

The Impact of Entrepreneurship-Based Branding in the Cyberspace on the Performance of Startups

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Abstract

Purpose: The key to startup success is a brand-centric approach that combines brand leadership strategy with creative, targeted, and cost-effective business methods. In the brand-centered approach, all company processes revolve around the development of brand identity in continuous interaction with customers, to create long-term competitive advantages for the brand. The purpose of this research is to investigate the impact of entrepreneurship-based branding in cyberspace on the performance of startups.

Method: The current research is of an applied type and with a mixed method and a sequential qualitative-quantitative approach, first qualitative and then quantitative data was collected and analyzed. Due to the small size of the population, sampling was not done and all 52 people were examined. Smart PLS software was used to analyze quantitative data and test research hypotheses and implement structural equation modeling. Confirmatory factor analysis was also used to test the significance of the relationships and the fit of the obtained measurement models. To analyze the data and test the research hypotheses, the structural equation modeling method was applied.

Findings: Qualitative findings showed that the branding model based on entrepreneurship in cyberspace includes six main themes and 18 sub-themes. Causal factors include risk-taking categories, business situation analysis, and brand content capabilities; Background factors include the categories of brand

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How to Cite: Rahimi, E., Heydari, A., Ghasemi, B. (2024). The Impact of Entrepreneurship-Based Branding in the Cyberspace on the Performance of Startups, *International Journal of Digital Content Management (IJDCM)*, 5(8), 304-328. DOI: 10.22054/dcm.2024.71918.1182

organizational structure, market orientation, and brand orientation; intervening conditions include the categories of legal infrastructure, customer characteristics, and economic uncertainty; the central category includes the three categories of brand vision depiction, brand integrity and entrepreneurial capabilities; strategies including three categories of brand positioning, strategic planning for branding and value creation; And the consequences include three categories of competitive advantage, strategic brand development and brand identity development. Quantitative findings showed that the causal conditions of branding with a score of 26.719 has a positive and significant effect on entrepreneurial branding; Entrepreneurial branding with a score of 4.873 on value-based brand positioning; And value-based positioning with a score of 29.960 has a positive and significant effect on the performance of startups.

Conclusion: The results indicate that the branding model based on entrepreneurship in cyberspace and its impact on the performance of startups includes six main themes and 18 sub-themes, and branding based on entrepreneurship in cyberspace has a positive and significant effect on the performance of startups.

Keywords: Branding, Digital space, Entrepreneurship, Startups.

Introduction

Corporate branding as a term describes the brand that a company creates for itself in addition to branding its products. A company's brand has huge implications for the company and its customers, as it can influence not only the company's strategy but also how the customer perceives the company. Therefore, the company should aim to build a brand. Therefore, branding in start-up companies is an important phenomenon, because gaining a competitive advantage increases the company's performance (Davoshik and Sharma, 2016). Branding in cyberspace can be considered a systematic process that is used to create awareness and increase customer loyalty. The main purpose of branding is to create a mindset and perspective towards your business in customers to the point where they depend on you to meet their needs. This work requires instructions from high levels and necessary preparation for future investment (Mousavi & et. al., 2018).

According to Keller, to be able to define a certain structure for branding in cyberspace, six brand-building elements must be introduced, which can be imagined in the form of a pyramid. Based on this pyramid, the value of the brand characteristic is realized at its highest level when the brand can reach the highest level of the pyramid. Accordingly, brand salience, imagery, brand performance, emotions, judgments, and congruence with the brand are the most important elements that must be considered in branding (Dubravka and Dumaguj, 2015).

Creating a powerful brand requires taking special steps so that it can be created fundamentally and generate the necessary efficiency in the target market as well as different economic fields. Compared to established companies, new businesses have different needs, mainly due to lack of resources as well as lack of internal processes and structures. These specific needs require branding methods that are completely different from those established in large companies. Despite the obvious limitations, small companies can have an advantage in brand building by using the creativity of the founding team and the creativity that is often enhanced by a lack of resources (Sentano & et. al., 2013).

In research, Rutter (2020) examined brand building in cyberspace in startups (best methods and influencing the decision-making of Angel investors). The results indicated that by adopting a comprehensive

approach to brand creation and following a set of basic principles described in this study, startups can build their company's brand using creativity and time instead of money. This study also found that the brand influences the Angel investor's subjective evaluation of the startup directly through the image of the company and indirectly through the characteristics of the founding team. A cohesive corporate brand enhances the passion, credibility, and reliability of the founding team, all of which are highly valued by Angel investors. In another research by Hemalnin (2019), the challenges and solutions of branding startups were studied. The results showed that common challenges for startups in many cases are related to scarce resources. To overcome these challenges, it was suggested that a startup should consider branding as part of daily operations, create a strategy, focus on the company's brand, and seek to outsource business activities if possible. A framework was proposed to support the branding process of startups, which aims to use the guide of a startup at the beginning of branding.

