Utrecht University

Customer engagement with startups on social media and the influence of content type, and frequency

Utrecht University

Faculty of Law, Economics & Governance

MSc Business Development & Entrepreneurship

Author: Nikolaos Mandoras – 1361686

Supervisors: Mirella Schrijvers & Mathias Boënne

July 2022

Abstract: Social media are part of many individuals' life. This has led many firms to use such platforms to communicate and engage with their customers, as well as for marketing purposes. However, there is still little known about how startups use social media to increase customer engagement. In this study, we investigated whether content related to the brand identity or the products of a startup, as well as the frequency with which the startups share content increase customer engagement. To do so, we collected data from a startup that operates in the fashion industry and promotes its products through Instagram. Also, we interviewed five entrepreneurs in order to interpret through their experience our quantitative findings. Our main findings were not statistically significant regarding the content type, and they were statistically significant for the frequency indicating that the lower frequency leads to higher customer engagement. Additionally, entrepreneurs provided us with important information on what customers like to see, how they interact with the startups and how often they like to see content.

Keywords: Customer engagement, startups, entrepreneurship, social media

Contents

Introduction

In the last years, there is growing attention from scholars towards social media and its usage by firms. Some of the benefits for the firms can be described by higher customer engagement through brand-related content, as well as an increase of the Word-of-Mouth effect and sales due to social media marketing (Kumar et al., 2013; Lee et al., 2018). The main objective of this work was to explain how firms can take advantage of all the features these platforms provide for marketing purposes and better customer service. To answer this question scholars have studied various ways in which social media can be used by firms as a marketing tool (Aral et al., 2013).

However, there is still limited literature focused on startups and how they use social media for marketing purposes. Additionally, there is limited literature on how some main features of social media, such as content type and frequency are related to customer engagement in the case of startups. Through the review of the literature, it was not possible to find studies that focus on all these elements in the context of a startup. Without research on this topic, it is difficult to understand how startups could make effective use of social media in order to increase their customer engagement. This is an important aspect for investigation as we see that even though social media are part of many individual's life and people use them for various purposes nowadays, startups and SMEs are still hesitant on using them (Dutot & Bergeron, 2016; Jones et al., 2015).

Many businesses have started making use of social media, in order to approach their customers. Simultaneously, new platforms appear on the internet, giving people the opportunity to connect with eachother, gather information, and share content in a more efficient way (Enders et al., 2008). Additionally, Kaplan & Haenlein (2010) have highlighted the quick changes happening every day to social media. We are also aware of the fact that during the next years, social media will be used for an even more personalized customer experience (Appel et al., 2020). By taking all these information into consideration, as well as the low cost and the big returns that social media offer to the companies, we can understand why these platforms could potentially be of high value for new ventures with low capital (Kumar et al., 2013). A deeper understanding of how startups can use social media marketing could add to the experience they provide to their customer, helping them eventually to grow faster.

Nonetheless, as mentioned before, we still do not know how various elements like content type or frequency influence customer engagement with startups. This knowledge could allow startups to start making use of these platforms in a more effective way, in order to grow their business. This paper focused on these elements and tried to investigate how they influence customer engagement. The study was also focused on examining these elements in the context of a startup, so we can understand the strategy that a firm with low capital should preferably follow, answering in this way to the main research question. By answering this question, we added to the existing literature on social media and its

usefulness in today's businesses. Also, we added to the research on entrepreneurship, as well as on the factors that lead to the success of a new venture focusing on the promotion of their brand through social media platforms. Finally, this knowledge provided practical solutions to startups. These solutions could be used within their social media marketing strategy, to achieve better results for the business. Also, our findings could help entrepreneurs to feel more comfortable with social media.

