Storytelling as a PR Tool for a Tech Startup

Junjie Huangfu[1]

[1] Zhejiang Radio and Television Group (Zhejiang Media Group)

Correspondence: Junjie Huangfu, Zhejiang Radio and Television Group (Zhejiang Media Group).

Abstract

This paper will explore the influence of storytelling as a PR tool for a tech startup. It will examine whether and how a tech startup communicates effectively with its key stakeholders by using storytelling to raise awareness and increase support among key stakeholders. The paper will include both secondary and primary research. The secondary research will examine the development of storytelling, the importance of storytelling for tech startups, and how to tell a story. In the case study section, this paper will compare two startup stories from two competitors in the tech-food industry, and analyze if they are successful stories for tech startups. In the primary research, the author will interview ten experts from startups and the PR industry to test if storytelling is an effective way for tech startups to communicate with stakeholders, and how to tell a good story. Based on the findings of this research, storytelling is a critical strategic PR technic for tech startups to communicate with stokeholds especially investors, customers, and early employees to raise awareness and increase support.

Keywords: public relations, storytelling, tech startup, entrepreneurship, company, corporate communication

1. Introduction

1.1 Context

According to the research consultancy IDC, the global technology industry will grow to $5.2 trillion by 2020. With the development of technology, people's daily lives, jobs, studies, entertainment, and economies become smarter, more convenient, more connected and more automated. The U.S. is the largest Information Technology market in the world, worth $1.6 trillion in 2019. More and more people are joining the industry as a result of experiencing the change brought by technology. (2020 IT (Information Technology) Industry Trends Analysis: Business of Technology: CompTIA, n.d.)

The number of computer and technology-based startups in the U.S. jumped 47%, from 116.000 firms to 171,000 firms, between 2007 and 2016. (Wu & Atkinson, 2017) However, the tech startup industry also had the highest business failure rate, 63% in 2018 (The Ultimate Startup Failure Rate Report [2020], n.d.).

There are a few reasons why most tech startups fail. (Carey & Trueman, 2019)

(1) Lack of market fit: CB insights research demonstrates that a lack of market demand causes 42% of tech startups to fail. (Goldwin, 2017) According to George Northcott, the director of business building at London startup accelerator Founders Factory, many startups are developing products that no consumer needs. A company has to solve a specific problem for its target customers. (Cohan, 2018)

(2) Lack of cash: 'burn rate' is a word that is mentioned frequently in Silicon Valley. This is the rate at which a company is spending its capital on overheads before generating a profit from operations. (Carey & Trueman, 2019) An article from Fortune clarifies, running out of money accounts for 30% of tech startup failures. In addition to funding the technology, the startup has to pay salaries, manage the product, explore the market, get to know the customers, pay for lawyers and rent. Most failed startups only consider their development costs and assume that their business will succeed once the development is complete. This mindset is a trap, into which

many entrepreneurs fall. (Goldwin, 2017)

(3) Bad Business model: The recent wave of artificial intelligence or machine learning startups is a good example. Entrepreneurs scramble to find ways to apply the technology to specific areas, but most founders get mixed results. Today, most AI tech startups still think they are in very early stages and have very few consumers. (Carey & Trueman, 2019) Robert Tregaskes, the former founder of startup Shenergle (now defunct), says "fundamentally our business model just wasn't going to work. We couldn't pivot to something adjacent as there wasn't anything adjacent." (Carey & Trueman, 2019, para.10)

(4) The wrong team: tech startups are on the cutting edge of the industry; they need people who are knowledgeable and professional, so the company needs to engage the best experts in the field. Then they need to make sure the team can research, design, produce and manage the product that meets the market need. The team has to show the tech ability and successful experience. (Raynott, Rubright, Engman, Koharchick, & Reuben Yonatan, 2019) Farah Kanji, head of talent at startup accelerator Founders Factory says: "I see 'dead wood' as a reason for startup failure. Firing is just as important as hiring great people. As soon as you realize you've hired the wrong person, let them go. No matter how hard it is to find their replacement." (NYCEDC and Columbia Technology Ventures Launch Accelerator and Talent Network Initiative for Local Cyber Startups, n.d.)

Many tech startups are facing similar problems: the market, the cash, the team, and the direction. That's why PR comes in and helps the founders communicate with their stakeholders to build a relationship with them and increase brand awareness. Startups should focus on figuring out what kind of content should be used to pitch their specific audience. (Corbett, 2019) Storytelling allows startups to connect with their stakeholders on an emotional level. (Qu, 2018) A compelling story can set a young company apart in the competitive start-up environment.

1.2 Problem Statement

Tech startups deliver new technology products or services or deliver existing technology products or services in new ways. It's not easy for the public to understand a new technology based on unfamiliar ideas and cutting-edge research. Moreover, many tech startups tend to put a lot of effort and attention on tech development while overlooking communication with its stakeholders. By failing to tell a story about the new tech or the company in an effective way, such startups might eventually fail by missing an opportunity to convey the company's mission and value to their stakeholders such as employees, the public, media and investors.

1.3 Hypothesis

Good public relations storytelling can help the company go beyond elements such as market and investment opportunities to convey at an emotional as well as rational level the company's mission and values. This will raise awareness and increase support, and reputation among key audiences, including potential investors, employees, and the company's customer base, which is beneficial to the long-term development of the company.

- Core Research Questions:

1) What is storytelling?

2) What is the role of storytelling for a tech startup?

3) How does storytelling help a tech startup?

4) What are the difficulties on telling a story for a tech startup?

5) How to tell a good story for a tech startup?

2. Secondary Research

2.1 Literature Review

2.1.1 What Is Storytelling

30,000 years ago, figurative cave paintings were produced by human beings in the Chauvet cave in France. These paintings not only depict animals like horses and bears but also themes of ritual, shaman, and magic, according to Nature Index. Chauvet cave paintings are not random graffiti, but art that shows the skills of craftsmen of the time. It has been telling society's stories at that time by a universal language. (Mendoza, 2015)

Dating back to 5,000 years ago hieroglyphs used in ancient Egypt is another common form of painting to tell stories. By writing pictographic characters representing sounds and symbols, ancient Egyptians communicated with each other in a written way. As one of the oldest writing systems in the world, in addition to be utilized for religion, hieroglyphs also recorded temples and tombs with information for future people. Paintings are the oldest and effective way to communicate stories about life. (Wilson, 2011)

However, from Klaus' perspective, when human life depended on hunting and gathering, men exchanged their stories of the hunting day while women were preparing the evening meal. The elders in the tribe sitting around a

campfire with kids told them the myths or legends about gods and ancestors. "These stories helped shape the identity of the tribe, gave it values and boundaries, and helped establish its reputation among rivaling tribes. It was storytelling in its purest form." (Klaus, 2010, P.17).

Lambert tries to explain storytelling from a biological point of view. He demonstrates that storytelling is related to cognition and memory. The hunters go home after hunting for food and share stories about how to hunt for prey. The mother explains the process of giving birth on a cold winter night to her young daughter. At that time, storytelling has the educational function of survival. Meanwhile, the emotions that come with listening to the stories become the basis to remember the events. (Lambert & Hessler, 2018) Psychologist Brenda Millner asserts that the way to remember is that we transport the information from a slower-working part to a fast part hippocampus that is a critical part of the memory process in our brains. The process of consolidating memory requires to review the experience repeatedly. The more times you repeat, the more you remember the information because continuous rehearsal will form new and deep neural pathways in our brain so that forming long-term memory. By conducting this way, you can remember the sensory experience such as hearing, touch, smell, which is easily forgotten. (Kandel, 2006) If our emotions become part of the information that goes through our brain, the neural pathway will be deeper and stronger, which means people are easier to remember things. "Story in this sense works biologically to ensure the total recall of those events which define we have ingrained as of greatest emotional importance to us." (Lambert & Hessler, 2018, P 8)

The Cambridge Advanced Learner's Dictionary & Thesaurus defines storytelling as "the activity of writing, telling or reading stories," or, "the art of telling stories" (Cambridge Advanced Learner's Dictionary & Thesaurus, n.d.)

The old way of telling a story was to collect interesting stories about the past and turn them into voice events that could be said or transmitted easily (Boje, 2014). Now, the progress in storytelling involves different voices, not just one person telling the past, it is how a group or organization of people presented the history and how the future is getting to the present (Boje, 2014).

Storytellers have broadened traditional forms of storytelling to include historical and educational themes, personal anecdotes and memoirs, and business and cultural instruction. (National Governors Association Center for Best Practices, Council of Chief State School Officers, 2010) Technological innovations such as video and teleconference systems, the internet and social media have made it easy for individuals to collaborate and write team stories across any physical distance, overturning the idea of a single author. Interactive online documentaries use narrative techniques to attract audiences, and interactive video games expand the platform for story creation and telling. (Tampio, 2018)

Now, human life is immersed in different stories, because telling stories has become natural to everyone. Sharing stories has been the most critical way to communicate with others about "who we are and what we believe; about what we are doing and have done; about our hopes and fears; about what we value and what we don't." (Hayes, Edlmann, & Brown, 2019, P.49)

2.1.2 The Story Structure

The essence of telling a story is to connect with the audience by resonating with them. Before starting to tell or write a story, storytellers have to think about these important questions: "What do people want? Why do they want it? How do they go about getting it? What stops them? What are the consequences?" (Caldwell, 2017, p.4)