According to Keller, to be able to define a specific structure for branding, six brand-building elements must be introduced, which can be imagined in the form of a pyramid. Based on this pyramid, the value of the brand characteristic is realized at its highest level when the brand can reach the highest level of the pyramid. Accordingly, brand salience, imagery, brand performance, emotions, judgments, and congruence with the brand are the most important elements that should be considered in online branding (Dubravka and Dumagoj, 2015). Also, according to Aker (2012), a brand is a collection of assets and liabilities that are associated with the brand name and symbol and add to or subtract from the created value of a product for the company or its customers. These assets and obligations, based on which the value of the brand is formed, are different from one field to another. Aker introduced the main assets of the brand in the form of a model and believes that this model improves the performance of the brand. Based on this model, the factors that affect the improvement of brand value are brand awareness, brand association, perceived quality, and brand loyalty (Mousavi & et al., 2018). The key to startup success is a brand-centric approach that combines brand leadership strategy with creative, targeted, and cost-effective business methods. In the brand-centered approach, all company processes revolve around the development of brand identity in continuous interaction with customers, intending to create long-term competitive advantages for the brand.

For startups, it is recommended to focus only on building corporate brands (as opposed to product brands). In addition to influencing customers, companies' brand names also influence investors and other important stakeholders. The brand-building process should be started as soon as possible and it should be considered a long-term investment (Barsiani and Eppler, 2010). Constantly collecting feedback is an important part of the branding process, and initially, the main sources of feedback are friends, family, and investors of the founding team. As soon as the startup acquires its first customers, they should become the main focus of the feedback process (Johntonon & et al., 2010). The conceptual model of the research is represented in Figure 1.

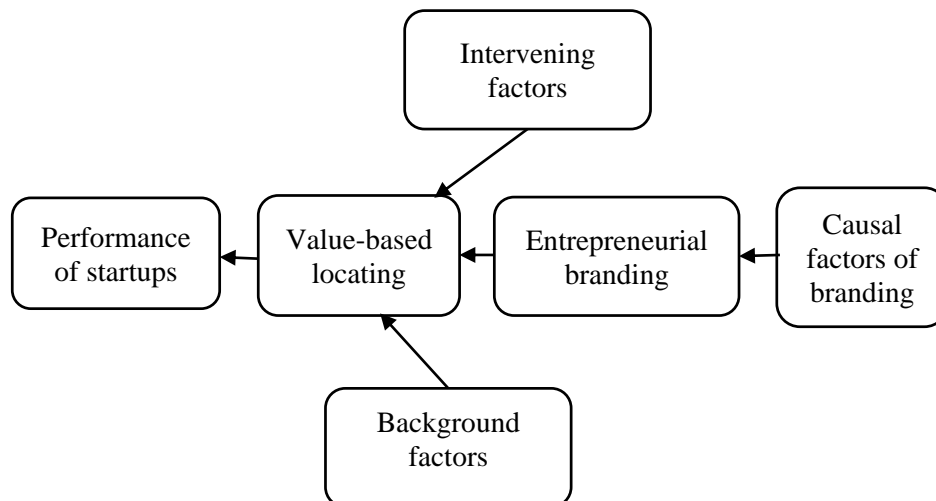


Figure 1. Research conceptual model

Since digital entrepreneurship research has dealt with entrepreneurial branding in various aspects, it seems that a qualitative case study on how a startup perceives its brand in cyberspace is compared to that of the interest group members. The brand name is not understood. Therefore, the current research aims to design and compile a model for branding based on entrepreneurship in the cyberspace of startups using the foundational data theory approach. Therefore, this research seeks to answer the following question: what is the branding model based on entrepreneurship in the cyberspace of startups?

Literature Review

Searching the literature, there is a lot of material on brand and corporate branding, as well as a lot of literature on startups and entrepreneurship in cyberspace, but the intersection between the two is a completely unknown point. This point of intersection between branding and entrepreneurship in cyberspace is unique and interesting for several reasons. When creating a new venture, there is no direct identity, reputation, and internal structures are shapeless. Also, entrepreneurs focus on finance and production in the early stages of establishing a new venture. However, many companies have afterwards realized the importance of digital branding and clear brand visibility, and admit that the initial investment in digital branding is important.

Indeed, branding in the cyberspace of startups provides an interesting and unique context for business studies for several reasons: First, there is no clear identity and reputation in creating a company, and internal structures still need to be built. Secondly, branding activities in cyberspace are extremely important for customer attraction and company survival. Thirdly, start-up companies have limited resources in terms of capital, technical knowledge, and time (Barsiani and Eppler, 2010).

Startup development in cyberspace

According to Figure 2, there are six stages of startup development in cyberspace: ideation, conception, commitment, validation, scaling, and deployment. The following provides a brief explanation for each period to analyze which phase of development the company's startup phase corresponds to.

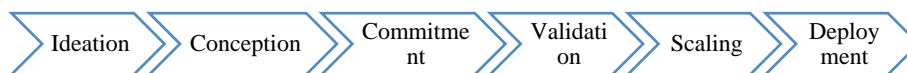


Figure 2. Startup development stages

- Idea generation stage: usually in this first stage an entrepreneur has an initial business idea about how and why to create value for his business.

