the mobile users. I'm thinking about making some kind of translation of language for offers feature and a gamification thing going on. But we must come up with something valuable for the users to download the app. (61) Also change the name of the app to something more catchy like "5metersaway".

10th June, 15

(62) Today I had the skype meeting with the potential partner from Beijing. This goes into the Key Partners section of the business model canvas. The company is called Kontakt.io, which is the 3rd largest supplier of beacons in the world and they are looking for a CMS for some of their clients. So I had the meeting with the sales manager and I've shown him around the CMS, explained how simple it is to use and moved on. He asked about the price and if we can give him an estimation. He'll be back in Germany in 2-3 weeks and we will discuss again if we are looking at a possible collaboration. This would be really great and it will definitely put us on the map. We just have to keep him informed of our progress and talk soon.

Still no word from my Ikea contact. I have to push forward.

14th June, 15

(63) Today I've meet with the team and discussed some pressing issues. We've discussed about what do we have to look forward for the next weeks. The most important part is to keep a close contact with Kontakt.io, who are interested in our solution. They are a hardware provider and a partnership with them could prove useful because some of their clients are looking for a easy to use CMS. Other things, are the library and the reconstruction of the website. We also have to meet again this Wednesday to discuss what to talk the contact person at Kontakt.io. We are still looking for a sales person to help us with their personal network, who wants to probably join us.

3rd August, 15

I took a brake from work because I was stressing to much, a lot of things happening and everybody right now is on vacation. There was literary no activity, Copenhagen is like a dead city in the month of July. But I just got back from my vacation and it's time to rip it off and start fresh with a new perspective. (64) Interesting enough is the fact that I've meet a while ago an entrepreneur in Brussels and now she is based in Copenhagen and works with a Beacon Company in Malmo, Sweden. I've establish a meeting with here, could be of use to me, to get a new perspective of how they operate in the Swedish market.

(65) Later during the day I've contacted my lead for Grave commune library and we are supposed to start a pilot campaign over there form next Monday, that will last anywhere between a month or three. It's important to help them establish the whole system and find out exactly what their needs are in order to make this a viable product for them so we can push it to the next library if we plan to go on this niche. (66) Also, I've contacted Driksker and left a voice mail and a small shop "Apair" to sell they idea for a pilot campaign. (67) Just before my vacation, I've met a sales guy that appears to be well connected and had a couple of meetings with him about our start up. He seems pretty interested in what we do and I want to get him onboard with us. He has the network and could help up push the product to the market faster. (68) Now, yesterday I've sent an email to see what he's up to and I'm waiting for a response. Many things to catch up on. By the way one of our team members is getting married so, he'll be in China for the next three weeks. (69)

4th August, 15

(70) 11:00 - I've got a response from Apair's manager and a positive response from her. Now it's time to see if we come to an agreement to install the devices.

(71) 13:00 – Boom, looked in for a pilot campaign for Apair (95% for sure)

(72) 15:00 – Contacted LLOYD Shop and managed to get an e-mail address. I've sent an e-mail to the store manager and her attitude was positive. I'm half way there to closing this shop also.

(73) I've spoken to 7 shops today. 4 out of them were really interested in our product, managed to hook them up and followed up with an e-mail explaining better the technology and now I'm waiting for their response. Tomorrow I have to go to one of the shops and present the idea see when can we start doing a pilot campaign.

What I've learned from this experience is that you have to make the people interested in the first 5 second and you have to not present yourself as a sales person. Also, the 4 people I've got really interested in the product were woman. The other 3 were men and they seem not that interested, don't know why. I present myself as a CBS student which gives me a brand guarantee. People are more inclined to help students out. Still I didn't get back a response from Drinkster. (74) Next order of action is to plan out the pilot campaigns and offer these shops as much support as they need. !!!! I'm really stressing about how to get users to download the mobile app. An important part of the process is to get people to download the app. The idea is to offer them some kind of discount or something they find value in, in exchange for the data we get on them.

5th August 4, 2015

(75) 10:00 - New day, new possibilities. Check my mail, still no response from the sales guy I've met before my vacation.

(76) 12:00 – Responded to a couple of e-mails

(78) Over the day I've created the CRM and included all the shops contacted their status and everything. It took a little bit of time. Still no response from the expected shops. It's a busy week here in Copenhagen because it's Fashion Week.

(79) Contacted several shops and found 1 or two interested in the technology, followed up with an email to sustain my point. I'm beginning to love more and more this game.

(80) 17:00 – Visited a Shop (OLEANA) and presented the technology. They are closed! First Shop! YEYY!

(81) 17:30 – Went in person to visit some shops around the city center, around 7 or 8 and got a lot of contact info. (82) Went to one interesting shop and they said they had this technology already in place, but I've asked and they misunderstood. It was visit counting technology but far from what we want to offer to shops.

It becomes more and more interesting to visit shops, because you get a feel of what they do exactly and how they sell, and know exactly where to point and how to present the technology. I'm really optimistic about how well this will proceed in the future and I have to be sure we do in fact provide some kind of value for the users and the shops. Now the hard thing is to get users on the app and we must convince stores to give some kind of offers or something in exchange for getting downloads on the app.

6th Aug, 15

(83) Today I didn't do much, because I was working on a different project and I couldn't spend some time on the start up. (84) But, what's interesting is that I got another shop on and they would like to give us a chance and meet with me for a discussion about how we can help them out. The Store is ELISE GUG Store.

7th August, 15

(84) Over the weekend didn't manage to do much for the start up, did some readings, took a look at the business model and managed to answer some e-mails.

10th August, 15

(85) 10:00 - Monday morning, answered some emails from customers and established a meeting with ELISE GUG Store for tomorrow at 10:30 at their head office. (86) Also, contacted a couple of other stores over the phone and they seemed interested in the idea. (87) I followed up with an email, where I tell them more about what we do and how we do it right now. Awaiting answers from our clients.

(88) 15:30 - Finally managed to get a reach of Katrina, the store manager of MUNTHE, talked over the phone and she seemed interested in the idea. I've sent her an e-mail and now waiting for a reply.

(89) 16:00 – Created a legal document form for the agreement between the parties for a pilot test campaign where I've outlined some ground rules for the pilot test. Most important aspect of the agreement is to force in a way stores to give up feedback on the service and work together to improve it. (90) I've done some research on how to do this and found a couple of ways. I don't want to make a really complicated agreement with an NDA (Non Disclosure Agreement) attached, because we want to word to be spread, it's not a secret what we do. Also, important for us is to get some kind of validation of the concept here and give it back to CSE, to show that actual customers are open to the idea. So in the end, I managed to make a simple contract that states some clauses pretty generically. We as a team, have to meet up and discuss about the next steps that we will take. It's important right now to change the name of the mobile app because, (91) we did a mini survey on 10-15 people and asked about our current name. They didn't like it that much, also they didn't understand exactly what is the connection between the name and what we exactly offer. So we have to meet up and brainstorm a bit on finding a new name, for the company or at least a new name of the mobile app. But it can be a bit confusing if we have one name of the company and another name for the mobile app, so I think it's better to have just one name.