The dictionary defines *story* as a sequence of events. (Caldwell, 2017) Cawthom states all stories in the world have the same structure: a beginning, a middle and an end (see figure 1). The setup, hero, and the quest will appear in the beginning. The setup tells you when the story begins and what is happening. The gradual or quick crisis shows up in the middle with highs and lows. Then a climax, a resolution, and the end come behind. Not all stories need to follow this arrangement. Some might start with a crisis. However, that'll be not a story if it lacks a hero, crisis or resolution. (Cawthorn, 2018)
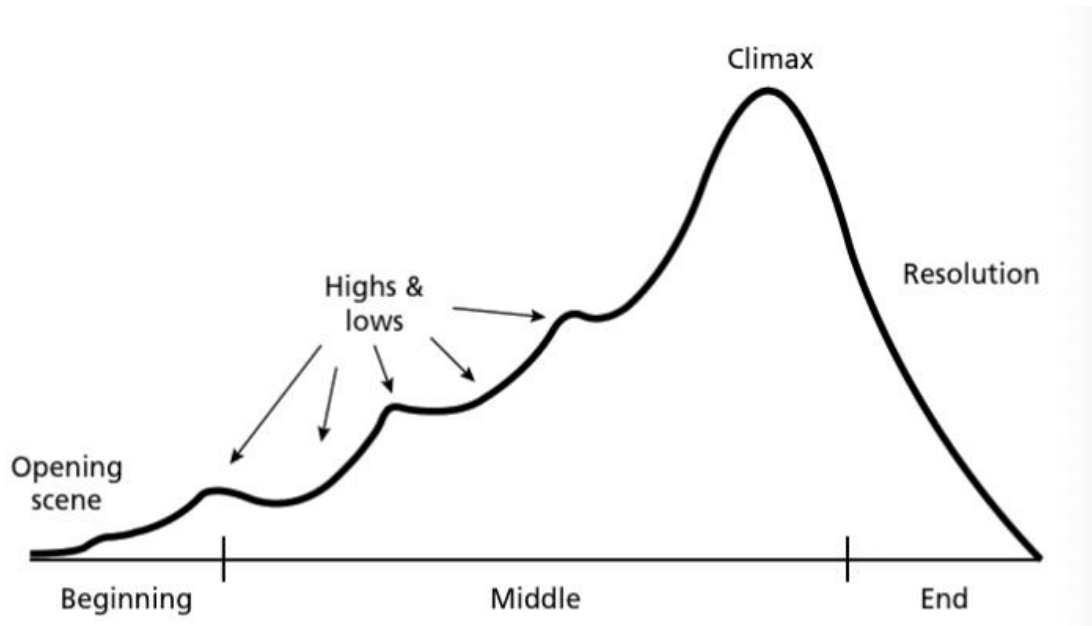
Figure 1. Story structure: beginning, middle and end

Source: Cawthorn, S. (2018). Storyshowing: how to stand out from the storytellers. Milton, Queensland: John Wiley and Sons Australia, Ltd. P. 19

The same method is also demonstrated in the film industry. Screenwriters call it a THREE-ACT Structure (see figure 2) that consists of Act 1= beginning, Act 2= middle, and Act =3 end. In terms of proportion, Act 1 is the first quarter of the script; Act 2 is about half of the script, which divides into 2A and 2B; Act3 is another quarter. Nowadays, the common screen script is around 90-100 pages. One page of a script will be running one minute long in a movie, and the whole movie lasts 90-100 minutes. That means Act 1, a beginning, is roughly 20-25 minutes (pagers); Act2, a middle, is about 50 minutes (pages); the Act3, an end, is 20-25 minutes (pages). (Fink, 2014)
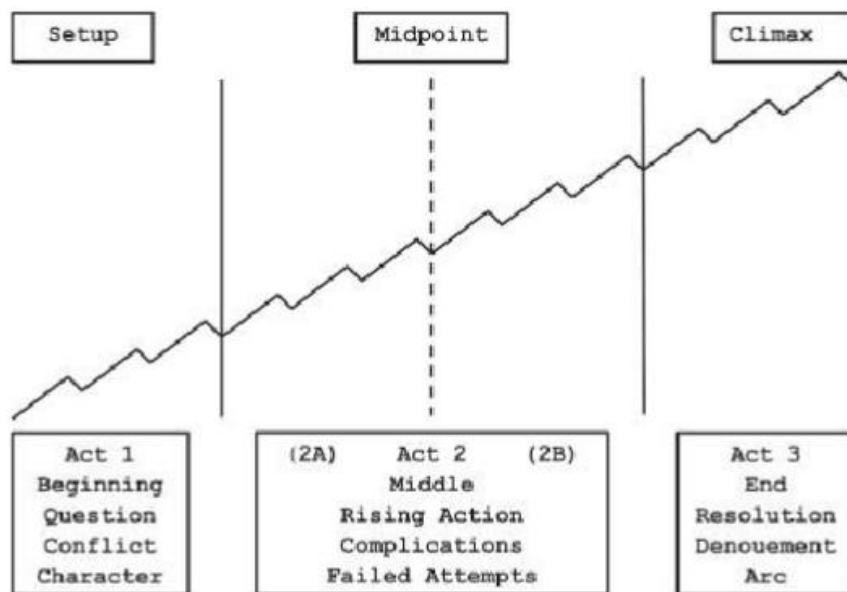
Figure 2. Diagram of the fundamental THREE-ACT structure, with the linear story progression on the x-axis and the rising tension or action on the y-axis

Source: Fink, E. J. (2014). Dramatic story structure: a primer for screenwriters. Abingdon: Routledge. P.34

2.1.3 Beginning

The beginning of a story tells the audience who the characters are and what the setting is. (What does this mean?) Meanwhile, the audience will know the setting, the character's motivation, and other minimum amounts of details to start the story. (Caldwell, 2017) Therefore, the storytellers should offer a picture that lets the audience to put themselves into it then think about what happens next. (grammar) In this setup, a more important thing a storyteller should consider is how to make the audience think they are relevant to the story. Do they have the same feelings or experience as the character in the story? (Cawthorn, 2018) "A great way to do this is to spin your story by using one or more of the three universal human fears:

- fear of not being loved

- fear of not being good enough

- fear of not belonging." (Cawthorn, 2018, P. 44)

2.1.4 Middle

It's time to show the crisis, but firstly the storyteller needs to depict detail before the moment of the crisis. (Cawthorn, 2018) At that time, the protagonists have to confront and address the increasing conflict, because the crisis has been the barrier between them and their goal. Creating an anticipation for the audience before encountering the climax that is building up. (Caldwell, 2017)

During this time the atmosphere becomes more tense to impact the audience's emotions such as the fear, the tension, the curiosity or the feeling of wonder. The changes of plot escalate the conflict, which is essential to move the plot along and make it more interesting because it creates shock, curiosity and other emotional reactions for the audience. (Fog, 2016)

Throughout the middle part of a story, the main character keeps attempting to solve the crisis that has put them into an uncomfortable situation, but in a short time, the character can't overcome the difficulty, and has to fight back again and again. The escalated problem gradually becomes climax, but finally resolved. This part is where the most of the conflicts take place. (Caldwell, 2017)

Fink names this increasing tension rising action. "Tension rises at each failed attempt, and the release, building up again to the next failed attempt, or plot point." (Fink, 2016, p. 43) This is the story's rhythm, which is crucial to engage the viewers' attention. This "ebb and flow" is like a roller coaster ride, which keeps the passengers holding their seat tight. In the film field, action movies are the best example for rising action, they apply strategic fight choreography to give the audience a roller-coaster ride. In terms of dramas and comedies, the dynamic tension is more about emotions and dialogues rather than physical actions.

2.1.5 End

Caldwell (2017) describes the end of a story as the shortest part between the beginning, the middle and end. The resolution shows and solves the conflict and problem. When the climax comes, the resolution shows up and resolves all conflicts and answers all questions. In addition, the solution conveys the value and meaning of the story. A key message must be delivered to your audience at the end of the story. The message is also the resolution that triggers the audience to think and take actions. "Give your audience an Aha! moment, let them take away a valuable lesson from what you have shared with them." (Cawthorn, 2018, p. 46) Cawthom advises that the writer thinking about the end before the beginning, even though the end is the last part of a story. Some writers might feel that an end is something that should be written at the end of a play or story. But the truth is, a writer should have the end in mind before writing the beginning. Ballon claims that in a well-structured script, the beginning and the end are always interrelated. The end will guide the direction of the whole story. For example, writing a story about a murder, if at the beginning you don't anticipate that the killer will eventually be caught and sent to prison or escape, then you can't plant the necessary clues and portents throughout the story to lead to the end. (Ballon, 2012)

2.1.6 The Elements of a Story

Robert McKee, an author and story consultant who is widely known for his popular "Story Seminar," states that there are six elements for a story (see Figure 3).

Figure 3. Story Elements in Gladiator

Source: Caldwell, C. (2017) Story structure and development: A guide for animators, VFX artists, game designers, and virtual reality. Boca Raton, FL: CRC Press, Taylor & Francis Group. P.7

- Character: the protagonist in the story. "Story are nothing without interesting characters" (Hadick, 2017, p.1)

- Setting: where and when the story happens. Setting includes both the location and the time (past, present, future) and the entire cultural background.

- Goal: what the things the protagonist wants to achieve.

- Theme: the reason why the main character wants to achieve the goal. It's also the meaning of the story. The central idea the author wants to convey.

- Conflict: the obstacle that prevents the character from wanting what he wants.

- Change- what the character experiences and the difference between before and after the completion of the goal. (Caldwell, 2017)

In addition to these six, there are three other more advanced elements to be considered when telling a story:

- Point-of-view: Who is the storyteller? "I" (first person) or "he/she/it" (third person). "You" (second person is not common in storytelling).

- Tone: it sets the emotional and mental effect of the story. Is it a story of fear? Are there any scenes of unpleasantness and horror? The writer must determine what is appropriate for the story and what the audience will appreciate. (Hadick, 2017)

- Style: it's the way the story is said. It's about the choice of words and the construction of sentences. Style is closely related to tone. (Dreamerswriting, 2019)

It is important that, in a story with all the elements, the writer should not only focus on what the elements are but also pay attention to how they connect. The second element is supposed to be given meaning by the first element so that the elements connect with each other, and the development of the plot will be smooth. Such connections are called transitions. (Bowles, 2010)

2.2 The Importance of Storytelling for Business Especially Startups

In modern business operations, storytelling is a critical method to convey a company's cultural values and mission internally and externally. A company's culture provides insight into its opportunities and values to indicate the direction for the future. When it comes to making that culture visible, nothing is stronger than the ancient art of storytelling. Klaus said, "just like the elders of the tribes of old, the strong leaders of today's companies distinguish themselves by being good storytellers; voices that employees listen to, are inspired by and respect." (Klaus, 2010, p. 99)

Articulating a company's vision is one of the most important jobs a startup CEO can do. The first step of making the vision a reality is to translate it into a story (Blumberg & Hindi, 2013).

Storytelling is also crucial for many aspects of a company such as marketing, PR, branding, consumer loyalty, and growth for the startups and the big multinational companies alike. It even can be the make-or-break element for both fundraising and overall startup success (Cremades & Corcoran, 2016).

Jonathan Opp, the host of over 25 workshops that help people build their storytelling skills for startups internationally, said: "storytelling is about making facts human." (Dorset, 2018, para. 3) Nowadays, even though

we have an infinite amount of information and facts, the simple way to communicate with a company's stakeholders is to tell a story from the perspective of people through experience, conflict, emotion, change, and the use of characters. That kind of story helps a company get heard, understood, and believed because the story is explaining "what" by focusing on the "who" and "why". Then the data and facts that are wrapped in the story are more compelling and memorable. (Dorsett, 2018)

Unfortunately, many startup founders don't recognize the importance and unique value of storytelling and pay more attention to tech information, which makes it hard to build a connection between the company and its investors and customers (Kander, 2014).