In order to create a clear understanding of the proposed research question and the direction that was followed to answer it, this paper is divided into five sections. First, we reported on some core theories found in the literature that helped us to set the scene for the research questions. The literature review focused on customer engagement, social media content, and the marketing approach that startups follow. Second, based on this literature we created the theoretical framework that included the three hypotheses that helped us to answer the research questions. Additionally, there is an extensive report on the methods that we followed in order to investigate the research question. This section provides all the details regarding data gathering and measurements for the quantitative study, as well as for the qualitative study that were used to test the hypotheses. We then proceeded with the results of the measurements, which provided us with important insights on how content type and frequency are related to customer engagement, as well as the perception of entrepreneurs regarding social media marketing. Furthermore, this study combined the main findings with the existing literature and provided an interpretation of the results and answered to the research question. Finally, we concluded with the main remarks based on the discussion section and the limitations of this study.

Literature review

This section describes the work that has been done by scholars about social media and businesses. It has been made use of literature that focuses on social media marketing, customer engagement, and entrepreneurship. This literature helped us to understand the way that researchers try to answer some crucial questions around the topic. Their work is focused mainly on the benefits social media platforms provide to firms in general. Also, researchers provided us with an explanation of new terminology and new concepts in the context of social media marketing. Trying to better approach how social media work we can see the development of older theories and terms into new ones, that can better describe the effect of these platforms on marketing strategies. This review focused on theories that refer to customer engagement in the context of social media, as well as theories about the content and advertisement on the platforms. These theories help us to create a clear background for this study, that will later lead to the hypotheses.

Customer engagement

One of the main topics that researchers tried to investigate is related to customer engagement through social media (Hollebeek et al., 2014; Rietveld et al., 2020). While many firms have turned their attention

towards social media for promoting their products and services, scholars try to investigate the reasons that lead customers to follow and interact with firms through these platforms. Customer engagement has been at the center of this research. Customer engagement has been defined in the context of relationship marketing and refers to the interactive experiences of the customer, as well as to the overall relationship that a customer experiences with a firm (Brodie et al., 2013). Additionally, van Doorn et al. (2010) have defined customer engagement behavior as a customers' positive and negative actions that are related to the firm, such as participating in a community or writing a negative review. It is also a concept that can be used to calculate the outcomes that are related to the customer and its actions (Hollebeek et al., 2014). Going a step further, Calder et al. (2009) found that social media create a different form of engagement than traditional media. This happens mostly because of the increased interactivity consumers have with the firm in comparison with other media (Calder et al., 2009). Indeed, the internet and more specifically platforms provide customers with more actions through which they can engage with the firms (van Doorn et al., 2010). This different engagement that has been created in these platforms, provides companies with the ability to better interact with their audience. It also allows companies to use social media for a more effective marketing strategy. In this context, it is also crucial for firms to work on a strategy that can lead to higher engagement. It has been found that the content that targets to emotions increases the engagement of the customer through comments and likes (Rietveld et al., 2020). Based on this work, the concept of customer engagement in social media can be described as the process by which customers interact with a company's content on social media. These interactions can take different forms, from liking the content that has been published or commenting on it, to even just seeing it, sharing it or saving it for future use. However, there is still a gap in the literature regarding how startups should approach their social media strategy in order to increase customer engagement, as most of the literature focuses on larger firms. As these new ventures try to attract audience, it is important to investigate what type of content would make customers to feel comfortable and engage with them. Additionally, there is limited literature on how entrepreneurs interpret customer engagement. We are still unfamiliar with the way that they try to approach this concept and the actions they consider important in order to increase customer engagement, especially when they have limited resources to promote their work on social media.