(92) 18:00 – Finally confirmed a meeting with a store tomorrow ELISE GUG Store at 10:30. I have to prepare my presentation and a bit my sales strategy.

(93) 19:30 – Brainstorming for a name is not easy, especially when you do it alone. Spend almost 2h and didn't come up with anything good. I've made a list of words and names that might be associated with our company and also did research on how to come up with a great name for your brand. It's important to get it right in the first try because we are going to build this company around that name. Yes, we can change it in the future, but it's going to be very difficult when we have clients on board. I'm getting a bit frustrated with this issue. We really need to meet up and come up with something. Waiting from Sean to get back from China, he is getting married!

11th August, 2015

(94) 9:30 - started testing the beacons and brushed up on my presentation skills, because I have a meeting with a potential client at 10:30. The strategy is to let them know that we want to test the idea with them and offer our services for free. I will push on the fact that we need to get feedback from them in order to develop our mvp in a product that they can use and benefit from.

(95) 10:30 - Entering the meeting with the client.

(96) 12:00 - After a long meeting with them, I've managed to convince them to implement our technology for a pilot test campaign. There were a lot of questions floating around, managed to answer them. They were very interested in the idea and suggested they could help us finding other clients that might want to try our solution for free. They pointed out the fact that we need users that have the mobile app, but they were open to the idea of promoting our app in their store and also on their social media and newsletters. Also, one more interesting fact was that the brother of the guy in charge of the store has developed the app "Within10minutes" which basically is an app for tourists that can you to see what they can visit or find within 10 minutes of their location and he said that his brother would be interested in this thing. Also he mentioned to contact the city of Copenhagen to push this technology in to their existing apps. All in all, it was a great meeting, and I'm very pleased with the result. I hope to start the pilot campaign with them soon, and in September.

(97) 16:00 – Received a message from my contact person with Grave library, that we should meet next week, Wednesday at 12:00, to discuss how should the pilot go. It's important to figure out how to place the beacons and how to make it easy for them to actually use it. So I'm going to meet with them next week to see how we can move this forward.

14 August, 15

(98) 11:00 – Contacted a shop (LLOYD –Shoes) and they are not interested anymore.

(99) Contacted several other shops to see if they are still interested, sent a confirmation email to the shops that have agreed to do a test pilot and I'm right now waiting for them to respond.

(100) 15:00 Still calling shops to sell the pilot. No luck so far. Wrote emails to them awaiting their response. I'm right now creating and updating the CRM.

(101) 16:00 Talked with someone that wants to intern for the company to help us in the sales department. Could be nice to have more people onboard.

(102) 18:00 – Met with the team and discussed some important issues:

1. I've talked to them about the shops that we've signed in and about what customers are looking for. So far my opening pitch had at the beginning the idea about Customer Behavior Tracking, which people can relate to and understand fast what is that we're trying to do. So one important thing that we're gonna look into is a better way to track people. (103) We've looked at different solutions and came up with a good one. Sensors that detect movement. (104) We're ordered a sensor like that and we're gonna play with it to see how can we create a better heat map for the shops.
2. (105) The second thing we discussed is about the pilot with the Library. I got a confirmation and I'm going to meet with them on Wednesday. The important thing here is to figure out exactly what they need, why they want to get out of using our technology and how can we help them achieve that goal.
3. Name of the mobile application. Right now the name of the application is BeaconOS. (106) We did a survey of 20+ people to see how they see the name, and how they search for it on the app store. From the survey we found out that people can't resonate with the name and misspell it or found no meaning to them. So we have to come up with another name.

(107) 22:00 – Still combining words to figure out a name. This is more difficult than it seems, because we still need to find something that can be used and also have an available .com domain. So far the only thing we came up with is "Beclue" and luckily has it it's available with .com

(108) After speaking with over 15+ stores a small pattern has shown up. There is a need for a tracking technology. Let's see if more stores have this need. We kinda deviated from our core initial idea. But if there is a great need for this and we can actually integrate a better tracking solution in our service, could prove to have some value of our customers.

16 August, 15

(109) 13:00 - Sunday afternoon, I've met with the team again to try to find a good name. After 1h we decided to go with the name Beclue. It's easy to read, easy to access and it has to do with what we offer. So we bought the beclue.com domain.

Now we have to change the logo, website, presentations and maybe more, but it's good that we found something that is appealing to the end consumer.

(110) 14:00 – Among other things we have discussed it the promotional materials that we need to put into the store, flyers and also business cards. We're gonna bootstrap here and make something simple

(111) 14:20 – We've looked over the Agreement between the parties, the contract that stores will sign when they decide to move forward with our pilot. It's good, but still needs some modification.

(112) 14:30 – Website. We have to change some thing on the website and make it a bit more customer friendly. Logo change and also push the fact that we offer a free 3 months trial, where we experience with the stores.

This is finally shaping is something that might actually work. Could be something big, but still we have a lot of things that we need to do.

(113) 15:00 I have to do the work now with the logo and everything else.

Next target is to get 5 shops onboard with the test pilot and take it from there. Develop and improve the things with them.