Tricia Levasseur, a former Bloomberg Journalist who is now a marketing executive combining storytelling & digital technology, suggests that for startup founders the most important thing they need to do is storytelling, even though they may have to take care of numerous jobs. Companies at the beginning phase have to pitch different stakeholders; initial customers, investors, potential co-founders or early-stage employees, partners and advisers.

Some companies have done a great job of storytelling. The "sharing economy" stories created by Airbnb and Uber are both outstanding examples for other startups to learn from. (Blumberg & Hindi, 2013).

Uber's story started with a cold winter evening in Paris. The two founders, Travis Kalanick and Garrett Camp, could not grab a taxi after they had finished a conference. That's the moment the idea came to them: what if people could tap a button on a smartphone and get a ride? ("The History of Uber - Uber's Timeline: Uber Newsroom US")

At the heart of every company in Silicon Valley lies a story about its founding. Jeff Clavier, founder and managing partner of SoftTech VC, says, "My first question will often be, 'Hey, looking forward to hearing your story.' And I like the arc; I love a good story. A good story will mean that we'll listen to the pitch." If the story is short, I am interested in talking about what your business is, the business problem solution, and the transformation in the industry. In that case, the storyteller will be separated from the others. A competitive story in the entrepreneurial world should fit into a short format: 60 seconds. A story in 5 minutes or 10 minutes would be effective if it is compelling enough with good structure at the right occasion. (Perruchet, 2018).

According to Statista's research, in the past 15 years, the ad landscape during Super Bowl Night has been steady. 80 to 100 commercials were shown in around 50 minutes. In 2019, the audience watched 91 ads in 49 minutes and 31 seconds during the Super Bowl Broadcast. Each 30-second ad costs $4.51 million. (Guttmann, 2020) A team of psychologists at Johns Hopkins University concludes that the most popular of 180 Super Bowl ads were the story-like ones. "The product or brand being advertised didn't matter. To be loved, an ad only needed this basic structure: a beginning, middle, and end, with some conflict and tension along the way." This is also a good structure for telling a good story. (Rosen, 2014)

Celinne Da Costa, a writer and brand story coach, teaches entrepreneurs to become confident leaders. She has traveled the world for a year, helping her clients build a brand around storytelling. She states that an easily communicated story is a compelling marketing strategy, and the stories connect people emotionally, building brand loyalty by consumers (Costa, 2017).

2.3 Storytelling for Tech Startups

Rebecca Buckman used to work for The Wall Street Journal and Forbes as a reporter, and now she is a global venture capital advisor. Based on her working experience, she demonstrates that it is harder and more complicated for a technology company like a hybrid-cloud data center to tell a story than a dating app or a delivery app that is easier for people to understand. She points out that many of the founders of tech companies are "highly technical engineers." (Buckman, 2018, para. 7) It is not surprising that storytelling is not a natural skill for them, and their PR or marketing department is data-driven. (Buckman, 2018)

"Tech companies, in their many guises," vice president of Intel Labs Genevieve Bell says, "always tell stories about the future of the world." (Hardy, 2014, para. 5) She used to teach anthroposophy at Stanford, and now she is overseeing 75 engineers and social scientists in Intel Labs to research the relationship between technology and society (Hardy, 2014).

In this age of technology with big data, cloud computing, sensors, and mobility, Bell is looking into three areas time, space and social relationships. The technology builds the social relationships between different people beyond the limitations of time and space, which is shaping and changing people's perceptions. For example, in the past 10 years, people's attitudes toward LGBTQ people have changed a lot. The revolution of the internet has made it possible for people to reach their same-sex partners online rather than calling people and hoping they were by the phone. (Hardy, 2014).

However, from Jonathan Opp's perspective, "Technology is always changing. But people never do. People

always want the same things: To give meaning to their work. To create an impact. To feel secure. To be respected. To feel connected to the people they love." (Dorsett, 2018, para. 12). Communication in the business field is about awareness, memorability, and persuasion. Matching people's needs by telling a fascinating story is the smartest and the most powerful method the companies should apply. (Dorsett, 2018)

Ellen O'Connor, a professor at the University of Illinois at Urbana, did a case study over 12 months from 1999 to 2000 to examine the use of storytelling in building the legitimacy of an internet software startup company. Legitimacy building is the process of getting outsiders to trust and invest in the startup (O'Connor, 2004). She concluded that to achieve legitimacy, an entrepreneur's story must mesh with the existing, relevant, and accepted storylines of others. (O'Connor, 2004). Also, the accounts of a company's founding, goals, product, and activities must match with the belief systems and business models of the larger business and investment community. (Levasseur, 2019)

Tricia Levasseur notes that if a founder of a startup can tell a simple, precise and repeatable message, the sales and share price will increase because the right storytelling has the persuasive power to make a product or service more valuable. (Levasseur, 2019)

Almost everyone recognizes that technology represents the future. However, how to tell the story of the future of the world is a different art entirely for the founder of a tech company. Brooke Hammerling, the owner of Brew Media Relations which match-makes startups-especially young tech companies- with reporters, influencers and another resource, suggested that it may be more difficult for technical founders to tell a story when they are in front of journalists or the public because they don't feel comfortable shortening their tech ideas to be catchy. "They get their point across in minutes when they need to be doing it in seconds," she says. (Brooke Hammerling, 2015, P.78)

2.4 How to Tell a Good Story for a Company

Everyone has a unique story to tell. What a startup needs to do is define what the company's story is, and how to tell the story understandably and attractively. (Buckman, 2018)

Esther K. Choy explained the core components of a story, which should be structural, elemental, authentic and strategic. Considering the story's emotional character is also important. (Choy, 2017) Patagonia, an outdoor clothing company, told their customers' "reusing" stories in its "Worn Wear: True Stories of People and Their Patagonia Wear" advertising campaign. The company appealed to its customers' emotions, encouraging them to associate the "stories they wear" in pink fleece or down parkas with their memories of ski trips or weekend getaways. By doing so, Patagonia deepened its relationships with its customers. (Perruchet, 2018)

"People often don't buy the best products; they buy the best products they understand." (Levasseur, 2019)

Sam Cawthorn, a successful Australian speech coach and motivational speaker, has created a new term for telling a story in front of the public: Storyshowing. He suggests that in order to convey a company's value and inspire an audience, a speaker must well prepare the two aspects of storytelling/storyshowing: what they say (content), and how the tell/show it (method). (Cawthorn, 2017)

The same as nature has four elements: water, earth, fire, and wind. Corporate storytelling also consists of four elements: (Fog, 2016)

- Theme: For most companies, the key aspect of telling a story is to convey messages that promote the brand. Why is the story being be told? What actions or emotions does the company want to evoke in its audience (consumers, investors, employees, etc.)? (Kapperl, 2018) Before starting to tell a story, the company has to decide what message it wants to communicate with a specific audience. (Fog, 2016) For a story, it's about why the protagonist has to complete a goal in this story. However, one story conveys only one central message, or the audience may get confused. (Levasseur, 2018)

- Conflict: "Conflict is the driving force of a good story. No conflict, no story." (Fog, 2016, P.36) Imagine *Little Red Riding Hood* without the sly wolf, *The Avengers* without Thanos or James Bond without arduous challenges. (Fog, 2016) In a business story, conflict is the problem the company will help its customer solve. This may be a challenge that the storyteller has experienced, or it may be a difficulty that bothers the people around him. (Kapperl, 2018).

- Characters: It's the most important vehicle to telling a story by identifying the characters behind it. The word "characters" here does not mean celebrities in ads, TV shows or movies (unless working for some special PR or marketing campaign). If a company is telling an authentic story about the company or its product, the best characters are real people. (Stefano, 2019) This main character could be a hero (the client) pursuing a goal without a smooth path. Eventually, the hero beats the villain and achieves his goal with the resolution being the company's service or product). (Choy, 2017)

- Plot: It can follow the most traditional patterns: the beginning, the middle, and the end. (Mathew, 2010).

- Goal: In the plot, the hero addresses the conflict with a specific solution to achieve his goal. In a business setting. It could be a client who achieves a goal or address his problem with a company's product or service.
- Change: By solving the problem, the client's life has changed. (Fog, 2016)

Fog describes a company's story as being similar to a fairytale. He uses Nike's story as an example. (See Figure 4) (Fog, 2016)

Figure 4. The Fairytale Model

Source: FOG, KLAUS. BUDTZ, CHRISTIAN. MUNCH, PHILIP. (2016). Storytelling: branding in practice. Place of publication not identified: SPRINGER. P.34

2.5 Case Study

2.5.1 Meatable

Meatable, a Netherlands-based company founded in early 2018, is creating cell-based meet that is cruelty-free. All the meat produced by the company will be cultivated in labs without harming animals and the environment. This startup has raised an additional $10 million of capital that brings Meatable's total seed funding to $13 million only a year after its founding. The investment is led by BlueYard Capital, which invested last year, with participation from Union Square Ventures and European Commission's Eurostars Programme. (Hemphill, 2019)

Meatable's co-founder and CTO Daan Luining is a molecular biologist. He had been working on Laboratory-grown meat at Maastricht University and NGO New Harvest for 6 years. He was thinking "there is a huge gap in Europe when it comes to cellular agriculture and cultured meat." Then Luining met Krijin de Nood, the co-founder and CEO at Meatable. Nood used to be a consultant at McKinsey & Company. Based on Nood's background in business and operations, Luining decided to collaborate with him to found Meatable. (Nixon, 2019)

The company claims that lab-grown meat is developed to smell, taste and feel like meat, and they call it "real meat". The young food tech company wants to make use of the biotechnology of lab-grown cells that were once only used in medical transplants for food production. (Lamb, 2018)

Unlike other companies in the 'clean meat' industry, Meatable doesn't use the animal serum to cultivate pork. They are applying a painless way to get a single cell from a living animal to efficiently produce a large number of cells. The technology is based on the 2012 Nobel Prize-wining research and adviced by Stanford and Cambridge scientists. In the future, Meatable will be able to grow pork in labs within 3 weeks rather than waiting 3 years to raise a cow. (Brodwin, 2018)

Krijin de Nood said his company will have its prototype, a cell-based pork chop instead of a meatball or patty, ready in the summer of 2020. (Nixon, 2019)

Meatable posted its new video, New Natural, on its official Tweeter account on March. 27, 2020. The video tells Meatable's story to the public and potential consumers. (Meatable, 2020)

Figure 5. Meatable, (2020, Mar 27). *New Natural*.

Source: Retrieved from https://twitter.com/itsmeatable/status/1243488370564780035?s=20.