Normally the team structure is ambiguous during this period, and only one person can be responsible for all operations.

- Conceptualization stage: In this period, the mission and visions of a company and important strategies and steps for at least the next three years are already defined. At this point, the team is supposed to be more structured and can be extended for additional roles.

- Commitment stage: In this stage, there is usually a committed and balanced joint team with common goals and values. As a rule, a company already has an initial product/service or can develop the product or service independently from external sources.

- Validation stage: In this development period, a startup can demonstrate its growth and/or revenue. In addition, at this stage, a company can begin to attract new investments for equity, revenue share, etc.

- Scaling stage: at this stage, a company is able and wants to grow quickly. Focus on the target market (large or fast-growing). During this period, a startup may attract significant funding or be able to manage it if desired. At this stage, a company has made significant progress in terms of hiring and the quality of implementing internal processes.

- Establishment stage: Being at this stage for a startup means achieving significant growth that is expected to continue. In addition, at this stage, a company can attract financial and human resources easily. As a rule, a startup continues to grow but often tries to maintain a "startup" culture (Sirotna, 2016).

Method

The current research is an applied type and uses a mixed method with a sequential qualitative-quantitative approach, in which first qualitative and then quantitative data was collected and analyzed. The priority is usually with the qualitative phase and quantitative data is used to strengthen the qualitative data. The target statistical population is 52 managers or startup representatives in the field of public services. The data collection tool was interviews with experts. Participating people are from startup organizations with managerial positions and heads of

market research departments, marketing managers, senior consultants, and marketing managers in startups. The method of data analysis was based on the foundational data approach and used coding and categorization. After coding and categorization, the conceptual model of the research was depicted. After each interview, the researcher extracted the texts from the interviews and for this purpose, first the data was read line by line, and open codes (which are the participants' own words) were extracted.

The resulting codes were compared with the previous ones and the codes that were conceptually similar to each other were placed in the same class and classes were gradually developed. The classes were also compared with each other and merged if necessary, or in some cases one class was separated into two or more classes, or the location of the code was changed from one class to another until finally the central class was reached. The basis of the communication process in encoding is based on the development of one of the classes, such as the one chosen as the central class in the current research, that is, branding based on entrepreneurship in startups, which originates from causal conditions and influences the process and strategy that leading to the final result. Selective coding also revealed the relationship between classes. Smart PLS software was used to analyze quantitative data and test research hypotheses and implement structural equation modeling. Confirmatory factor analysis was also used to test the significance of the relationships and the fit of the obtained measurement models. To analyze the data and test the research hypotheses, the structural equation modeling method was applied.