17 August 2015

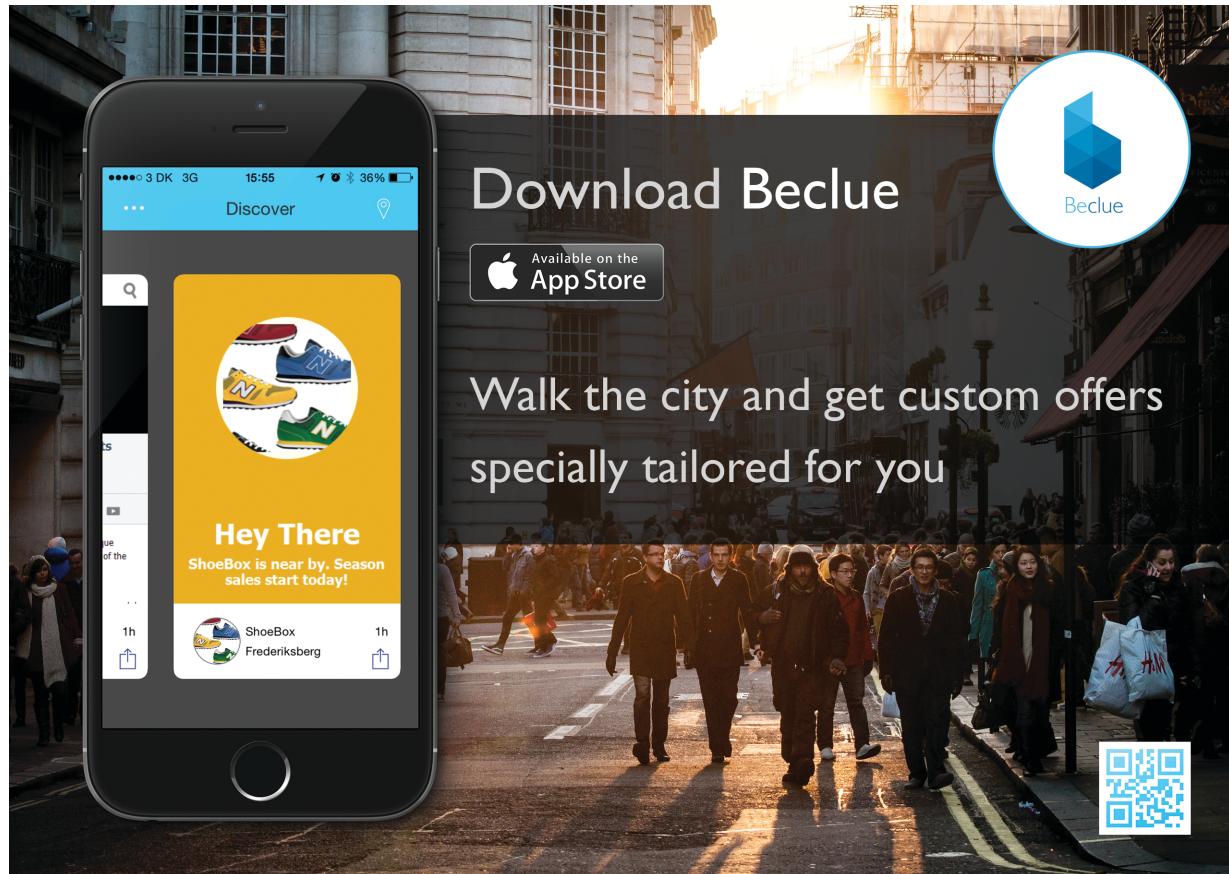
(114) 12:00 – Working on the logo. I've made some drafts for the new logo. I find it very nice, and I've did a survey on 10+ people to see how they read it, how they pronounce it, if they understand and how it looks.

9 out of 10 staid it looks awesome. 10 out of 10 managed to read it properly and manage to remember it and write it on the apple store. This is great news.
Here is the logo:



(115) 15:00 – We need new flyers to promote the mobile app to people in stores. Did my research and found out that most flyers targeted for mobile apps don't make it easy to figure out the name of the app. Also, there is no picture of the app in the flyer so you know how it looks on the app store. So I've put all my finding to good use and came up with what I think is a great design for a flyer. I just love it.

I think this enough to be sure how the app looks in the app store and also the name is listed there easy to spot out. I've used a grey font and a white font for the name of the app in order do differentiate and stand out of the text, which is easy to spot. Also, made a qr code, but I don't think that anybody will use it much. Let's see.



19 August 2015

(116) 12:00 – I had the meeting with the library today. It went better then I've expected. I manage to talk freely with the person that is going to be responsible for the project. I want to have a clear communication between us and them so we can develop the product with them a slowly try to integrate it in other libraries.

Here is a copy of the email

“This is a follow up on the meeting today 19 Aug,15

As we discussed in the meeting I would love to have a clear communication between so everyone can see what is happening.

Most important for us right now is to figure out exactly what do you want to get from using our system.

As I understood during our meeting you are interested in targeting adults at the beginning age 25 - 85, who are tech savvy and used to digital tech.

During the week from Mo-Fri you have around 500-1000 Visits and in the Weekend 300-400.

The idea is to become an open library - no staff required during the weekend.

1. You want to promote Events, reading groups, Guest Speakers, and other related things.
2. You want to tell people something when you are not here. When we are not in corners of the library, information about what we have to offer.

A main problem is that "customers have to seek us to get information, but what we really want is to offer them information whenever they need it without seeking us"

For now, I think that covers it.

I would suggest we start off with 10 Beacons and take it from there.

Log in Information:

User: gravelib

Password: Password1

We will let you know when the beacons are connected to the system.

Also attached to this email is the contract that we need you to sign.

Again, any questions you have or feedback or anything, please let me know, reply on this email thread or call me on my number or skype me