The Script of The Video Vs the Elements of a Story's Structure.

- Character/hero: People who love eating meat are the protagonists in the story. (Hadick, 2017, p.1)

- Setting: "At Meatable, we know that people love eating meat. For generations, in everyday meals and shared moments together." (Meatable, 2020) The setting gives the entire cultural background: meat is an important part of people's life. It also sets up a tender and approachable tone to tell the story.

- Conflict: "But producing this much meal is asking too much of our planet and the effects are undeniable. Deforestation, methane emissions, animal suffering. We are not alone in asking, is this right? Is this even natural?" (Meatable, 2020) The conflict is between the need for meat and the harm of producing meat.

- Goal: "that's why Meatable is pioneering a better way to satisfy the world's appetite for meat. Without harming people, animals or the planet." (Meatable, 2020) Meatable's goal is to produce meat harmlessly.

- Theme: We' re bringing together the brightest, most creative minds to perfect a process fueled by science. Replicating nature to make meat better. We call this the new natural, real meat, that's just as delicious, but without any of the drawbacks. (Meatable, 2020) This is the central idea Meatable wants to convey to the audience.

- Change: "Meat that lets rainforests remain rainforests. Cows graze happily in open fields. And antibiotics treat sick people, not healthy animals. It's a change without compromise, the best of all worlds. A plan to protect our future and the planet we call home. Are you with us?" (Meatable, 2020) This is the difference between before and after the completion of the goal. People don't need to harm the animals and the planet in order to eat meat. With Meatable's solution, the demand for meat will be met and the planet will be protected.

- Point of view: The story uses the first-person point of view "we (meatable)" and the second-person point of view "you." First-person puts the audience inside the storyteller's head. It's effective for a storyteller to communicate thoughts and emotions, sharing the senses such as sound, smell, taste, and touch, all through the prism of the narrator. (Reilly, Halcro, & Todd, 2016) The second-person point of view "you" lets the audience feel they are part of the story.

- Tone: the story uses empathetic words and phrases such as "home," "love," "people love eating meat, for generations, in everyday meals and shared moments together." Some questions such as "we are not alone in asking, is this right? Is this even natural?" allows the story to converse with the audience, asking questions providing the audience the opportunities to provoke thinking, even think something they never thought of before. (Reilly, Halcro, & Todd, 2016) In this way, the story builds a good interaction with the reader. The whole story with an inspiring tone encourages people to satisfy the demand for meat sustainably and harmlessly

- Style: it's the way the story is told. The story takes advantage of the first-person and second-person point of view, empathetic words such as "home" and "love." Meanwhile, this is a digital story that has many camera scenes matching the words. When the storyteller is saying: "we know that people love eating meat. For generations, in everyday meals and shared moments together." (Meatable, 2020), the video shows a cheerful moment that a family sits together enjoying a barbecue. While the storyteller mentions that producing this much meat is asking too much of our planet and the effects are undeniable. The audience can see the cows and pigs trapped in pens; many workers are cutting the trees in the forest. After Meatable's cultured meat comes in, the cows graze happily in open fields and the rolling mountains appear in the video. Moreover, the female voice of the narrator in the video enhances the empathy and emotion that the story wants to deliver to the listeners.

Overall, Meatable tells a successful story to the public on social media, which meets every element of a story: character, setting, conflict, goal, theme, change, point of view, tone and style. It balances all the elements of a story. The characters are the people who love eating meat and Meatable. The setting is that eating meat is an important part of people's daily life. The theme and goal are that Meatable wants to cultivate natural and real meat without any drawbacks. The conflict is between the people's demand for meat and the drawbacks of producing meat traditionally, which explains why the customer's problem matters. The change is that people have to deforest and raise and slaughter animals to get meat, but after Meatable appears, animals such as cows and pigs can live in this world the way they were meant to. The environment will be protected, and people's appetite for meat will be satisfied. The first-person and the second-person points of view with questions build interaction with the audience and make the tone and style of this story more emotional. The moving words with proper camera scenes have a stronger visual and emotional impact on the audience.

2.5.1.1 Mosa Meat

Mosa Meat is a food tech company founded in October 2015, based in the Netherlands. The company is working on new methods to produce real meat in a sustainable and animal-friendly way. (Mosa Meat)

The co-founder and Chief Scientific Officer at Mosa Meat Mark Post is a professor of Vascular Physiology at Maastricht University. In 2013, Professor Post unveiled the world's first cultured meat, which cost $330,000 and was funded by Sergey Brin, the co-founder of Google. (Mosa Meat)

The other co-founder Mosa Meat's COO Peter Verstrate has rich experience in the processed meat industry for over 20 years. He used to work as an expert of meat business development for international food companies including Ahold, Sara Lee Corporation, Smithfield Foods, Jack Links, and Campofrío Food Group. (Mosa Meat)

In July 2018 Mosa Meat raised an $8.8 million (€7.5 million) Series A funding round from Merck KGaA and Bell Food group. Mosa Meat aims to launch its first commercial cultured meat around 2021 to high-end restaurants, at around $11 per hamburger. (Mosa Meat)

There is an OUR STORY section in the ABOUT US on Mosa Meat's website:

- Setting: the story misses the setting part.

- Characters: Mosa meat, the Chief Scientific Officer Professor Mark Post, and other key partners.

- Conflict: The conflict part of the story is weak. It's hard to find an obvious conflict. The two conflicts in the story may be the one between feeding the fast-growing population and a sustainable, healthy and animal-friendly way to produce meat; the other one is the high cost of making cell-based meat and the market cannot being unable to accept this expensive product.

- Goal: to commercialize cultured meat

- Theme: Mosa meat produced the first slaughter-free hamburger in the world and it aims to

commercialize meat grown using their world-leading technology.

- Change: the change part of this story is weak. The only change is that after Mosa Meat commercializes its innovative meat, then people will be able to buy it on supermarket shelves.
- Point of view: The first-person point of view "we."
- Tone: the tone is flat. There is no moving words or empathetic content in the story. It's hard to make readers feel they are part of the story.
- Style: the story just states the product history and puts the facts together.

Mosa Meat's story is more like a memo that lists different facts about the company's history. Even though the CSO at the company was able to produce the world's first cultured meat, the company does not tell the audience why Professor Post wanted to do the meat research and the stories behind that. It is related to why the company does this. Also, the story missing a setting, and doesn't explain why slaughter-free hamburgers matter, why the cultured-meat business matters or it is critical to the world.

The story puts much effort into listing and combining what the company has done rather than giving the reader a vivid conflict that engages the audience to follow the story's progress. In addition, the tone is flat. It's unlikely to resonate with readers. The story didn't have the reader as a part of it. It's just like reading a company's self-introduction, not a story.

Compared with Meatable's story and the elements of a story, due to the weaknesses of setting, conflict, tone and style, Mosa meat's story is unsuccessful.

3. Primary Research

3.1 Research Design and Methodology

The primary research method used in this study is qualitative research because storytelling as a PR tool for a tech startup is a relatively professional topic. Apart from professionals in the PR field, it is a little hard to collect effective data because ordinary people may pay little attention and have a weaker understanding of this topic. Because the topic focuses on tech startups, it needs more expertise and professional experience in this industry. People who used to or are working on similar projects or companies are more helpful for the research.

Therefore, qualitative research done through one-on-one interviews is a proper choice to test the proposed hypothesis. The interviewees are tech startup founders, PR professionals who have experience working for a startup (especially for a tech startup), professors who are teaching PR or marketing in universities, and journalists who report on the tech industry. Ten interviewees participated in this research including three startup founders, two professionals in the PR industry, two professors teaching PR and three journalists who focus on tech industry.

For the purpose of this research, all interviews are anonymous. Each startup founder participant is assigned the label "SF" followed by a number from one to three. For example, the first tech startup founder is labeled SF1. Each PR professional participant is assigned the label "PR" followed by a number from one to two. Each professor teaching PR is assigned the label "Prof" followed by a number from one to two. Each tech journalist is assigned the label" TJ" followed by a number from one to three.

SF1: The founder and CEO of a home-garden tech startup. The company has raised seed funding and the product is launching soon.

SF2: The founder and CEO of a sport-tech startup. The company has raised over $10 million of A-round funding.

SF3: The co-founder and COO of a food startup. The company has opened five chain stores in the US with A-round funding.

PR1: Spokesperson and Director of External Communications and Transformation Management at a tech company.

PR2: Director of PR and Marketing at a communication-tech company.

Prof1: Adjunct professor teaching PR at a university

Prof2: Adjunct professor teaching PR at a university

TJ1: Finance & Tech journalist at an international news organization

TJ2: Tech journalist at a tech-media site

TJ3: The founder and editor in chief of a tech magazine

3.2 Interview Results: Key Topic of Conversation

The interview began with each expert talking about personal experience in their career related to startups or tech companies, and how they helped a startup or a tech company tell a story and what they achieved through that work experience. Then interviews were conducted in this section based on three key themes: the role of storytelling for a tech startup, how to tell an effective story for a tech startup and the difficulties faced by a tech startup when telling its story. All three themes are broken down into nine questions.

3.3 The Role of Storytelling for a Tech Startup

To understand the importance of storytelling for a tech startup, it was first necessary to understand what storytelling is in a start-up business setting. Most experts believe that storytelling is a strategic tool to build a relationship between a company and its stakeholders to convey its value and culture. In TJ3's view, each company needs to know the reason for its existence. Storytelling helps a company find and tell the reasons at an understandable and emotional level. It can be as mundane as "we want to make money" or as noble as "we want to change the world." If a company doesn't provide this, its product will not come alive for stakeholders. Founders and their teams need to know what they are working for.

Nine of ten interviewees mentioned that a startup should pay more attention to telling a story to the two key categories of target audience: consumers and investors.

Consumers are the foundation for any business's success. Only by meeting the customers' needs and selling the products to them can a company exist. Prof1 said, storytelling builds a personal relationship between a company and the consumers with an emotional connection. This is a two-way relationship, which means the company pushes an ad or a campaign out to consumers and the consumers give back emotional feedback. Consumers' feedback has two parts: emotional reaction and emotional response. For example, a beauty company posts an emotional ad on Twitter and an engaged customer is moved by it and reposts it. Then she reposts the ad and buys the product online. After using the product for a while, she loves the product and recommends it to her friends. Finally, she becomes an "ambassador" of the company. In this whole process, the key is the initial emotional reaction. The consumer reposting the ad, buying the product, loving it and recommending to others are all emotional responses. Storytelling commands attention, creates memories, inspires action and cultivates emotional connectivity with audience.