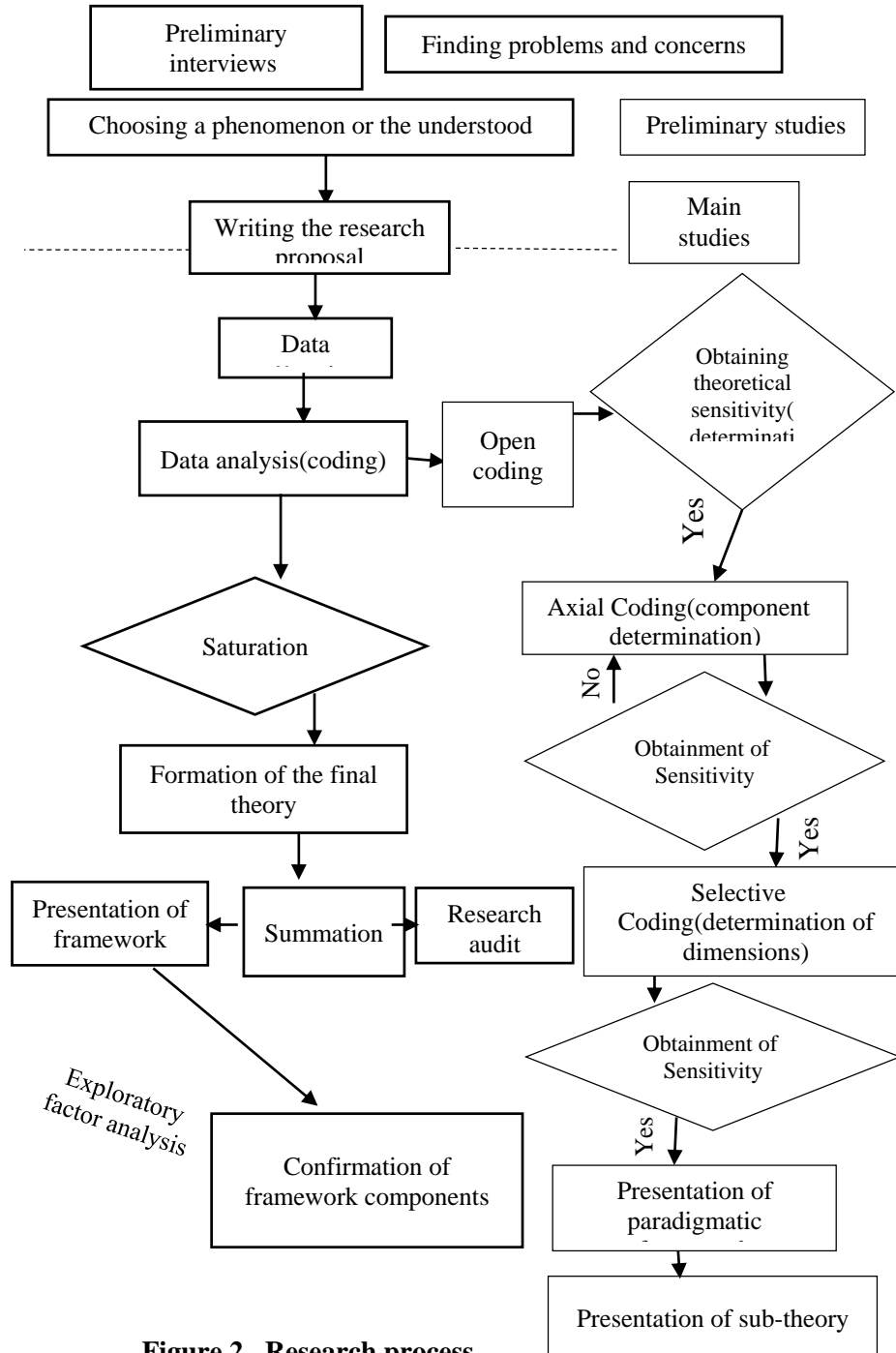


Figure 2. Research process

Qualitative Findings

After conducting scientific interviews with experienced executive experts in the organization, the model of branding based on entrepreneurship in the cyberspace of startups was delineated based on the foundation data method (core coding, open coding). In axial coding, categories and subcategories were related to each other according to their dimensions and characteristics, and Strauss and Corbin's analytical tools were used to discover how the categories were related to each other.

Causal conditions

In this research, the three categories of risk-taking, business situation analysis, and brand content capabilities are empirical factors affecting entrepreneurial branding in the cyberspace of startups. The categories related to the causal conditions are shown in Table 1.

Table 1. Causal categories (primary, secondary)

Main Category	subcategory	Examples of concepts extracted from interviews
Causal conditions	risk-taking	Confidence in the brand
		Time risk
		Reducing the fear of failure
		Making efforts incessantly with concern
		Dealing with fear and uncertainty
		Operational risk
		financial risk
	Analysis of the business situation	Long-term activities in innovation and technology
		Finding potential uses for achievements
		Increasing competitiveness
		Establishment of research and development units
		Pathology of startups with a development approach
	Brand content capabilities	Promotional features and advertising
		Identifying distinctive brand resources
		Development of applied content

Background conditions

In this research, the organizational structure of the brand, market orientation, and brand orientation are the main contextual factors of branding based on entrepreneurship in the cyberspace of startups, as shown in Table 2.

Table 2. Contextual categories (primary, secondary)

Main Category	subcategory	Examples of concepts extracted from interviews
Background conditions	Brand organizational structure	Determining the existential philosophy of the brand
		Market dynamics
		Internal coherence
		participation
		The spirit of teamwork
	Market orientation	Employee Creativity
		Determining the position of the startup in the market
		Determining the nature of competition in the market
	Brand orientation	Startup customer orientation
		Trying to promote the brand in the market
		Using a trade name and symbol to introduce the startup in the market
		Selecting a distinctive brand
		Determining the advertising slogan

Intervening conditions

In this research, three categories of legal infrastructure, customer characteristics, and economic uncertainty have been assumed as the categories of intervening conditions based on branding and entrepreneurship in the cyberspace of startups, which is shown in Table 3.

Table 3. Intervening categories (primary, secondary)

Main Category	subcategory	Examples of concepts extracted from interviews
Intervening conditions	Legal infrastructure	Financing and investment
		Complicated business rules
		Lack of incentives or easy conditions for startups
	Customer characteristics	Change in customer patterns
		Customer awareness of brands
		Change in customers' attitude towards the brand
	Economic instability	Reduction of investments in the startup sector
		Economic uncertainty
		Reduction of export and import financing
		Reducing the efficiency of the environmental economic atmosphere

The pivotal category

In this research, brand vision depiction, brand integrity, and entrepreneurial capabilities are the three pivotal categories of branding based on entrepreneurship in the cyberspace of startups, which is shown in Table 4.