Phone: +45 5270 2605

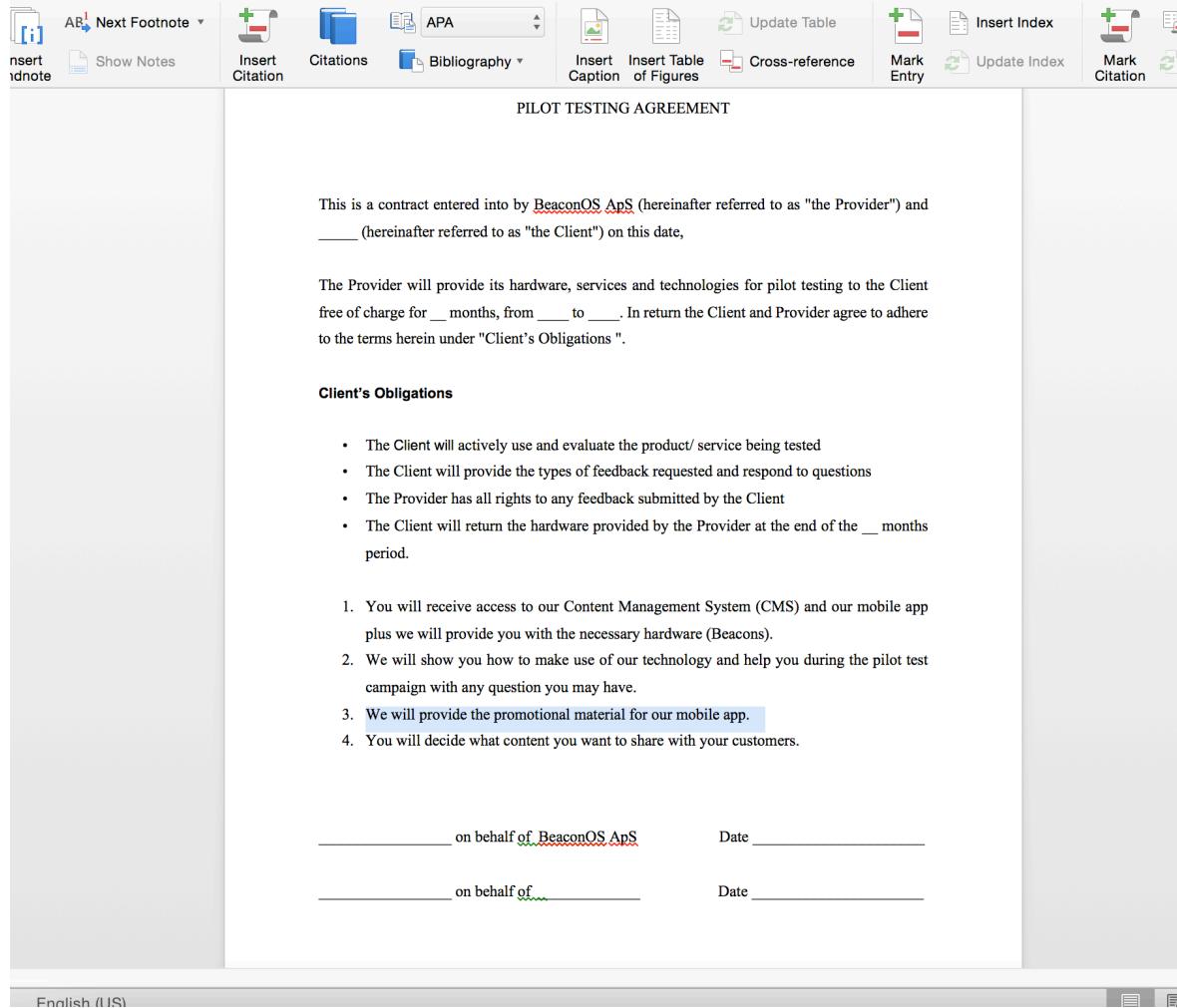
Skype: gherghinescu.petre29

We will also provide you with some flyers and additional materials that you can use to promote the mobile app.

It was great to meet you and thank you very much for your time. I'm looking forward to starting the pilot. "

And here is a copy of the agreement we've made:

I'm very excited to start the pilot with the library. This could be the break we've been looking for. One key thing that we need is to keep the communication clear.



24 August, 2015

(117) 10:00 – I've just received the signed contract from the Library. The project manager from the library is pretty excited about this and this is a good sign. We will push and keep a clear communication with her as we move forward with the pilot. Next I have to go and deliver the beacons.

(118) 11:27 - Sent an email to a sports store about testing with them. I'm waiting on a response.

(119) 14:30 – Just ordered business cards and the promotional flyers for the mobile app. It's crazy how expensive they are, but I tried to find the cheapest solution. Why cheap solutions, of course you can't expect to have good quality customer service and I had to spend a lot of time to find something good, and actually order it. Now we wait and see. I'm starting to believe that all my e-mails go into the spam folder of the people I contact through emails.

25th August, 2015

(120) 13:22 – Just had a phone call with Apair, and established a meeting for this Friday at 12:00, where I will present the technology and show them how it works and how can we help them improve their customer pool. I have to establish a clear connection and make it possible for them to test with us a develop something that they really want to use. I think more and more, that you have to be shameless and just contact people and insist until they give you a green light for a meeting. It's a hard game I play, but it does have its rewards of course.

(121) 13:33 – Established a meeting with Elise Gug for next week to move forward with the pilot, Wednesday 9:30 in the Moring. Remember to bring the beacons and everything with you. They were enthusiastic about starting so this is great news.

(122) 13:41 – Talked with OLEANA, another shop in the city center, whom I've sent a contract to sign it and send it to me accepting the terms and conditions of that. I understand that their customers will probably not use this app, but we need to clearly define now the people that are gonna use it, so back to the drawing board on the business model canvas. The main idea right now is to see how people interact with it, what is the feedback and how will that help us in developing the idea.

26th August, 2015

Today, I didn't have time to do any actual real work for the company.

(123) 15:30- Get sales done. I have participated to a cool seminar about how to get sales done and it was really useful for me to try to understand the process of sales.

He introduced us to some interesting concepts: Here are some prints:

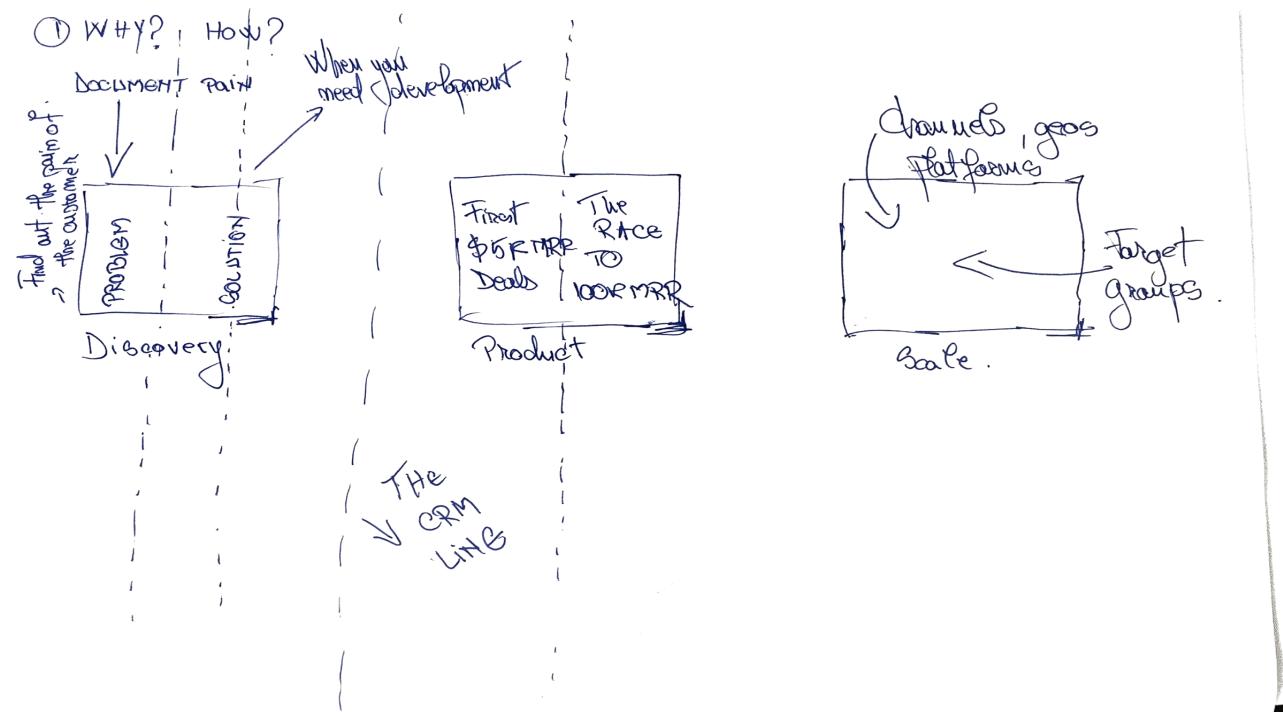


He started off by placing our start-up in which one of the categories from the left. If the MCV(Minimum Contract Value) is <\$50, >\$50-\$5k or over \$5k. This is important to see what kind of effort we put into sales. It is interesting to see to we are in the 2nd category and we can close contracts over the phone or over skype. There is no much difference if we go there in person.