Investors play a vital role in the success and development of a company, especially for a startup, not only providing financial support but other growth resources as well, such as experience, advice and network.

From TJ1's perspective, if startup founders need to pitch potential investors, they have to show their personal experience, background and the understanding of the industry. It is usually a short pitch, so the founder must prepare a concise speech including what the company is doing, what problems the company is trying to address, why the problem matters, how to address the problems and why the founder is the right person to start this business. Storytelling is always a time- and cost-effective way to excite investors.

In addition to consumers and investors, PR2 said employees, especially developers, are another key stakeholder for a tech company in the startup phase because engineers are essential for a tech company. They can technically enable the company to achieve product functionalities while remaining competitive in the industry. Therefore, in order to attract excellent developers, besides telling them what the company is, what the company is doing, who it's for and why it matters, the company has to tell early employees what the company can offer, what the engineers can achieve there and the blueprint of the company for the future. SF1 supports this opinion and he demonstrated that engaging talented engineers and designers is also a cost-effective thing because each of them can do many people's jobs, but the company only needs to pay one persons' salary. For example, by hiring one excellent full-stack engineer who can handle front-end and back-end work, a tech startup will not need to pay two salaries for two engineers who develop front-end and back-end separately.

Consumers, investors and early employees, especially developers, are vital stakeholders for a tech company. Only if a company is able to communicate well and build a steady and trusting personal relationship with them can the venture go further and grow healthily. That's why storytelling is important for a tech startup.

When the interviewees talked about the role of storytelling as a PR tool for a tech startup, five of them said that is the most important thing, four of them believed that is very important for a tech startup and one people responded it's important.
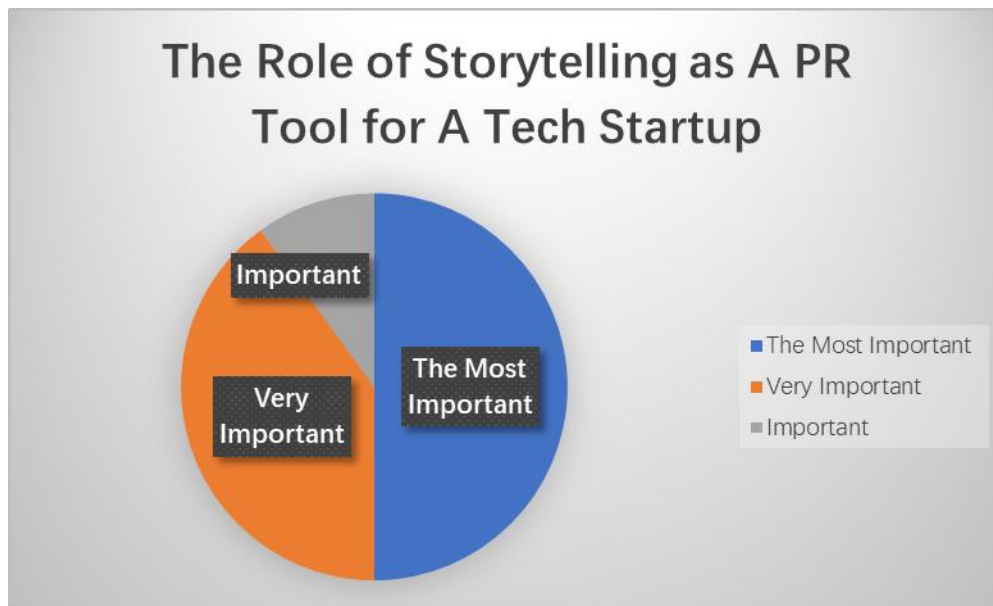
Figure 6.

TJ3 illustrates that storytelling is the most essential and the most overlooked aspect of communication in a company's start-up phase. Some companies might be very confident and tell the investors that "we don't need any marketing money from you. The product will go viral." However, in ninety-nine out of one hundred cases the company will spend money on marketing eventually. TJ3 said: "If a company doesn't know how to verbalize it, hire someone."

3.3.1 How to Tell an Effective Story for a Tech Startup

3.3.1.1 The Elements in a Story

Based on work experience and academic background, TJ1 and TJ2 both mentioned that the elements in of a story should include setting, character, conflict, goal, theme, change, point of view, tone and style. They thought that these are basic elements each story should have.

PR2 believed that a tech startup should have 2 stories: a personal story and a product story.

A personal story is related to the founders' background, experience, motivation and expectation. Founders needs to ask themselves why they want to build this company, what the motivation is, what problems they are addressing for whom, why they are the right people to start this business, what their strengths and weaknesses are, what their expectation, long-term vision and even ambitions are. Prof1 stated that in most cases, founders' personal stories are a critical communication strategy for a tech startup to promote their brand. For example, people know Facebook because of Mark Zuckerberg, Tesla because of Elon musk. Maybe the cutting-edge technology a startup is working on is hard for the public to understand, but to engage the audience through their interest in the founders' personal story is a smart tactic for tech startups.

The product story is more about the change in a user's life before and after using the product. "Before" is related to the problems that consumers are struggling with. The company would be a hero for consumers after its product or service could solve the pain points. The company is not able to miss the opportunity to depict the resolution and the change for the consumers. SF3 said it's like the necessary part in a business plan that describes a "day in the life" of the customer before and after the adoption of the solution. It's time to tell a story about a customer who has been using your product or service.

3.3.1.2 Content of a Story

All the respondents suggested that the specific content of a startup story is supposed to be customized for different audiences.

Prof2 indicated the marketers in B2C companies, which sell products and services to consumers who are the end-users, have to define which consumer segments they are targeting according to demographics that include: age, gender, marital status, location, life stage, etc. Segmentation allows a company to accurately tailor communication, targeting marketing messages to specific audiences in order to resonate with them. Moreover, TJ2 stated that based on the characteristics of the groups of costumers, the company is able to select the best communication vehicle for the segment, such as social media, traditional media, direct email, out-of-home

advertising or other channels. Then, customizing the story's content and form depending on the segment will help the startup build a better relationship with the most profitable customers. In order to create a good story, Prof2 said: "two key words- Know Audience." The better the startup knows the customers, the more compelling the story will be. The same point applies to storytelling for B2B businesses.

However, the most important thing is even if a company has one hundred versions of stories for one hundred consumer segments, each story must reflect the same core values and culture. TS3 said, "It's just like decorating your house, you can change the color of your room, you can replace the wallpaper, and you can change all the furniture in the house, but you can never change the people who live in the house, because they are your family, they are the reason the place is called home." TJ1 said: "it's like old wine in a new bottle." The core value and the culture are the old wine, and the content is the new bottle.

In addition to the different versions of the story, all ten interviewees said the content of the company's stories is not set in stone. TJ1 indicated that the story's content constantly evolves depending on the growth stage of the company and its products. It also keeps updating based on business development and customer feedback.

SF1 had the same opinion. He said that startups need to monitor sales performance and the feedback from customers. If sales decline or no growth is occurring, maybe it's not the problem of the product's functionality or quality, but instead there could be something wrong with the story that prevents the customers from understanding and empathizing. The marketers have to optimize the story based on feedback from customers.

3.3.1.3 Characteristics of a Tech Startup's Story

Authenticity was the most frequently mentioned word when interviewees were discussing the critical characteristics of a tech startup's story. 9 of respondents' first reaction is Authenticity.
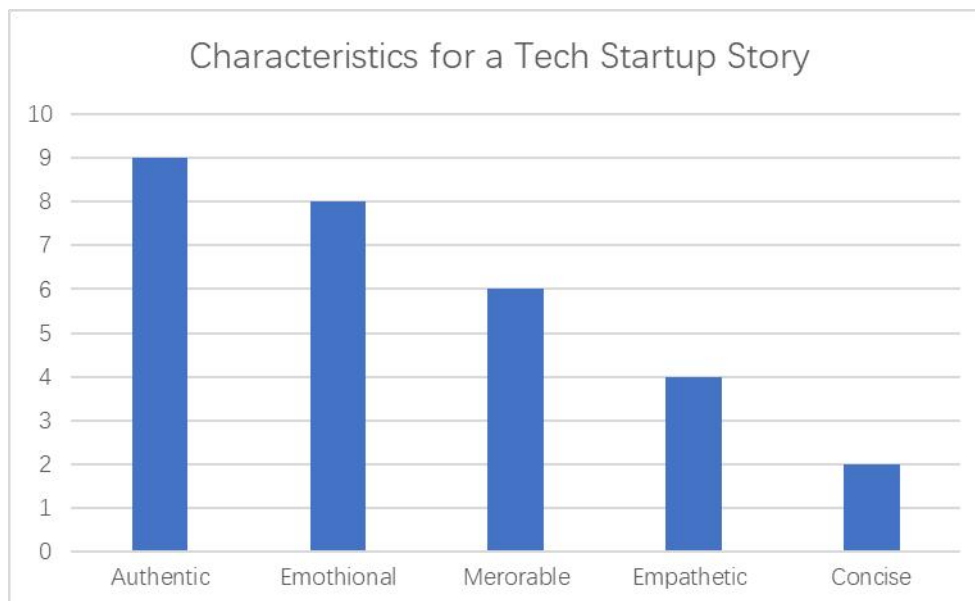

Figure 7.

Prof1's research showed 40% to 60% of consumers say they don't trust brands' marketing communications to be accurate and truthful, are able to detect when companies are less than truthful with the public, and don't trust a brand until they've seen real-world proof that it has kept its promises. It is universally understood that relationships cannot be built or sustained without trust.

Prof1 said: "In a day and time, when brand memorability and recollection are only as good as the next in-feed advertisement on Facebook or Instagram and consumer expectations for transparency and accountability are in more demand than ever before, it has become essential—if not a mandate—for brands to connect with consumers in authentic ways and to engage them on deeper levels."

Authenticity and transparency are crucial factors in eliciting trust. Consumers today want to know who the company is, what the company values, and how it cares about the world in which it exists; rather than pitches, promotions and perks alone.

TJ1 demonstrates that authenticity is a key factor that helps a startup founder pitch an investor successfully. The

founder has to be truthful so that a trusting relationship will be created. Being truthful is not only about stating objective facts, but also about expressing the things the founder believes deep within his/her heart.

SF3 suggested that emotion and empathy should be closely connected. Empathy is an effective tool to make people feel emotional in other words, putting the company or the storyteller in the customer or audience's position, allowing the audience to feel as if they are part of the story. TJ2 said he always remembers the words of Eddie Adams, a Pulitzer Prize-wining photographer, "If it makes you laugh, if it makes you cry, if it rips out your heart, that's a good picture." The same is true of a business story. If the company's story can make the audience laugh, cry or rip their heart out, it is a good story.