Table No. 4. Core categories (primary, secondary)

Main Category	subcategory	Examples of concepts extracted from interviews
Pivotal categories	Depicting a brand vision	The balance of entrepreneurial processes with the commercial goals of the brand
		Identification of competitive opportunities
		Creating a positive image of the brand
		Applying mixed branding
	Brand Integrity	Customer interaction
		Creating synergy
		Effective communication methods
		Development of the platform of brand communities
	Entrepreneurial capabilities	independence
		Entrepreneurship education
		Promotion motivation

		Improving the position of the brand in entrepreneurial activities
		Market agility and speed
		Innovative capacity

Strategies

In this research, three categories of brand positioning, strategic planning for branding, and value creation are assumed as strategies based on the pivotal categories of branding and entrepreneurship in the cyberspace of startups, which is shown in Table 5.

Table 5. Category of strategies (action/reaction, primary, secondary)

Main Category	subcategory	Examples of concepts extracted from interviews
Category of strategies	Brand positioning	Fixing the brand position in the minds of customers
		Establishing a direct relationship with the feelings and desires of customers
		Establishing a favorable communication network
		Creating stable behavior in the market
		Using the desired patterns of competitors
	Strategic planning for branding	Examining environmental opportunities and threats
		Development of capital, skills, and capabilities
		Evaluating the weaknesses and strengths
	Brand value creation	Stable communication
		Affiliated marketing
		Transformative innovation
		Development of new services if necessary

Consequences

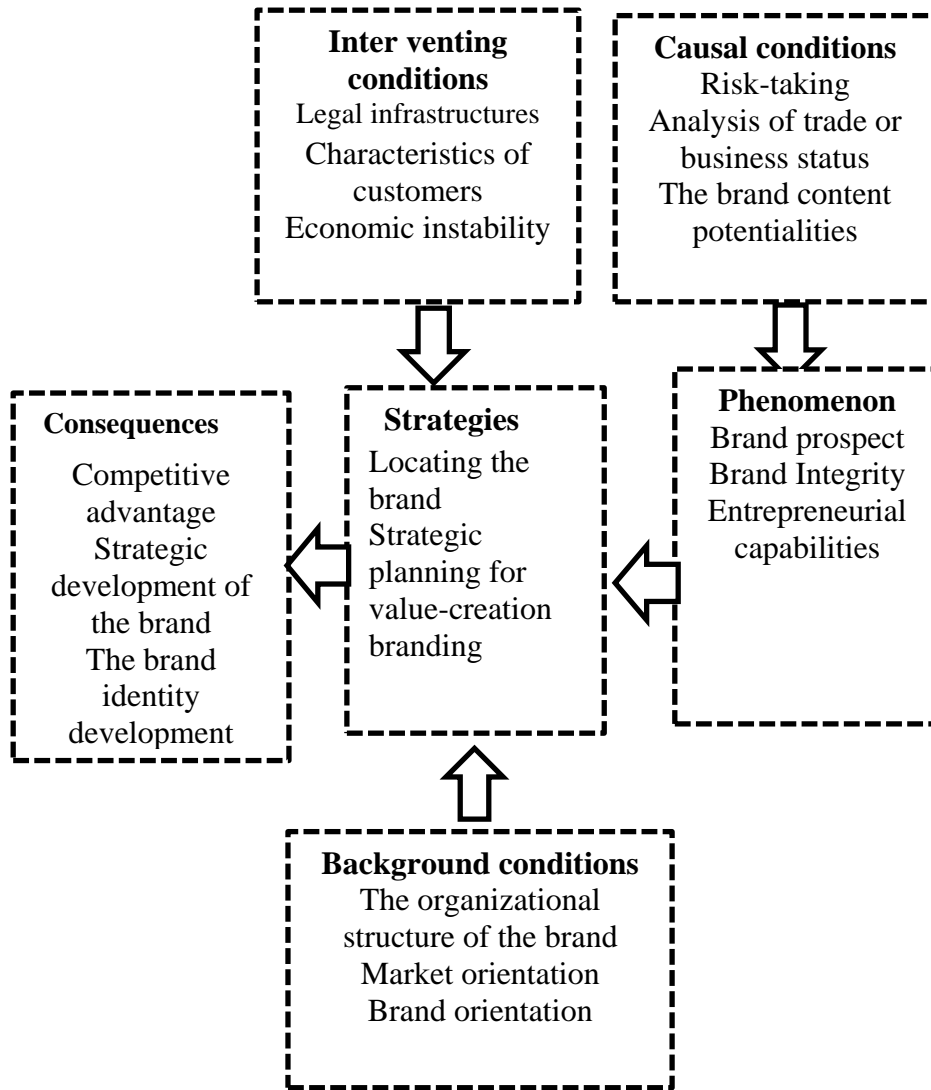
According to open coding, the concepts related to the consequences of the model were extracted, then according to the back-and-forth movement between themes and concepts, the main categories were extracted and named, and accordingly, the consequences in three sections related to competitive advantage, development brand strategy, and brand identity development were classified as the consequences of branding based on entrepreneurship in cyberspace of startups. Table 6 deals with categories and concepts related to consequences.