Second part of the presentation was interested.



So he divided a company in 3 se (Douglass & Moustakas, 1985) (Leeds-Hurwitz, 2009) parate blocks: Discover, Product and Scale.

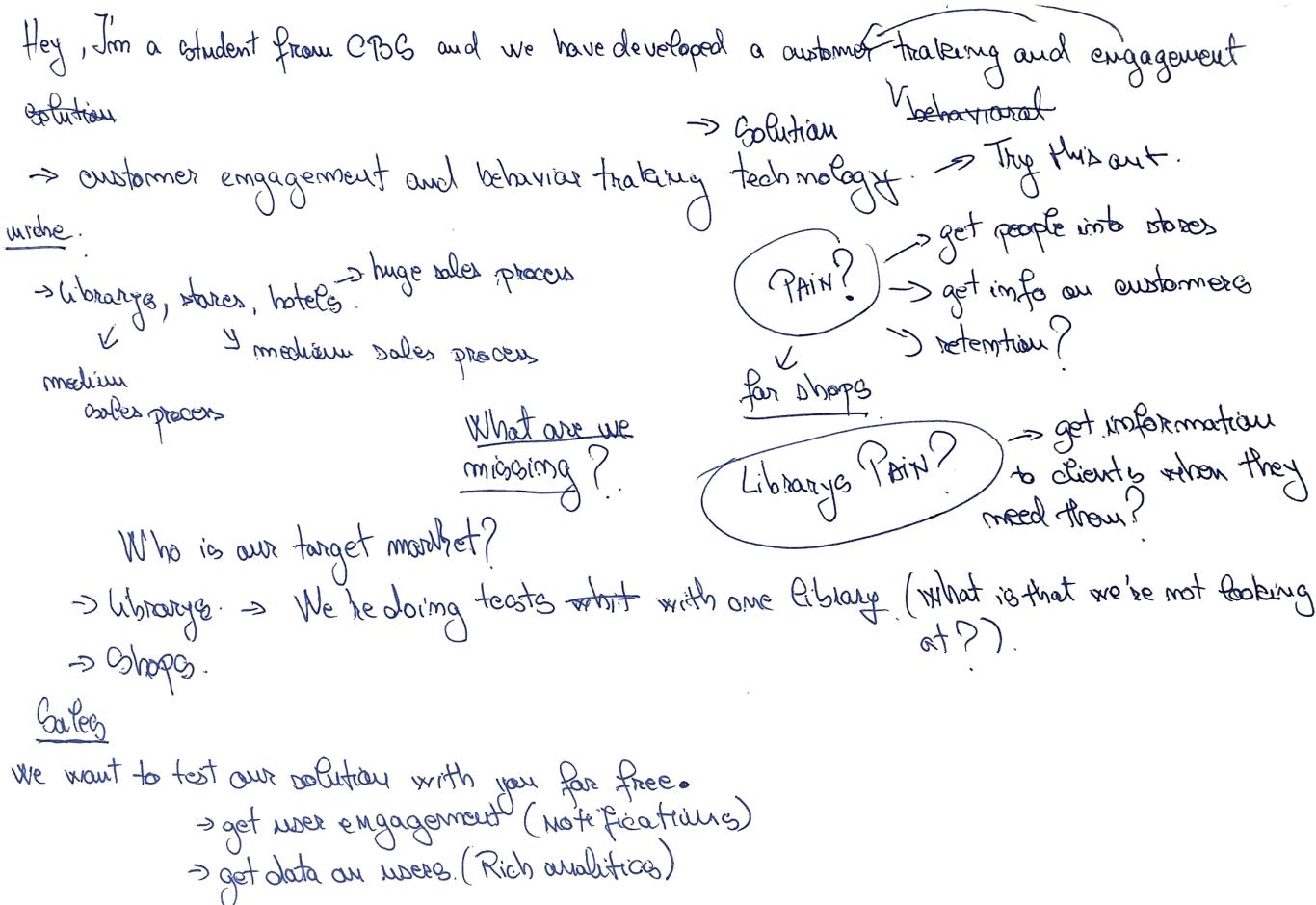


He stressed a lot in the problem, to actually find the problem and talk with the customers about the problem and after and only after you start creating a solution for the problem. There was a lot of bullshit of course, noting new, but I did manage to understand some particular thing about how the sales process works and how can we implement it in our company. One important thing that he said was that you always have to challenge your customer and try to find out what is the actually pain they are having and how can you develop a solution in order to fix this pain. And from experience I can tell that customers don't want to be sold to, but they want to buy actually. (Basically fundamental principal that we can you in our company why are we sending notifications to users) they do want to buy, but they don't want to sold anything.

Here is also a link to the presentation: <http://www.slideshare.net/hajak/get-sales-done>

27 August, 2015

(124) 13:00 – Try to figure out a way I can improve my sales pitch and try it out to see some results., maybe people are interested better this way. Here is a rough draft:



(125) 16:55 – Called a shop, explained the whole thing and the response was a positive one, they would be interested in this. One small change I've made in the speech: I've used the notification feature first and closed with the behavioral tracking. Also key words that I've used are: engagement, behavior, tracking, beacons, notifications. Also I want to do a new thing and challenge the customer and ask if they are not interested why they are not, what is their pain and why don't they think this is a good product for them.

28th August, 2015

(126) 12:00 – I had a meeting with the owner of Apair and we closed a deal with them, I have to send them the contract and start testing with them, could be interesting to see, what problems they really have and try to solve them. Also got lead on two other shop from Lise. (127) Now I have to contact GossipShop and Contrast maybe there is something over there.

(128) 13:00 – Went for a shop walk in 10+ shops to convince them to test with us. It was just amazing!!!! I can't believe it, I found the right formula: "We have created a customer engagement and behavior tracking technology." And then I explain what exactly this does, how it does it and people are just interested about it. They really get the idea of close proximity notification, so notifications when they are near the store. Now all I have to do is just contact them and see what is up. The main Idea is that If I find a store manager or someone who is responsible for the shop I get IN and close the deal with a hand shake!