SF2 thought that sense of humor is an effective and advanced tool to excite the audience especially if a presenter is communicating with an audience face to face. SF2 believed that humor and laughter can be used by a storyteller to make others feel good, gain intimacy or help relieve stress, which allows the presenter to quickly establish an emotional connection with the audience and narrow the distance. It's also a smart way to test the status of the audience to see if they are interested in the story or if they understand the teller. If there is no laughter at the punchline, the teller knows that they have to adjust their approach.

3.3.1.4 The Medium of Storytelling

SF1 said for a startup, face-to-face storytelling happens all the time. A founder grabs a cup of coffee with a potential co-founder telling a story about his idea to build a new company, engages an initial customer or an engineer by telling a story in person. However, the more common situation is that a company needs to use different mediums to help spread its story and reach more people.

PR1 said delivering messages through owned media—such as the company's website, Facebook, Instagram or Twitter—is the most cost-effective way to communicate with people for a startup. These platforms are free and allow a young company to start telling its stories and connecting with its stakeholders, especially customers. Moreover, all the stories and content posted on the channel can be completely controlled by the company, and communication with people is direct and convenient.

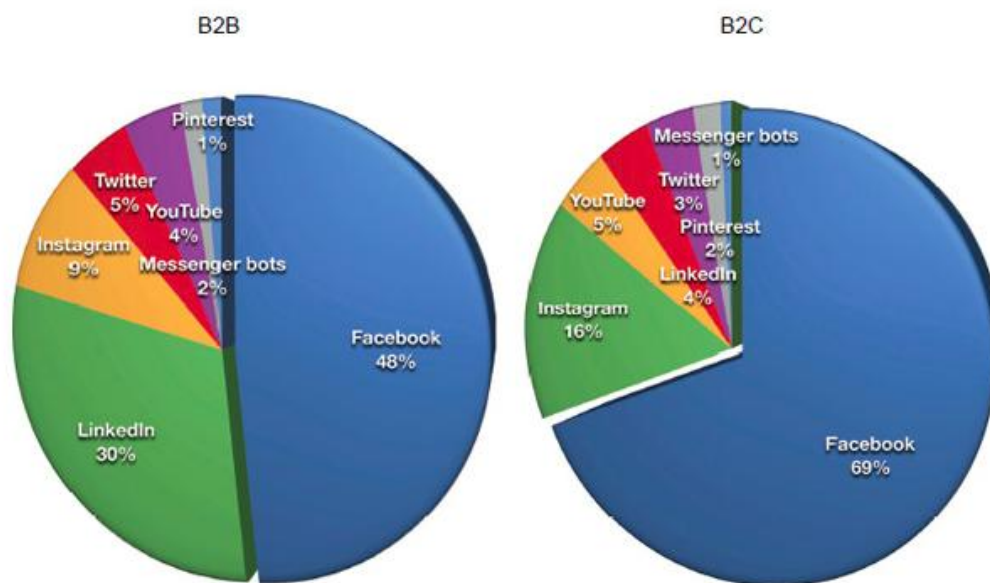Prof2 provided a set of data about content marketing social media platform usage.

Figure 8. Social media platforms used by B2C and B2C marketers

Source: Stelzner, M. (2019, June 1). 2019 Social Media Marketing Industry Report. Retrieved from https://www.socialmediaexaminer.com/social-media-marketing-industry-report-2019/.

The most important social media platforms for marketers are Facebook, LinkedIn, Instagram, Twitter, and YouTube. Prof2 also reminded that analyzing the startup's target audience, then selecting the social media they are using, will be effective in the communication.

Prof1 suggested that high-tech forums, chat rooms related to tech topics, and knowledge-sharing platforms such as Quora are good choices for the CTO of a high-tech startup to reach out to tech enthusiasts. Enthusiasts are not only potential costumers but may be early employees.

3.3.1.5 The Best Person to Tell the Story

Five of the experts suggested that the founder is the best person to tell the tech startup's story.
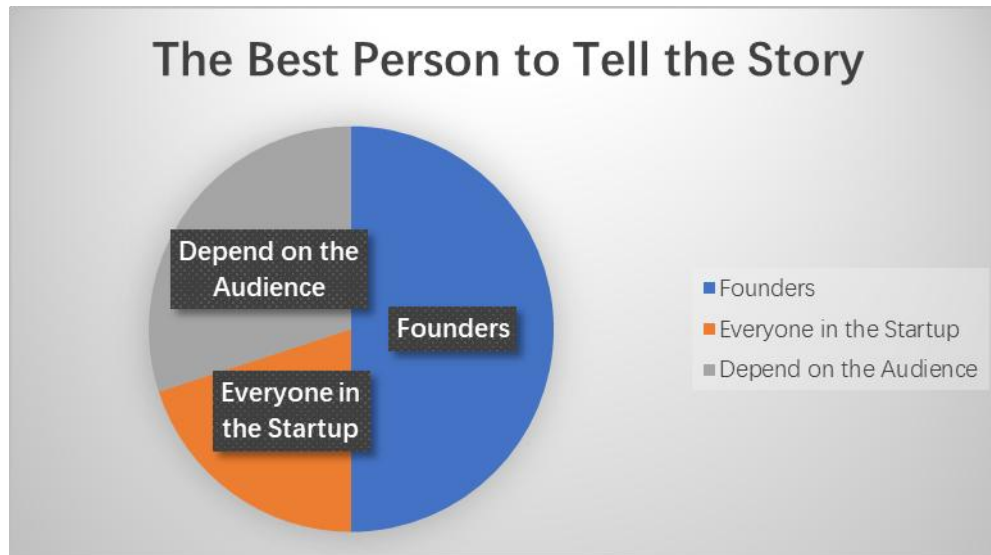

Figure 9.

From PR2's perspective, the founders, such as the CEO or CTO in a startup have the strongest initial motivation to build the company. They not only represent the company but also have a deeper understanding of the company's mission and vision. Moreover, a young company at a very beginning phase may have a few employees besides the founders, so they have to become good storytellers to pitch the investors, the potential customers, the early employees, or even another co-founder. However, the founders are able to tell different stories that have the same core values based on different role positioning. For example, the CTO is always an expert on technology, he or she takes more responsibility for the story about the distinguishing technology the company has, while the CEO could talk more about the business model and the blueprint the company is working on.

SF3, TJ2, and Prof2 argue that the storyteller should be selected based on the target audience. For example, the founder is the best person to tell a story to investors. If this is a B2C business, a celebrity may be the best person to be a storyteller for a specific consumer group. An industry expert also is able to be a good narrator for B2C companies.

SF2 and TJ3 thought the ideal situation would be for each person working in the tech startup to have a personal story related to the company's core values. Then, the tech startup will have more "ambassadors" to pitch more stakeholders with a personal and emotional story.

3.3.1.6 When to Tell the Story

Seven in total suggested that a tech startup should tell its story as early as possible. TJ3 thought storytelling happens at the moment the founder has the idea. They tell it first to their best friend, their first future partner or employee, and then their investors. TJ3 said: "the more you speak, the more you listen to questions and considerations, the sharper your story will become over time." SF3 said the founder also needs to be prepared to alter or change the story and its narrative gradually over time. People start a company under certain assumptions, however, some of them will become true, others will falsify over time. To be able to learn is a key component for the survival of the business.

Two interviewees illustrate that before the release of the product is a perfect time to tell the story because the startup is able to show a real product rather than an idea. Investors and customers can use it and give feedback, then make the decision to buy it or invest in it. TJ3 stated that at least that will be a good time to pitch media to report your story. If a company just has a story, an idea, it's hard to convince the audience. She said: "Ideas are cheap. Execution is everything."
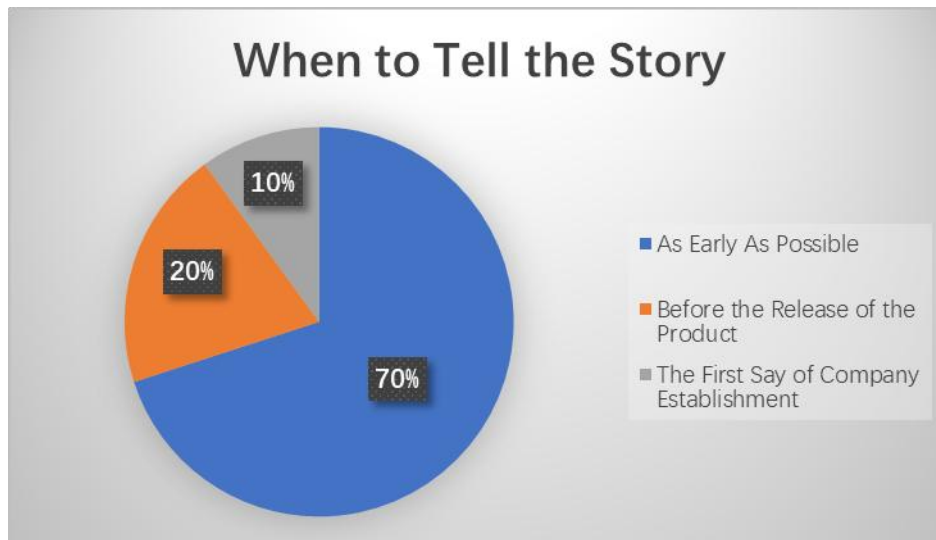
Figure 10.

3.3.2 The Difficulties When a Tech Startup Is Telling Its Story

3.3.2.1 They Are the Same

PR2 illustrated that many tech companies are solving the same problem. They may have a similar business model, want to engage the same group of target customers and talented developers, and even pitch the same investors. "They all say they are going to change the world." TJ3 said. For example, Uber and Lyft are competitors in the ridesharing industry. Many people think they are similar companies, and offer a similar ridesharing service, solving the same problem: transportation. Uber was the first ridesharing product, launched three years earlier than Lyft, but now Lyft's market share stands at nearly 30%. In addition to the product features and price, the key factor that allows Lyft to compete with Uber is its value propositions. Lyft tells users that car drivers are your friends, which is more on the friendliness side, while Uber is more on the professional side due to their drivers' professionalism. Lyft encourages passengers to sit on the front seat, but Uber's users always sit in the rear. So, there are two different stories in the market: taking a ride with a friend and taking a ride with a professional driver. PR2 said by putting the added value in a tech startup's story, it will stand out in the industry.

3.3.2.2 It's Hard to Understand

In TJ1's view, many tech startup founders are tech experts. They have powerful skills in the high technology field and desire to explain all the cutting-edge technologies and features in the product. However, it's hard to understand what is beyond the scope of one's knowledge. Moreover, TJ3 thought many tech founders don't know how to shorten their tech ideas into a story then make it memorable. Telling a concise and understandable story to the audience is one of the difficulties tech startups are facing.