Table 6. Consequence category (primary, secondary)

Main Category	subcategory	Examples of concepts extracted from interviews
Consequence category	Competitive Advantage	Satisfying customer demands and maintaining long-term relationships
		Determining the long-term position
		profitability
		Improving the quality of services
		Satisfying customer demands and maintaining long-term relationships
	Strategic brand development	Improvement of responsiveness
		Gradual innovation
		Using new ideas
		Easy access to services
	Brand identity development	Using sensory appeal
		Brand social identity
		Interactions with the target market
		Determining the desired image of the brand
		Differentiation in the branding process

Paradigmatic Model

The paradigm model of this research was designed based on the paradigm model of Strauss and Corbin. Despite these factors and conditions, the model and process of branding based on entrepreneurship in cyberspace was designed for startups. The research paradigm model is shown in Figure 3.



**Figure 3. The expanded background(paradigmatic) model
Extracted from the coding process**

According to the above model, research hypotheses in the quantitative phase will be as follows:

First hypothesis: Causal conditions have a significant effect on the central

phenomenon.

Second hypothesis: the central phenomenon has a significant effect on strategies.

Third hypothesis: background conditions have a significant effect on strategies.

Fourth hypothesis: Intervening conditions have a significant effect on strategies.

Fifth hypothesis: strategies have a significant effect on outcomes.

Quantitative Findings

Demographic profile

Gender, age, education, and work experience are among the variables the quality of distribution among the respondents to the questionnaire was analyzed.

- The age of the statistical population shows that 35% of people are 40 years old and below, 53% of people are between 41-50 and 12% of people are over 50.

- The level of education of the statistical population studied in this research denotes that the number of those who had a bachelor's degree was 51 equaled 59% and the number of people with a master's degree or higher was 35 equal to 41%.

- Surveys show that 10 people equal to 12% have 5 years of work experience, 51 people equal to 59% of people have experience between 6 and 10 years, and 25 people have experience equal to 29% of people have more than 10 years of experience.

Convergent validity

Convergent validity means that the indicators of each structure provide a suitable separation in terms of measurement proportionate to other constructs of the model. To put it baldly, each indicator should only measure its structure and their combination should be such that all structures are well separated from each other. With the help of the average extracted variance index, it was determined that all the studied structures have an extracted average variance higher than 0.5. Composite reliability indices (CR) and Cronbach's alpha were used to check the reliability of the questionnaire. All these coefficients are higher than 0.7 And they show the reliability of the measurement tool. Table No. 7 shows the indices of convergent validity, reliability, and fit of the model.

Table 7. Validity, reliability, and fit indicators of the model

Hidden Variables	AVE	CR	R2	Cronbach's alpha	\sqrt{AVE}	$\sqrt{R^2}$	GOF
risk-taking	0.70	0.90	0.74	0.859			
4		5	7				
Analysis of	0.61	0.88	0.64	0.860			

the business situation	7	6	8		0.815	0.816	0.665
Brand content capabilities	0.721	0.886	0.481	0.806			
Brand organizational structure	0.678	0.894	0.728	0.841			
market orientation	0.743	0.920	0.746	0.885			
brand orientation	0.711	0.881	0.553	0.797			
Legal infrastructure	0.682	0.896	0.687	0.844			
Customer characteristics	0.618	0.866	0.661	0.794			
Economic instability	0.810	0.927	0.711	0.882			
Depicting a brand vision	0.653	0.929	0.812	0.911			
Brand Integrity	0.629	0.871	0.430	0.806			
Entrepreneurial capabilities	0.577	0.872	0.589	0.816			
Brand positioning	0.629	0.835	0.604	0.703			
Strategic planning for branding	0.618	0.887	0.764	0.861			
Brand value creation	0.625	0.891	0.790	0.844			
Competitive Advantage	0.750	0.923	0.804	0.889			
Strategic brand development	0.653	0.905	0.000	0.885			
Brand identity development	0.712	0.934	0.000	0.923			

Quality of measurement model and structural model

Another test to evaluate the measurement model is its quality check test. The quality of the measurement model is calculated by the index of commonality with cross-validity (Cv Com). To check the entire measurement model, the average of this index is taken and if it is

positive, the entire measurement model is of good quality. Also, three values of 0.02, 0.15, and 0.35 for the Cv Com index represent low, medium, and high quality respectively for the measurement model. The results of this test are given in table number 8. The total average of this index is equal to 0.608, which shows the high quality of the measurement model.

Another index is the quality of the structural model or redundancy index (CV Red) of the model (1-SSE/SSO), which is the most famous index for measuring the quality of the structural model named the Stone-Geisler index. In this test, we only select the endogenous variables. In this index, values above zero indicate the optimal ability of the structural model in forecasting, and the values of 0.02, 0.15, and 0.35 indicate the weak, medium, and strong prediction of the structural model, respectively. The values obtained from this index are shown in Table No. 8. The obtained results show that the endogenous variables have a strong structural model quality.