30 August, 2015

(129) 9:00 – Meeting at CSE with the team to discuss the future of the pilot campaign and get some work done. During the time over there we've set up the accounts for the library with the beacons (10 Beacons) and also for 2 other shops. It was a little bit difficult and annoying because it always is with hardware. We've done that and also looked for a new order for the needed beacons. Interesting enough was the fact the the price of new beacons has slashed in half, which is good for us, because we get the cheaper and also, we can see that the competition in the hardware sector has increased. Also there was another great news, they solved kinda the problem of the battery life of the beacons. Now they are using new chips which consume less battery and can run up to 10 years. Let's see if that is true.

(130) Also looked into the hardware for heat-motion sensors.

We're waiting to deliver a new build of the app on the mobile app store to change the name and fix the bug with the preference list.

(131) We've discussed the business model again and the logic with the cost structure. It's not pressing right now, but if the pilot campaigns go good we have to figure out how to tax shops. One idea would be a monthly fee that they will pay for our services, another would be based on the number of notification that they send to users' mobile phone. We will discuss that with them and see.

(132) 15:00 Went home and started working on the CRM with our potential customers. It's looking good.

We have to keep track of the customers somehow and see what is the progress of each one. Interesting for us is to see how each client costs us in order to sign them. Then we play with that and establish how much we should tax them.

The screenshot shows a Google Sheets spreadsheet titled "CRM". The columns are labeled A through H. Column A is "Street", B is "Name", C is "Contact", D is "Status", E is "Progress", F is "Follow-up Email", G is "Contact Person", and H is "Number". The data includes rows for various businesses like "Grave Library", "Ny Østergade", "LLOYD SHOES", etc., with status like "Interested" or "Not interested" and progress like "CLOSED!", "Fail", or "Waiting Response". Some rows have "Have to Contact" notes. The "Follow-up Email" column shows follow-up attempts like "4th Email" or "No Email". The "Contact Person" column includes names like "Catrina (Camila)" and "Torsten Dam". The "Number" column contains tracking numbers like "33320312 - Catrina (Camila)" and "33327041#1 - Torsten Dam".

Street	Name	Contact	Status	Progress	Follow-up Email	Contact Person	Number
2	Grave Library	Yes	Interested	CLOSED!	4th Email		
3 Ny Østergade	Apair	Yes	Interested	CLOSED!	4th Email		
4 Ny Østergade	LLOYD SHOES	Yes	Not interested	Fail	2nd Email		
5 Ny Østergade	OLEANA COPENHAGEN	Yes	Interested	CLOSED!	4th Email		
6 Ny Østergade	Shamballa Jewels	Yes	In Between	Waiting Response	3rd Email		
7 Ny Østergade	Butikken	Yes	Not interested	Fail	1st Email		
8 Ny Østergade	Olejinggaard	Yes	In Between	Waiting Response	1st Email		
9 Ny Østergade	ELISE GUG Store	Yes	Interested	CLOSED!	4th Email		
10 Grønneegade	Munthe Plus Simonsen	Yes	In Between	Waiting Response	1st Email		33320312 - Catrina (Camila)
11 Ny Østergade	Klarlund A/S	Have to Contact			No Email		
12 Gammel Mønt	Axel	Yes	Not interested	Fail	1st Email		
13 Grønneegade	The Masai Clothing Company	Yes	In Between	In Between	2nd Email		
14 Gammel Mønt	Emily Gregory A/S	Have to Contact	In Between	Waiting Response	No Email		
15	Just Luxe	Yes	Interested	Waiting Response	1st Email		
16 Gammel Mønt	NN.07	Have to Contact	Interested	Waiting Response	No Email		
17 Gammel Mønt	Storm Copenhagen	Have to Contact			No Email		
18	spejdersport	Yes		Waiting Response	1st Email		
19	GoldFingers	Yes	Interested	Waiting Response	1st Email		
20	Gossip Shop	Have to Contact			No Email		
21	Contrast	Have to Contact			No Email		
22 Store Regnegade 2	Casa Group					33327041#1 - Torsten Dam	
23 Store Regnegade 1	Ørgreen København					33124124 - Chris Jensen	
24 Gammel Mønt 4	Kjær Sommerfeldt					26744263 - Anders C. Andersen	
25 Kristen Bernikovs Gade 5	Aura					93392122 - Emilie Petersen	
26 Grønneegade 1	W.W. Copenhagen Store					35356264 - Jens Winnblad	
27 Grønneegade 17	IPN					22111280	

31st August, 2015

Today I had an interesting day. (133) I prepared my 2 minutes elevator pitch and I went to present it in front of students at the Organizational Innovation and Entrepreneurship course. It was super fun and people are interested in the idea. Now the main purpose of this presentation is to get some interns that will help up do some things in the company for the next 6 weeks. It's going to be awesome to have a bigger team and see some new perspectives. We could end up with something amazing or this could be just a total waist of time. But let's see how it goes.

1st September, 2015

(134) 10:00 – Still working on the CRM, plus setting up the new email account, and also I have received the Flyers!! WWHOO!

(135) 12:15 – I have to set up the accounts for the Library, Apair and Elise Gug and probably deliver them tomorrow. (DONE)

(136) 13:00 – I've sent an email to two other shops that seemed very interested in our project, but apparently they are not interested anymore in it, dunno why, because I've asked for a feedback, but nothing, didn't get a reply back and it really bugs the crap out of me. I really want to see where we're doing the mistake and fix it. Let's see. So far, again, only women have accepted to do the pilot with us, maybe I have more appeal towards women.

2nd September, 2015

(137) 8:00 – Woke up really early, because I have to deliver the devices to the stores and also the library and instruct them on how to use the CMS. Also really important is to deliver the next build of the app so people can download it.

(138) 10:30 – Went to the library and deployed the beacons and gave access to the CMS to the project manager responsible for this. Now we have to deliver the new build for them

(139) 11:00 – I established a meeting with Elise GUG for this morning at 9:30 but when I called they said it was supposed to be tomorrow morning, which is totally not true, but well, lesson learned- better communication and make sure they know you are coming, because they are very busy and have a lot of other things to do and they might forget. Let's see tomorrow.

(140) 18:00 I had a meeting with the team to discuss some issues with the mobile app and try to fix some bugs, we also have to work on the new website and start making it more user friendly. A lot of things have been discussed but mostly around the mobile app and the bugs it has right now. We really need to deploy a new update to it so people can actually use it without no problems.

3rd September, 2015

(141) 9:30 – I went to Elise Gug and mounted the beacons, guide them through the system and gave them the password and user account, everything seems great, they are really interested and helpful, I really like them. This guy Niels is full of ideas and really helpful towards us. He recommended a bunch of other shops that might be interested and also he wants to present it to others to gain traction. It is really cool that he is actin like an ambassador to our product, word of mouth and this is really good for us. I am pretty exited and we have to deliver a good quality product to keep their trust.