3.3.2.3 CEO Is Not a Tech Expert

TJ2 said she used to interview a high-tech startup's CEO, but he is the founder who had the initial idea, but not an engineer. So, when she asked some detailed tech-related questions, the CEO had a hard time answering. Therefore, a tech startup's founder who has no tech background should become knowledgeable about the tech the company is developing, because the founder/CEO has to tell the story to different audiences whose interests are also different.

3.4 Analysis

Based on the interviews, the researcher found that even though storytelling is critical for a tech startup, many young companies might overlook it because they believe that developing the product with advanced technologies should be the most important thing for them. However, the fact is that many tech startups have to put effort into managing communication with stakeholders by using storytelling, especially investors, customers, and early employees, when they realize that building personal and emotional relationships is an effective way to engage the different audiences.

Across the interviews, many people talk about investors and customers. As a tech company's in-house PR professional, PR 2 argued that early employees, especially developers, are another key stakeholder because they can technically enable the company to achieve product functionalities while remaining competitive in the

industry.

One of the surprising findings comes from Prof 1, who stated that storytelling creates a two-way relationship with customers, which means a company pushes an ad out to customers and the customers give back emotional feedback. The feedback contains two parts: emotional reaction and emotional response. The emotional reaction is more about mood changing, and the emotional response is related to physical actions. Prof 1 concluded that storytelling commands attention, creates memories, inspires action, and cultivates emotional connectivity with the audience.

Most interviewees thought authenticity was the most important characteristic of a company's story. It was even ranked higher than "emotion" because authenticity allows a company to build a reliable and trusting relationship with stakeholders. This is a point that the researcher didn't find mentioned in the secondary literature.

Another surprising finding is that according to the experts in the secondary research and the interviews, many tech companies' stories are too complex to be understood by the public. However, TJ2 suggested that some CEOs who have no tech background should learn from the CTO because they don't know how to answer technical questions from a tech journalist.

There were three main disagreements among the respondents.

In terms of the best person to tell the story, five interviewees cited the founders, three people suggested everyone related to the company, and two of them believed that it depends on the audience.

Nine participants responded that storytelling is very important or the most important as a PR tool for a tech startup. However, the founder of a sport-tech company said storytelling is important but not that important depending on the stage of the company. Her company has raised A-round funding, now the most important thing for her to pitch investors is good data about customers and revenue, instead of a story.

Another disagreement is when to tell the story. Although seven in ten people claimed that telling a tech startup story should begin as early as possible, two experts said it depends on the audience the company wants to reach. If the audiences are potential co-founders, early employees, or investors, the story can be told earlier, but if the company tells the story to customers and journalists, the best time should be after the product is prepared or the product is released.

3.5 Conclusions

Storytelling as a PR tool is essential to not only tech startups but all young companies, which is a strategic technique to build relationships with target audiences at an emotional level.

Before telling the startup's story, the founders need to think about four questions: what the company is, what the company is doing for whom to solve what problem, why the problem matters, and why the founders are the right people to do that. By answering these questions, the company will figure out the company's mission, vision, corporate values and culture, which are also the bottom line of the company's story, which includes the personal story and product story.

The three key groups of stakeholders for a tech startup are consumers, investors and early employees, especially developers. The storyteller should know the audience very well. Segmenting consumers into specific groups based on their age, gender, marital status, location, life stage, etc. will help the company customize the story for different audiences. The more thorough the analysis of the audience, the more effective the story will be.

A tech startup's story is supposed to contain elements such as setting, characters, goal, theme, conflict and change. Moreover, "authenticity," "emotion" and "memorability" are the key characteristics of a successful story.

In terms of the channels to tell the story, social media and own media are the best choices. In addition to the company's website, Facebook, Twitter, Instagram, YouTube and LinkedIn are the most important platforms a startup company can use to tell its story to the public. Also, professional forums and tech-related chat rooms are the proper places for the tech founder to pitch to technology enthusiasts.

The founder is considered to be the best storyteller candidate. They are responsible for engaging investors, early employees, and potential customers. For a B2C company, influencers and celebrates promoting the story will attract customers effectively. In the B2B field, experts in the industry are the best presenters for the startup. In an ideal situation, all the people related to the startup would have personal stories that reflect the company's core values. They will be ambassadors to spread the story widely.

As the idea for a new business comes into a founder's mind, storytelling starts. He or she may talk to their best friend, asking them to be the co-founder, then tell potential investors, employee and customers. People will give feedback and advice after listening to the story, and the teller will be able to adjust it. So, the earlier a founder tells the story, the more opportunities to optimize it. In another case, if the startup wants to tell the story to the

media, the best time should be after the product has been prepared. Journalists prefer to report on a real product instead of an innovative idea.

In the tech market, many companies are providing similar products and services to the same customers. It's not easy to stand out in the industry for a tech startup. The founder has to figure out the core values and added values, then use storytelling as a carrier delivering the message to help the company differentiate itself from others, especially competitors. Moreover, the CEO and the CTO should learn from each other. The CEO who has no tech background should learn the professional tech know how from the CTO, while the CTO should become a good communicator who can narrow down advanced knowledge and concepts into a concise story.

Overall, the primary research supports the researcher's hypothesis. Storytelling helps a tech startup raise awareness and increase support among key audiences especially investors, customers and early employees, which is beneficial to the long-term development of the company.

The interviews were designed and conducted according to the core research questions so the primary research answered each of the five questions including what is storytelling, what is the role of storytelling for a tech startup, how storytelling help a tech startup, what are the difficulties on telling a story for a tech startup and how to tell a good story.

4. Limitations and Opportunities for Future Research

There are some limitations in this research due to the research method chosen. Because of the author's limited network resources in the United States, there is no technology-background interviewee in the primary research.

The researcher invited three startup founders who are all C-level executives, but their experience in telling a tech startup story is not that rich. One is from a food startup, another from a sport-tech company who got her seed money from her family. She even stated that she feels storytelling is ineffective for her company's stage right now because the investors pay more attention to the statistics such as the number of customers and the revenue rather than the story. What's more, the B2B tech startup she is working on is a unicorn in her niche, so she believes she doesn't need to put much effort into telling a story to her consumers, just showing the features of the product is enough.

Another limitation is that Individuals within companies were not willing to speak about their companies, even when assured anonymity. They just gave general responses rather than using their own companies or other companies as examples to explain their opinions.

Further questions to explore should be how tech startups leverage new approaches such as high-tech ways to apply storytelling in this technology-driven era. This paper has studied details about how to create a good story for a tech startup. However, a company in the tech industry should use new technology to deliver the story. Perfect storytelling needs not only compelling content but also innovative ways to present.

5. Contribution to the Field

By integrating the critical rules and tactics of storytelling as a PR tool for a tech startup, this paper offers a set of proposed guidelines and standards for a young tech company to tell an effective story to build emotional relationships with stakeholders. By cultivating emotional connectivity with key audiences, it's easier to raise awareness and increase support for a tech startup, which will be beneficial for a tech startup's development and reduce the probability of failure.

5.1 Before Telling the Story

      i.   Know the Audience

The first step to telling a tech startup story is to determine "who is the target audience?" Investors, customers or early employees? Because only by confirming the audience, can the company select proper content, channels, people to deliver the story and engage the audience effectively. For example, if a tech startup wants to attract potential customers, it can analyze the audience by separating them into specific segments based on age, gender, marital status, etc.

The key audiences for a tech startup are common investors, customers and early employees especially the developers.

      ii.   Four Questions for the founders

- What is the company doing?
- What problem is the company trying to solve for whom?
- Why does the problem matter?
- Why is the company the right team?

By thinking about and answering these five questions, the company will figure out its mission, vision, corporate core values, and culture, which are the bottom line of telling their stories.

5.2 Creating the Story

    i.   Type of Story

-    A Personal Story:

A personal story is related to the founder's background, experience, motivation, and expectation: why they are the right person to start the business and what passion they have. Founders' personal stories are a critical communication strategy for a tech startup to build up the founder's personal brand alongside the brand story, and making it integral to the brand story.

-    A Product Story

A product story in more about the change in a user's life before and after using the product. The story can pay more attention to the problems that consumers are struggling with, and how effective the company's product or service is in addressing the problems.

    ii.   The Elements in a Story

-    Character: the protagonist in the story. It can be the founder of the company, the customers, or the company's product.

-    Setting: Where and when the story happens and the cultural background.

-    Goal: what things the protagonist wants to achieve.

-    Theme: the reason why the main character wants to achieve its goal, and why the goal matters. The theme is the meaning of the story, and the central idea the teller wants to convey.

-    Conflict: the obstacles that prevent the character from achieving the goal. It can be a problem that prevents customers from having a better life.

-    Change: The difference between before and after the completion of the goal. It can be the customer's life change before and after using the company's product.

    iii.   The Characteristics of a Story

-    Authenticity

Authenticity and transparency are crucial factors for a tech startup to build reliable and trusting relationships with stakeholders.

-    Emotion

An emotional story will lead the audience to have emotional reactions and emotional responses, which command attention and creates a relevancy of shared feelings between the story and the audience. If a story makes the audience laugh or cry, it's a good story.

-    Memorability

In general, memorability is the consequence of telling an emotional story, because emotion will resonate with audiences, and help them to remember the story more easily. The five R's of content creation can be applied to memorability: relevancy, readability, repetition, rewards, and recency.

5.3 Tell the Story

    i.   The Best Person to Tell the Story

-    Founder or C- Level Executive: the proper and the most common storyteller for a tech company. For example, the CEO or CFO might be the best person to tell a story to potential investors, and the CTO is the best storyteller to the technical community.

-    Celebrity: an effective method for B2C companies to engage a specific audience

-    Industry expert: a common choice for a B2B company.

-    Everyone related to the company: this is the ideal situation, that everyone related to the startup can be an "ambassador" to tell the story and engage audiences.

    ii.   When to Tell

-    As early as possible: founders can start telling the story to potential investors and early employees.

-    After product prepared: the proper time to tell the story to customers.

- Before the release of the product: the time to pitch media to share the company's story.

5.4 The Difficulties for Tech Startups in Telling a Story

i. Make the company's complex technologies into a concise and understandable story

ii. Find the added value of the company to stand out from the industry.

iii. A CEO who is not a tech expert will need to learn about the technical side of the business from the CTO

6. Conclusions

The U.S. is the largest information technology market in the world. The number of tech startups in the U.S. jumped 47%, from 116,000 firms to 171,000, between 2007 and 2016. However, the tech startup industry also had the highest business failure rate 63% among all industries in 2018. (2020 IT (Information Technology) Industry Trends Analysis: Business of Technology: CompTIA, n.d.)