Table 8. Quality test results of measurement model and structural model

Hidden Variables	CV com	CV red
risk-taking	0.704	0.526
Analysis of the business situation	0.400	0.255
Brand content capabilities	0.721	0.346
Brand organizational structure	0.678	0.493
market orientation	0.743	0.554
brand orientation	0.711	0.392
Legal infrastructure	0.682	0.469
Customer characteristics	0.618	0.406
Economic instability	0.810	0.576
Depicting a brand vision	0.653	0.534
Brand Integrity	0.629	0.261
Entrepreneurial capabilities	0.577	0.338
brand tea shop?	0.629	0.387
Strategic planning for branding	0.405	0.306
Brand value creation	0.625	0.493
Competitive Advantage	0.750	0.602
Strategic brand development	0.448	-
Brand identity development	0.445	-
Average	0.608	-

A summary of the results obtained from the path coefficients, the t-

value statistic, as well as the acceptance or rejection of the significance of the hypotheses are given in Table 9.

Table 9. The results of path coefficients and t-value statistics for testing research hypotheses

hypothesis	path coefficient (β)	critical ratio (t)	coefficient of determination (R ²)	Confirm or reject the hypothesis	direction of influence
Causal factors of branding-> entrepreneurial branding	0.805	26.719	0.648	confirmed	+
Entrepreneurial branding -> value-based positioning	0.381	4.873	0.764	confirmed	+
contextual factors-> value-based positioning	0.348	5.240		confirmed	+
Intervening factors-> value-based positioning	0.210	3.036		confirmed	+
Value-based positioning -> startup performance	0.766	29.960	0.586	confirmed	+
t >1.96 Significant at P<0.05, t >2.58 Significant at P<0.01					

First hypothesis: Causal conditions have a significant effect on the central phenomenon.

According to table (26-4), the first hypothesis of the research is based on the effect of causal conditions on the central phenomenon. The value of the path coefficient for the direct effect of causal conditions on the central phenomenon is equal to 0.805. This value is significant at the 95% confidence level. Considering that the t-statistic value is outside the critical range (it is more than 1.96), with a probability of 0.95 the researcher's claim that "causal conditions have a significant effect on the central phenomenon." It is confirmed.

Second hypothesis: the central phenomenon has a significant effect on strategies.

The second hypothesis of the research is based on the effect of the central phenomenon on strategies. The value of the path coefficient for the direct effect of the central phenomenon on strategies is equal to 0.381. This value is significant at the 95% confidence level. Because the t-statistic value is outside the critical range (it is more than 1.96), with a probability of 0.95, the researcher claims that "the central phenomenon has a significant impact on strategies." It is confirmed.

The third hypothesis is: background conditions have a significant effect on strategies.

The third hypothesis of the research is based on the influence of background conditions on strategies. The value of the path coefficient for the direct effect of background conditions on strategies is equal to 0.348. This value is significant at the 95% confidence level. Because the value of t statistic is outside the critical range (it has become more than 1.96), with a probability of 0.95 the researcher's claim that "background conditions have a significant effect on strategies." is confirmed.

Fourth hypothesis: Intervening conditions have a significant effect on strategies.

The fourth hypothesis of the research is based on the influence of intervening conditions on strategies. The value of the path coefficient for the direct effect of intervening conditions on strategies is equal to 0.210. This value is significant at the 95% confidence level. Because the value of t statistic is outside the critical range (it is more than 1.96), with a probability of 0.95, the researcher claims that "intervening conditions have a significant effect on strategies." It is confirmed.

Fifth hypothesis: strategies have a significant effect on outcomes.


The fifth hypothesis of the research is based on the impact of strategies on outcomes. The value of the path coefficient for the direct effect of strategies on outcomes is equal to 0.766. This value is significant at the 95% confidence level. Considering that the t-statistic value is outside the critical range (more than 1.96), with a probability of 0.95 the researcher's claim that "strategies have a significant impact on the results", is confirmed. As can be seen, all hypotheses have been confirmed at the 95% confidence level.

Conclusion

The key to startup success is a brand-centered approach that combines brand leadership strategy with creative, targeted, and cost-effective business methods. In the brand-centered approach, all company processes revolve around the development of brand identity in continuous interaction with customers, to create long-term competitive advantages for the brand. The results obtained from the coefficients of the structural equations based on the effect of causal conditions on entrepreneurial branding show that the value of t (26.719) for this parameter (according to the five percent error rule in the area of rejecting the null hypothesis for values outside the range of 1.96 to 96 1- Every parameter of the model) is outside the estimated range. Therefore, it can be stated that the first hypothesis of the researcher, that is, causal factors have a significant effect on entrepreneurial branding, is confirmed with 95% confidence, hence the variable of causal factors has a significant effect on entrepreneurial branding, and the above hypothesis is confirmed.