(142) 10:30 – Delivered the beacons to Apair, but Elisa was not here, I'll drop by next week to see her and to explain how is she going to use the system

(143) 11:00 – Got the contract signed from Elise Gug, uploaded on google drive

(144) 11:30 – Sent them the information with the account log in and evertting.

(145) 11:30 – Now I'm looking for new templates for the website to make it more user friendly and seem more professional, where people can have a button to log in. Waiting for Sean to buy the template and deliver me the mock-ups psd to build them up and customize them to our vision and mission and brand.

7th September, 2015

(146) 10:00 – I'm working on the logo, different sizes to put on the website.

(147) 13:00 – Contacted another shop and sent a follow up email, now I have to wait to see their response.

(148) 13:30 – YEY- first time I got a email from someone I've visited to the shop and only left my details over there without me contacting them via phone or email! This is awesome!!!

8th September

(149) 10:00 – Wrote followup email to the people that I have visited at the shops and I have sent an email or made a phone call. None are responding, dunno why, but I have to look at my strategy and see what I can change

(150) 11:00 – Need to add description to the website with the product and we need to deliver a cool website so we can start marketing a bit. Also need to make it in Danish.

17 September 2015

(151) 10:00 – Sent email to potential customers, I've got a reply from Holly Golightly that they are considering to test with us, but they have to discuss it with the management board this Friday and they will get back to me afterwards with a decision. Hopefully it's going to be a positive one. I'm getting some replies back from other stores.

1. (152) Casa Group – at the beginning they were interested in participating in our pilot campaign, but now I got word from them that they are doing a similar thing and testing with their own technology.
2. (153) A winery in the middle of the city – got back a message from them that they are not interested.

I have learned how to set up the beacons for the shops in the back end server and now I can do it fast without having to contact the tech team to set them up. That's great. Elise Gug, requested another 2 extra beacons, and I have set them up. (154) I'm going to deliver them next week. Finally it's getting some shape, but still after all the answers I got, I'm considering more and more that this is becoming very difficult to sell as a pilot test campaign. Let's see what's next

The new app now is live on the app store. YEY!! (155) I have sent confirmation emails to the library and the other shops that have the hardware installed to start pushing the app to clients and start making content. Now it's time to see how it goes for them and gather as much feedback as I can from them to figure exactly what they want out of it. I'm beginning to think that I influence people in telling me what they want when I present the opportunities, and maybe this is not so good for us. We need to figure exactly what their pain is and how we can solve it with our technology.

Next thing is to sell it more to stores. CRM is looking good, but people are not responding to my emails. It is very tough to make people responsive to this offer.

(156) 14:00 – Contacted a new client to sell the idea and followed up with an email, trying to get them. This is the creative director and co-founder of 5 shops that fit target client. I really want to meet with her and explain the process we want to undertake with them.

After some time I realize that people are very hard to reach and they really don't want to be sold anything. But hey, this is the game we play and I have to step up a bit and deliver more progress. Let's see how it works.

Got email back from the library and they are excited to start testing.

20 September 2015

(157) 10:00 Sunday Morning – Today I've meet with one of the team members because we had to set up some beacons for a new client and there were some issues. Finally managed to solve them, and we started working on the website. It's gonna be looking great. (158) I have already started working on the text for the website, and the images that we shall display. This takes a lot of time, to create the images and make them look to our product and vision. Aside from this I'm waiting to see if we get a response from the other people that I've contacted to meet the following week. I'm getting more and more excited about the business, even though it's not much but it is something and I can see it grow. I've also requested help from different people to connect us to industry leaders, but with not much luck. Let's see what the following week will bring.

21 September 2015

(159) 10:00 – got response from a major retail and will meet with them on Wednesday to talk over and I might sell them the idea

(160) 11:00 – Got another meeting with a glasses shop in the heart of CPH and they are very interested in the idea and want to participate. I just have to deliver the beacons on Wednesday over to the shop. You talk with very different people and some are more excited than other, some are really not interested and some are just in between. What I can say after calling and talking with over 50 stores, is that people do find our idea interesting and do wanna participate, it is just a matter of how we present it to them and in what mood we get them.

(161) 12:00 – Talked with the marketing manager from one of the biggest retailers in the world. BESTSELLER. I've talked with her over the phone and proposed the idea to implement our pilot in one of their store in CPH, VILA store. If it goes well we have an entry to one of the biggest retailers in the world and this is a very good opportunity, but there is a long way to actually influence them to use our technology, but you never know. We really have to push it.

23 September 2015

Today was a great day in fact. I'm really excited about how things turned out and the things I've managed to deliver.

(162) 10:00 – Had a meeting with a client, Orgreen KBH, a glasses store, who was interested in our service and really wanted to participate in the pilot test. I've created an account for them, with name password and everything and I've delivered the beacons to them to start testing. Also implementations was really easy, he was very responsive, and I really like the guy, he was very open minded. More and more people are asking how are we going to deliver the mobile app to the users, which is a huge concern right now because we need users of the mobile app to actually test it. So this will be very interesting in the following months. (163) Also I'm in talks with a marketing company to deliver the content to users. I've explained in detail what we exactly need and what they should do and right now I'm waiting for them to respond to my email.

(163) 11:00 – Had a meeting with a luxury retail, trying to get them on board with the pilot test and it proved to be very interesting. They said they really love the idea, but it is not that interesting for them right now, because they have a really high end profile customers that interact with them. The guys give me some good point to look at when targeting the market for our product. I think high end brands are not that much interested in this service. So no-go for expensive stores. One of their biggest concern was how will people get the mobile app. In which way do we deliver it to the users. They said to come back when we have a final product. But really good feedback. I really do see high end brands using our service, but I guess the customer is always right. High retail, right now is not willing to participate in a test pilot campaign. It is really a chicken and the egg story here. We need value to deliver to users. At some point in the future maybe they will change their mind and will want to use it. But right now, because they want to deliver perfection kinda to their customers and I totally understand this. When we have a flawless product we can deliver it to them, with more users on it.

(164) 12:00 – Delivered the beacons to the Elise Gug, I really want to make it work with these guys, because they have been very open to our idea.

(165) 12:15 – Went back to the Orgreen to get the contract signed. Didn't get it yet but I will follow up with an email. Followed up with an email.

(167) 13:00- 16:00 Went to different shops to get contacts and present the idea to them. They seem really interested and I've got pretty good feedback from them. Not I have to upload everything on

the CRM and wait to be contacted back (in some cases) but most I have to contact them by email or phone.

(168) A lot of work ahead, I have to contact a lot of stores, (169) I've visited 10+ stores and now I have to send them a follow up and get people interested. I really hate this process, I really love to talk to customers and fell their need, try to understand their pain and how can we solve it though the use of this technology.

(170) Library is moving forward with the test pilot, and the responsible is keeping me on the look with what is happening. So that's good.