Social media content

An additional element that scholars try to investigate, is how content generated and shared by a firm on social media platforms influences the company. Lee et al. (2018) found that content that refers to the price of products increases the engagement in social media only when it is combined with elements that refer to the brand's personality. Still there is limited research to show how customer engagement might be influenced by content that refers only to a brand's identity. Additionally, content that allows for some interactivity with the firm leads to higher engagement (de Vries et al., 2012). Also, customers seem to prefer content that is realistic more than content that just provides positive messages, in order to trust

the firm (Colicev et al., 2019). Video content, also, leads to increased engagement in the form of comments from the audience (Shahbaznezhad et al., 2021). The way that the content is structured also seem to influence customers. Overgoor et al. (2021), for example, tested how users perceive different images based on colors and asymmetry, providing important information on what content firms should share with their audience. The latter has also attracted increased attention from scholars who search how companies can create viral products and content that will be shared with a broader audience from the users (e.g., Aral & Walker, 2011; Berger & Milkman, 2012). Psychological reasons have been investigated that linked virality with customer's emotions and their tendency to engage with specific content (Berger & Milkman, 2012). Also, researchers have investigated if social media can influence the overall Word-of-Mouth effect, succeeding more spread of a firm's content. Customers appear to be willing to provide additional information through reviews, adding to those that the company provided initially, interacting in this way with the overall strategy of the company and affecting the decisions of buyers (Chen & Xie, 2008). It becomes clear that the way a firm structures its content is crucial for its success. Customers are willing to engage with companies but only under the terms that will make them feel comfortable and will provide them with what they need to see on social media. Firms should carefully examine their audience and build their strategy based on its expectations. In this way, according to the literature, they could create a strong image on social media that could result to the increase of customer engagement. Even though the literature provides us with various information regarding content, there is still a gap on where startups should put their attention. As new firms try to build their own audience, it is important to investigate what type of content will attract more people. For example, there is not enough evidence to show whether customers prefer to know more about the newly established firm or its products. This researched could practically help startups to establish a more organized image on social media and feel more comfortable with these platforms.

Startups and marketing

The function of marketing is important for the growth of a firm, as well as its entrepreneurial orientation. Researchers have shown that firms that have created marketing departments tend to be more entrepreneurial (Morris & Paul, 1987). Similarly, it is known that the higher attention to marketing strategies and the careful examination of the market leads to higher levels of success for newly entered products (Calantone et al., 1996). The importance of marketing is even more crucial for startups, due to the limited trust consumer have in them (Shepherd et al., 2000). These observations, as well as the growth of social media marketing, provide startups with a strong signal of the importance of these platforms for marketing purposes. Additionally, the benefits of social media are even more obvious due to the low cost with high returns for the businesses (Kumar et al., 2013). Still there is limited research on how startups should approach their marketing strategy on social media, something that has led these companies to avoid using them. According to the researchers, SMEs avoid using social media in their

marketing strategies, mostly because of their limited knowledge of this field (Dutot & Bergeron, 2016; Jones et al., 2015). For this reason, it is crucial to fill this gap in research regarding the effects of social media and what would provide startups with better results. Furthermore, there is not enough research on how entrepreneurs think and design their marketing strategies on social media. This concept is of importance, as it would provide us with answers on how entrepreneurs try to use their limited capitals, as well as their experience on social media marketing when launching a startup, something crucial specially for entrepreneurs that have limited knowledge on marketing.

This study aimed to focus on social media marketing and more specifically on the use of these platforms by startups. The absence of literature that focuses on content type and frequency in the case of startups, created a gap in the literature that was addressed in this study. Additionally, as mentioned above it was crucial to investigate how entrepreneurs act regarding social media marketing. The main question that emerged is how content type, and frequency affect customer engagement in the case of startups, and how entrepreneurs interpret social media marketing and the various factors around it. By answering these questions, this study offered to the existing literature on marketing, but also to the literature on startups and entrepreneurship. Furthermore, social media marketing was researched in this study, providing important insight into this new field. The results led to information that could be helpful for scholars, as well as for entrepreneurs by providing new evidence for customer engagement in the context of social media platforms.