The results obtained from the coefficients of structural equations based on the effect of entrepreneurial branding on value-based brand positioning show that the value of t (4.873) for this parameter (according to the five percent error rule in the area of rejecting the null hypothesis for values outside the range of 96 1.1 to 1.96 - each parameter of the model) is outside the estimated range. Therefore, it can be stated that the researcher's second hypothesis, that entrepreneurial branding has a significant effect on value-based brand positioning, is confirmed with 95% confidence, hence the variable of internal processes has a significant effect on value creation, and the above hypothesis is confirmed. The result of this hypothesis is consistent with the research results of Bani Esadi (2019), Kong and Monical (2019), and Raj et al. (2018). Therefore, marketing managers are advised to draw on brand content processes and capabilities such as identifying distinctive brand resources; as it can create beneficial and long-term effects and results in the process development of entrepreneurial activities.

The results obtained from the coefficients of structural equations based on the influence of background factors on brand-based



positioning show that the t value (5.240) for this parameter (according to the five percent error rule in the zone of rejecting the null hypothesis for values outside the range of 96 1.1 to 1.96 - each parameter of the model) is outside the estimated range. Therefore, it can be stated that the researcher's third hypothesis, that background factors have a significant effect on brand-based positioning, is confirmed with 95% confidence, hence the variable of background factors has a significant effect on brand-based positioning, and the above hypothesis is approved of. The result of this hypothesis is consistent with the research results of Jonathan et al. This shows that in the case of applying the spirit of teamwork and customer orientation of the startup, they should choose a process that will lead to the promotion of the startup's position in the market. In this regard, as long as the allocation of available resources is sufficient and appropriate, and the planning unit is active and capable of being committed and effective by the management, the process of entrepreneurial development based on value creation will increase.

The results obtained from the coefficients of structural equations based on the influence of intervening factors on brand-based positioning show that the value of t (3.036) for this parameter (according to the rule of five percent error in the zone of rejecting the null hypothesis for values outside the range of 96 1.1 to 1.96 - each parameter of the model) is outside the estimated range. Therefore, it can be stated that the researcher's fourth hypothesis, that intervening factors have a significant effect on brand-based positioning, is confirmed with 95% confidence, hence the intervening factors variable has a significant effect on brand-based positioning, and the above hypothesis is confirmed. The result of this hypothesis is consistent with the results of Khosh Taynet and Shahabadi (2017), Jonathan and colleagues (2016), and Heydari and Biglari (2015). The ability to respond to the market based on customer characteristics creates positive attitudes towards branding. This not only increases performance but also increases market understanding. However, managers attempting to benefit from advice provided by consultants to gain experience and from experts to use market opportunities and better accountability, as well as the use of decentralized approaches, including the development of capital and skills and capabilities, to evaluate the weaknesses and strengths, enhances value creation.

The results obtained from the coefficients of the structural equations based on the effect of brand-based positioning on the

performance of startups give the value of t (29.960) for this parameter (according to the five percent error rule in the zone of rejecting the null hypothesis for values outside the range of 96.1 to 1.96- each parameter of the model) which is outside the estimated range. Therefore, it can be stated that the researcher's fifth hypothesis, that brand-based positioning has a significant effect on the performance of startups, is confirmed with 95% confidence, hence the variable of brand-based positioning has a significant effect on the performance of startups, and the above hypothesis is approved of. The result of this hypothesis is consistent with the research results of Kung and Monical (2019), Faryabi et al. (2018), and Raj et al. (2018). It seems that the reason for the confirmation of this hypothesis, considering that its positive effect has been proven in many types of research, is that the companies that have paid attention to the development of entrepreneurship have observed the balance between value creation and the promotion of entrepreneurial orientation, which is important from the standing position of the respondents. This shows that the development of practical strategies, including the promotion of optimal responsiveness, and the use of this part efficiently and effectively, will lead to the strategic development of the brand in the domestic and foreign markets, which will lead to the promotion of a better brand identity. On the other hand, having professional management, marketing experience, commitment of resources, and the use of internal information help in the development of entrepreneurship.

Finally, according to the results of the preliminary study, the following suggestions are given:

- New value in startups should be created through activities based on entrepreneurial orientation. New value should be created for the company through technological changes and their pricing should be established based on the value created and not on the purchasing power of customers.
- Managers should regularly identify the strengths and weaknesses of their competitors and, in this regard, adopt new and innovative processes and products compared to their competitors, and regularly review their competitors' market capabilities.
- The managers of startups should coordinate the personnel, units, and other resources of the company in such a way that they create value for the customer with coordination and consistency along with the

development of the dynamics of their market and establishing a system of agility and speed of the market in their company.

- For future research, researchers should go over the research subject with a comparative approach in different industries such as banking, insurance, hotel industry, etc.

- It is suggested that in future research, reciprocal relationships between the variables - if any - should be investigated.

- Future researchers can also examine the impact of branding on entrepreneurship in startups through the moderating mechanisms of demographic variables.

CONFLICT OF INTEREST: The authors declare that they have no conflicts of interest regarding the publication of this manuscript.

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How to Cite: Rahimi, E., Heydari, A., Ghasemi, B. (2024). The Impact of Entrepreneurship-Based Branding in the Cyberspace on the Performance of Startups, *International Journal of Digital Content Management (IJDCM)*, 5(8), 304-328. DOI: 10.22054/dcm.2024.71918.1182



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