The main causes of failure are lack of market fit, lack of cash, bad business model, and the wrong team. Based on the reasons, it's important for a tech startup to communicate with stakeholders such as customers, investors, partners, and employees. Moreover, tech companies put much effort into tech development while overlooking communicating with stakeholders, which results in missing an opportunity to convey the company's mission and value.

The purpose of the research was to learn how good public relations storytelling can help a company go beyond elements such as market and investment opportunities to convey, at an emotional and rational level, the company's mission and values. The researcher hypothesized that a good story will raise awareness and increase support and reputation among key audiences, including potential investors, employees, and the company's customer base, which is beneficial to the long-term development of the company.

Primary and secondary research was then conducted to better understand storytelling for a tech startup. Secondary research provided different perspectives such as history, sociology, and biology to comprehend the concept of storytelling, which originated very early in human history. Today, storytelling involves different voices and is not just about the past, but about how a group or organization of people is moving forward from the past, and bringing the future into the present. Scholars and PR professionals are in general agreement that storytelling is not only a natural way for people to communicate, but specifically a critical communication method for a tech startup in a business setting. Primary research was conducted by interviewing ten experts. All of them supported that storytelling is a vital strategic technique to build personal and emotional relationships with key stakeholders. Seven of the respondents said storytelling is the *most* important communication tool for a tech startup.

Primary research shows that investors, customers, and early employees are the three key groups of stakeholders for a tech startup because investors provide funding and other resources such as networking and advice in the industry, customers represent the product-market fit, and early employees, especially developers, technically enable the company to achieve competitive product functionalities.

Interviewees advised that before telling a story, the most important thing is to know and analyze the audience. Only by designing the story based on the specific characteristics of the target audience, can the story be effective and engage the listeners. Furthermore, a tech startup might have different stories for different audiences, but all the stories must have the same bottom line, which is the company's core values and culture. The result supports the researcher's hypothesis that good public relations storytelling can help the company go beyond elements such as market and investment opportunities to convey at an emotional as well as rational level the company's mission and values. This will raise awareness and increase support, and reputation among key audiences, including potential investors, employees, and the company's customer base, which is beneficial to the long-term development of the company.

Both secondary research and primary research studied the must-have elements of a story. The conclusion is that the key elements are character, setting, conflict, goal, theme, change, tone, style, and point of view. The secondary case studies demonstrate that a compelling story should have each of the elements, or it will be unsuccessful.

Additionally, through the interviews, the researcher found authenticity, emotion, and memorability are critical characteristics for a good story.

In terms of the best person and time to story the story, the secondary research and primary research indicates the same result, that the startup founder is the best person to tell the story, and should do so as early as possible. However, depending on the different audiences and different stages of a tech startup, there will be different appropriate people and times to narrate the story.

References

Ballon, R. F., & Ballon, R. F., (2012). *Blueprint for screenwriting: a complete writers guide to story structure and character development*. New York: Routledge.

Blumberg, M., & Hindi, H., (2013). *Startup CEO: a field guide to scaling up your business*. Hoboken, NJ: John Wiley & Sons, Inc.

Boje, D. M., (2014). *Storytelling organizational practices: managing in the quantum age*. London: Routledge, Taylor & Francis Group.

Bowles, H., (2010). *Storytelling and drama: exploring narrative episodes in plays*. Amsterdam: Benjamins.

Buckman, R., (2018, March 23). Storytelling for B2B startups: Avoiding 'buzzword bingo' to make your wonky enterprise company worth talking about. Retrieved from https://techcrunch.com/2018/03/23/storytelling-for-b2b-startups-avoiding-buzzword-bingo-to-make-your-wonky-enterprise-company-worth-talking-about/.

Caldwell, C., (2017). *Story structure and development: a guide for animators, Vfx artists, game designers, and virtual reality*. Boca Raton, FL: CRC Press, Taylor & Francis Group.

CarrNicholas., (2011). *The shallows: What the Internet is doing to our brains*. New York: W.W. Norton.

Cawthorn, S., (2018). *Storyshowing: how to stand out from the storytellers*. Milton, Queensland: John Wiley and Sons Australia, Ltd.

Choy, E. K., (2017). *Let the story do the work: the art of storytelling for business success*. New York, NY: AMACOM, American Management Association.

Costa, C. D., (2017, December 20). Why Every Business Needs Powerful Storytelling to Grow. Retrieved from https://www.forbes.com/sites/celinnedacosta/2017/12/19/why-every-business-needs-powerful-storytelling-to-grow/#5a29b51b43b0.

Cremades, A., (2016). *The Art of Startup Fundraising*. John Wiley & Sons.

Cronon, W., (1992). A Place for Stories: Nature, History, and Narrative. *The Journal of American History*, *78*(4), 1347. doi: 10.2307/2079346.

Dorsett, E., (2018, April 23). Learn why tech marketers need to be good storytellers. Retrieved from https://newkind.com/storytelling-for-tech-brands/.

Dreamerswriting, (2019, September 23). Elements of a Story Explained. Retrieved from https://www.dreamerswriting.com/elements-of-a-story/.

Durant, R. F., (2007). Business and Environmental Policy: Corporate Interests in the American Political System. *Perspectives on Politics*, *5*(03), 640. doi: 10.1017/s153759270707185x.

Fenton, C., & Langley, A., (2011). Strategy as Practice and the Narrative Turn. *Organization Studies*, *32*(9), 1171–1196. doi: 10.1177/0170840611410838.

Fink, E. J., (2014). *Dramatic story structure: a primer for screenwriters*. Abingdon: Routledge.

Fog, Klaus. Budtz, Christian. Munch, Philip, (2016). *Storytelling: branding in practice*. Place of publication not identified: SPRINGER.

Goodwin, L. D., & Goodwin, W. L., (1984). Qualitative Vs. Quantitative Research or Qualitative and Quantitative Research? *Nursing Research*, *33*(6), 378–384. doi: 10.1097/00006199-198411000-00022.

Guber, P., (2014, August 1). The Four Truths of the Storyteller. Retrieved from https://hbr.org/2007/12/the-four-truths-of-the-storyteller.

Guttmann, A., (2020, January 28). Super Bowl TV commercials number and ad time 2019. Retrieved from https://www.statista.com/statistics/251588/number-and-length-of-network-tv-commercials-in-the-super-bowl/.

Hadick, M., (2017, July 29). The Nine Essentials of Story Design Every Storyteller Must Master. Retrieved from https://medium.com/story-design-for-fiction/the-nine-essentials-of-story-design-every-storyteller-must-master-d47f0f077c03.

Hardy, Q., (2014, August 2). Where Tech Is Taking Us: A Conversation with Intel's Genevieve Bell. Retrieved from https://bits.blogs.nytimes.com/2014/08/02/where-tech-is-taking-us-a-conversation-with-intels-genevieve-bell/.

Hayes, T. A., Edlmann, T., & Brown, L., (2019). *Storytelling. Global reflections on narrative*. Leiden:

Koninklijke Brill NV.

Kander, D., (2014). *All in startup: launching a new idea when everything is on the line*. Hoboken, NJ: Wiley.

Kantowitz, B., Roediger, H. L., & Elmes, D. G., (1997). *Attention and reaction time*.

Kappel, M., (2018, January 17). 5 Essential Tips for Business Storytelling. Retrieved from https://www.forbes.com/sites/mikekappel/2018/01/17/5-essential-tips-for-business-storytelling/#1875048454d4.

Lambert, J., & Hessler, H. B., (2018). *Digital storytelling: capturing lives, creating community*. London: Routledge.

Levasseur, T., (2019, January 7). Storytelling Your Way to Startup Success. Retrieved from https://medium.com/@cambridgetricia/storytelling-your-way-to-startup-success-8a75bce01594.

Mathews, R., (2010). *What's your story? storytelling to move markets, audiences, people, and brands*. Place of publication not identified: Financial Times Pren Hall.

Mendoza, M., (n.d.). The Evolution of Storytelling. Retrieved May 1, 2015, from https://reporter.rit.edu/tech/evolution-storytelling.

Minahan, S., & Cox, J. W., (2007). *The aesthetic turn in management*. Aldershot: Ashgate.

Perruchet, M., (2016). *One perfect pitch: how to sell your idea, your product, your business-- or yourself*. New York: McGraw-Hill.

Rosen, J., (2014, January 31). Super Bowl ads: Stories beat sex and humor, Johns Hopkins researcher finds. Retrieved from https://hub.jhu.edu/2014/01/31/super-bowl-ads/.

Startup Mixology: Tech Cocktail's Guide to Building, Growing, and Celebrating Startup Success by Frank Gruber, (2014, June 30). Retrieved from https://www.goodreads.com/book/show/18474984-startup-mixology.

StefanoView, D., & Stefano, D., (n.d.). Identifying the Characters in Your Business' Story. Retrieved from https://www.business2community.com/communications/identifying-the-characters-in-your-business-story-02211683.

Storytelling: definition in the Cambridge English Dictionary, (n.d.). Retrieved from https://dictionary.cambridge.org/us/dictionary/english/storytelling.

Tampio, N., (2018). *Common Core: national education standards and the threat to democracy*. Baltimore: Johns Hopkins University Press.

The History of Uber - Uber's Timeline: Uber Newsroom US, (n.d.). Retrieved from https://www.uber.com/newsroom/history/.

Tregidga, H., & Barter, N., (2014). *Story telling: beyond the academic article: using fiction, art and literary techniques to communicate*. Sheffield: Greenleaf Pub.

Why Most Startups Don't 'Get' Press, (2015, February 7). Retrieved from https://firstround.com/review/why-most-startups-dont-get-press/.

Wilson, P., (2011). *Hieroglyphs: a very short introduction*. New York: Oxford University Press.

Appendix

Interview Guide

1) How did you select (the company name) as your startup name?

2) Why did you want to do your startup? What's the story behind the startup?

3) What is storytelling from your perspective?

4) How do you define storytelling in a business setting?

5) What's the role of storytelling for a tech startup?

6) How does storytelling affect a startup's growth/development?

7) What elements should be in the story? What should the structure be?

8) How to engage your audience? What format, platform, ways, and vehicles should a tech startup use to tell its story? (video, ad, traditional media, social media, etc.)

9) When should a tech startup tell the story?

10) Who should be the best person to tell the story?

11) Are there any difficulties in telling a story for a tech startup? How to solve them?

12) What is the best story of a startup or a tech startup you've heard?

Copyrights