Theoretical framework

From the above literature review emerge information regarding the effects of social media on firms. However, we can also recognize some gaps in the literature regarding social media and startups. This research focuses on content type, and the frequency with which startups share content with their audience. To do so, the study is divided into three hypotheses (Figure 1). Each hypothesis will be tested in the context of startups, in order to cover the gap in the literature that was mentioned before. As can be seen, through the hypotheses below, we tried to provide answers on the quality aspect, through the content type, as well as the quantity aspect, through the frequency, about the content a firm share. This approach provides entrepreneurs with a holistic way to evaluate and design their strategies.
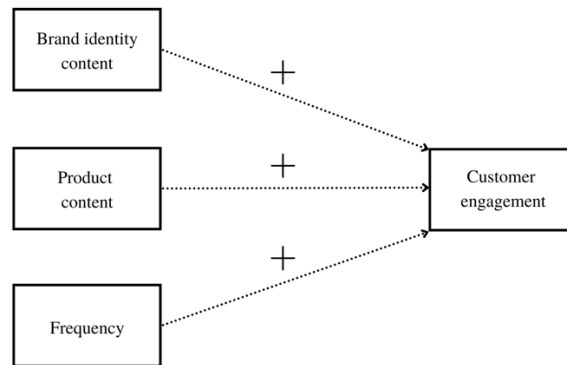
Figure 1

H1a. Content related to brand identity positively affects customer engagement.
H1b. Content related to products positively affects customer engagement.

The kind of content firms share with their audience seems to influence the decision of the customer to engage with the company. Previous studies have investigated how different factors that are included in the content influence customer engagement. For example, content that includes the price of the products needs more elements regarding the personality of the brand, in order to be appealing to the users (Lee et al., 2018). Additionally, the emotions that the content creates to the customer seem to influence the decision to engage with it (Berger & Milkman, 2012). A strong proof of this is the fact that customers prefer realistic content generated by the firms (Colicev et al., 2019). However, there is still a lack of research regarding how content type affects customer engagement in the context of a startup. Following this direction, this study investigated how different content type that includes information about the brand identity of the startup, or its products influence customer engagement. Even though, content type can be evaluated and divided in many different ways, we chose brand identity and product, as we have noticed that many firms share content that included these two elements, and it is easy for everyone to recognize them. Also, these elements have been chosen because researchers have already proved their influence on customer engagement and could be easier for entrepreneurs to divide their content and practically use this research. By answering these questions, this study will allow startups to become aware of the content type that best suits their audience.

H2. The higher frequency with which a startup shares content positively affects customer engagement.

As customer engagement refers to the interactive experiences of the consumer with a firm, it is important to test whether more opportunities for interaction lead to an increase in customer engagement (Brodie et al., 2013). Consumers seem to not trust startups as they are not so familiar with their activities

(Shepherd et al., 2000). However, it is known that social media provide more interactivity that can lead to higher engagement (Calder et al., 2009). Still there is a gap in the literature regarding how often startups should share content, in order to increase customer engagement and create more trust within their audience. For this study we chose to limit the research on whether the higher frequency can help startups to increase customer engagement. By answering this hypothesis, it can become more understandable, how much firm-generated content, customers are ready to consume. This will create space for startups to decide the frequency with which they will share content, in order to create more trust and interactivity with their audience that could probably lead to faster growth.

Methods

Study 1: quantitative data

Data

In this section, it will be explained how the data were obtained so as to form the model. To test the hypotheses formulated above we needed to obtain data that show the interaction of users with startups. These data were gathered from a Greek startup that operates in the fashion industry. This industry has been chosen due to the high number of brands promoting their products through social media, and the success these platforms seem to have for them (Kim & Ko, 2012). The startup operates the last five years and currently only the three entrepreneurs that established the firm work for it. Also, the startup mostly focuses on female customers at the age of 18-50 that make use of social media and buy products through the internet. In order to calculate the customer engagement, we made use of data regarding the likes, comments, and saves for each content that was shared by the startups.