A huge concern not is the mobile app users. To get them to download the app. I have to start working on the social media and deliver the message to them. Facebook ? twitter? Instagram? Dunno, what is best. Also create a video and promote it via Facebook and Instagram, something light and easy to digest.

(171) Talking to people make is seem like a great idea, but still I'm worried about the number of users and how would we get them to actually use the app. Now it really has to be something that could attract them in a way to download the app. Hidden treasures? Customer loyalty? What is it that would really make them download the app? We need to do a survey one of these days to see what they are really interested in. Why would they get the mobile app, why would they use it? What is their gain? A lot of questions a lot of shit! I feel sometimes that this is really complicated to provide a good value to users but as we move forward we can hopefully get to to use the app. In the library it is more simple because they promote it and customers can have it on their mobile phone, because they need information. It is very difficult to see, maybe the target market is libraries and we should focus on getting libraries. Don't know, very hard to define the right customers, but easily we will do it. Are libraries the key here? There are 120.000 libraries aprox in the USA, that is 1 library per 2600 people. 5 milion people in demark – so there are aprox 1800 libraries in Denmark. Let's say 1500 to be sure so a best case scenario would be a revuener of 1500x2000 – 3 million DKK per Month? Interesting scenario. Is is simpler? Do we solve their need better than the shops' needs?

3rd October 2015

(172) Meet with Sean at CSE to get some work done. So far everthing is good. We encounter some technical issues with the Content management system. The preview function did not work and

we have still some problems when people upload pictures, they do now show up in the analytics. We need to figure this out, because this is very bad for the clients.

(173) 12:00 – We did some work on the website to change the whole template, and come up with the text to make it interesting for people contacting us through the website. I really like the layout and I think it's going to be great. Still a lot of work needs to be done in order to finish the website. Also, I may have someone that can do us a video to better explain what we are doing for our customers. We have to plan the scenario and make it appealing. Now I have to work on that. Also, we have to work on the text on the website. This is really frustrating because you deal with people that may or may not know what this technology is all about so we have to make it easy and simple so people understand.

I've updated the CMS with the new contact I've managed to get when going to the physical location of the stores. Some of them told me that they will get back to me, but did not and this is really frustrating. I really hate when people make a promise and they fucking break it, but hey, if it would have been that easy, everybody would do it. So I have to contact them.

I don't want to get more stores for now because we have to focus on the existing store and make the product final so we can finish successfully the pilot campaign. Now I just have to activate them and push them to use the technology, which is a real hustle.

5th October 2015

(174) Today finally I made CONTACT with a representative from VILA, which is owned by a big brand, BESTSELLER. It has been an interesting journey how I managed to get the right person to talk to. (175) I've called and called several persons that have referred me to other persons, also send 5 emails to different people to push the idea and finally got a name. Lotte!, which I've found on LinkedIn and connected with her. She accepted and this morning I've messaged her on LinkedIn and asked for a meeting.

SHE GAVE ME A POSITIVE RESPONSE, now I'm meeting her on Wednesday morning to showcase our technology.

7th October 2015

(176) 12:00 Today I've met with the Area Manager for VILA Copenhagen which is a subbrand of BESTSELLER, a huge fashion retailer. The meeting went perfect, I'm confident that if

manage to meet with the responsible of taking the decision we have a client, and I have to wait now to get a response to meet next week so we can set up the beacons and everything. This is exciting news, and could be a great way into Bestseller. I'm thinking about partnering with them, but I don't know if they would agree. Let's see how this works and at what stage we get at. I have to follow up with an email next to see what is the next step this following week. I really hope that we can have best seller as a partner.

10th October 2015

(177) 11:00 Today I've met with the team to inform them about the progress I've made this week and give them to follow-ups. (178) We are still working on the website to finally finish it and make it so it is attractive for the people when I present it. So far we manage to finish the text and images, but it really does take a lot of time and I don't like that. Everyone is busy with the other things in their life and the attention to this start up is not paid in full. For the last week we only meet a couple of times but there are no major things we need to finish but still I'm feeling like we do not give enough attention to what is necessary.

15 October 2015

(179) 9:00 – Today was a very interesting day. I've got up at 8 o'clock had my morning coffee and tried to wake up. It was the big day, I've got the news that VILA from Bestseller is willing to give us a shot in testing our technology with them into their main store on Støget, the main pedestrian street in Copenhagen. After I had my coffee and smoke I've went to work on setting up the beacons. The meeting was at 11:30. Now, I thought everything is going to go smooth and I'll just set up the beacons easily. Well guess what, it didn't go as smooth as I thought. (180) I first tried to set up some new beacons, but I was not able to set up the password to connect them to our system, probably a bug in the system. No worries, I had the other old beacons that could be set up and that went smoothly, but all of the sudden two of them didn't work and I had to call S. to talk to him about what to do. Nothing worked as it supposed, plus I was running pretty late to the meeting. Finally I hopped in the metro and go to the meeting. The store was full and I went in the back, where they had their offices and sat down with two girls that apparently are going to be in charge of the system. I've explained every thing to them, how to operate the CMS and the mobile app, where to put the beacons, but still

2 of them didn't work, so I had to be smart about it and made a quick escape. "hmm it always goes like this when you try to preset your product" they laughed and I said I'll be back with the new beacons to solve everything. (181) Now I've emailed Lotte, the area manager about the contract and she didn't respond to the email, but I guess we're on and we have the green light to to the pilot. I really hope that don't pull off the plug on this right now, because we finally managed to land a big client. If everything works good we can see some promising results.

(182) 16:00 – I just saw the email from Emilie, from EliseGug about setting up the beacons, and responded to it. I've made a phone call to her to tell how to set up the thing and how to manage the CMS, now it really looks great. I really love what she has done. She promised me that tomorrow she will be at the store to set the beacons up and see how they react. Apair, did not set up the beacons yet and I'm getting really impatient with them, but also got a promise for this week. The person responsible is going to take care of her responsibility. Also, I have this really bad client that is totally onboard, but he doesn't repond to my emails. I don't know what to do. (183) I'll give him a phone call tomorrow and see what is going on, if he is still into doing the pilot or not. I'm really disappointed. Also, now that I'm writing less in this log, I'm getting more and more busy at my other job and I have more responsibility over there. It is really hard to write your thesis, work a almost full time job and try to create a start up. So I'm really starting to panic a but, because of the deadline with the master thesis. Now let's see how evertting will pay out. Oh btw, no word from the library, Marianne is on vacation, so I'm waiting for her to be back and see some progress.

(184) Just got news from Sports Master. They are interested in doing a pilot campaign with us, but after the holiday period, somewhere in January, because they are very busy right now and they can't handle a plot campaign at the moment.