Additionally, in order to test the hypotheses, we needed to gather data for a sufficient period, so it can be calculated how customer engagement changes over time. To succeed in providing accurate results the data that we used were collected for a period of eight months. Also, the number of contents that was shared by the startups each month was needed, so we could test for the frequency and customer engagement effect. Instagram analytics were used for the data gathering. This platform has been chosen for various practical, as well as theoretical reasons. The startup that was used to collect the data mainly promotes its products through Instagram. This condition allowed us to test the hypotheses knowing that the majority of their customers come from this platform. Additionally, the visual elements that Instagram includes, allow for the better promotion of products (Virtanen et al., 2017). The same study claims that Instagram succeeds higher engagement compared to other platforms, and customers tend to follow more brands on Instagram compared to the rest of the platforms.

Measures

The dependent variable that was used to test the hypotheses is the customer engagement (Customer_Engment) with the startups' content on Instagram. For the calculation of customer engagement, we made use of an engagement rate index. This index divides the number of likes, comments, and saves of the shared content, by the number of impressions and multiplies it by 100. In this way, we were able include all the features that can show an interaction of the user with the firm within the content. The number of impressions states the total number of unique users that viewed the content that was shared by the startup. This approach for the calculation of the engagement is based on experience, as there is no other formula, to the knowledge of the author, in the literature. Many firms make use of this index to calculate customer engagement, so it is a widely known approach.

The independent variables that were used consist of brand identity content (Brand_Id), product content (Product), and frequency. Brand identity content and product content variables were used to test hypotheses H1a and H1b, so we could measure how customer engagement is influenced by these two elements that might be included in the content shared by the startup. The variables Brand_Id and Product are dummy variables, and each take only two values depending on whether each content belongs in one of these categories. These two variables were calculated on a daily basis for this study, so we could see the actual effects of our hypotheses. Finally, the frequency was measured by the total number of contents shared by the startup monthly. This variable helped us to examine H2 and interpret how the increase of the frequency with which the startup shares content every month affects customer engagement. The startup that was used for this study does not have a specific strategy regarding the frequency, so this provided us with different frequencies during the period of eight months.

Study 2: interview study

Quantitative data provided us with important results that can answer the research questions of this study. However, considering the multiple elements that are included in every content that firms and startups share, as well as the various factors that could influence the ideal frequency to share content, it was important to investigate how entrepreneurs have experienced social media marketing. The experiences of entrepreneurs provided us with more clarity and allowed us to better interpret the overall findings of this study (Bryman, 2006). Also, qualitative research allowed us through interviews to add to the existing quantitative results by highlighting aspects that were left out from the measurements or social factors that entrepreneurs have noticed and may influence the effects on social media (Greene et al., 1989).

Design

Semi-structured interviews were conducted that allowed us to take information on the main research questions of this study, as well as for the entrepreneurs to offer extra information based on their

experience. These types of interviews that are frequently used in mixed-methods research, helped us to better interpret the quantitative findings by confirming and enriching our knowledge on the topic (Bryman, 2006; McIntosh & Morse, 2015).

In order to understand entrepreneur's experience on social media marketing, and specially their perception on the variables tested on the quantitative part of this study we used the following guide for the semi-structured interviews that contained 4 main themes (McIntosh & Morse, 2015). First, we asked about the reasons that entrepreneurs chose to use social media for the promotion of their startup. This first theme helped us to investigate why they consider social media marketing important and what benefits they were expecting from it. Second, we focused on the strategy they use when they share content with their audience, so we can examine what characteristics they have noticed to be crucial, and they implement on their firm's social media accounts. Third, we asked about their experience regarding how content related to the brand identity, or the products influence customer engagement, as well as the frequency with which they choose to share content and why. These questions were considered important so we can efficiently interpret the results of study 1 and find the various factors that may influence these results. Fourth, the entrepreneurs were asked about the ways that they use to measure the success of the content they share. This final theme provided us with the perception of the entrepreneurs on what they consider important when they share content with their audience. Even though this study focused on customer engagement and perceives this concept as crucial, we wanted to examine if entrepreneurs have the same perception, or they consider other aspects more important that need to be investigated in the future.

Procedure

Five entrepreneurs were selected for the interview process. All the entrepreneurs own a startup that operates in the fashion industry and specializes in accessories. All the startups operate for less than six years and none of them have employees except from the entrepreneurs. Additionally, their startups have a strong presence on Instagram for the promotion of the firm. The interviews were conducted online and lasted approximately 1 hour. The participants were informed about the topic of the discussion but not for the results of the quantitative study. This helped us to receive unbiased responses from the entrepreneurs. Furthermore, the participants were asked four questions, one for each main theme, but they were free to provide us with any answer they believed was important. For the startups that are owned from more than one entrepreneur, we requested only the one of them who is responsible for marketing to participate in the interview. The interviews were conducted in May and June of 2022.

Results

Quantitative results: study 1

For the analysis of the data, IBM SPSS Statistics 26 was used. Table 1 reports the descriptive statistics by providing the number of observations, the mean, median and std. deviation. For this study 82 posts shared by the firm on Instagram for a period of eight months were analyzed. 37 of the shared content included information regarding the brand identity of the startup and 48 of them were referring to the products of the firm. The missing values refer to data regarding the audience that saw the content, but these values were not needed for the analysis and were not used. To test the hypotheses, we ran the Mann - Whitney U test with Brand_id and Product as independent variables and Customer Engagement as the dependent variable.

		Likes	Comments	Shares	Saves	Impression	Followers	No Followers
N	Valid	82	82	82	82	82	77	77
	Missing	0	0	0	0	0	5	5
Mean		148,67	63,67	,00	7,34	2630,28	1341,68	638,14
Median		116,50	,00	,00	3,00	2108,50	1299,00	664,00
Std. Deviation		146,929	423,788	,000	11,733	2675,396	378,727	438,482
Minimum		40	0	0	0	727	690	33
Maximum		1140	3518	0	83	17744	2453	1917

Table 1. Number of observations, mean, median and std. deviation.

Table 2 reports on the results for H1a. The model indicates that the effect of content related to brand identity on customer engagement is not statistically significant (Wilcoxon W = 740, p-value = 0,389> 0,05). Therefore, we are not able to support H1a. Additionally, table 3 presents the effect of content related to product on customer engagement which is not statistically significant (Wilcoxon W = 729, p-value = 0,413>0,05), and we cannot support H1b. Even though there could be many interpretations for these results, and we mention them later in this study, we also know that the sample that was used for this study is small. Thus, we should take into consideration that more data might lead to statistically significant results regarding these hypotheses and maybe we should not reject them so easily.

Ranks

	Brand_id	N	Mean Rank	Sum of Ranks
Customer engagement	No	45	39,44	1775,00
	Yes	37	44,00	1628,00
	Total	82		

Table 2. Mann-Whitney U for H1a.

Test Statistics[a]

	Customer engagement
Mann-Whitney U	740,000
Wilcoxon W	1775,000
Z	-,862
Asymp. Sig. (2-tailed)	,389

a. Grouping Variable: Brand_id

Ranks

	Product	N	Mean Rank	Sum of Ranks
Customer engagement	No	34	44,06	1498,00
	Yes	48	39,69	1905,00
	Total	82		

Table 3. Mann-Whitney U for H1b.

Test Statistics[a]

	Customer engagement
Mann-Whitney U	729,000
Wilcoxon W	1905,000
Z	-,819
Asymp. Sig. (2-tailed)	,413

a. Grouping Variable: Product

Furthermore, we proceeded on testing whether the higher frequency of sharing content positively affects customer engagement. Spearman's correlation coefficient between frequency of posts and customer engagement is -0,307 and statistically significant (Table 4). This result indicates that the higher frequency leads to lower customer engagement, thus we can reject H2. Like we mentioned before, even though we proceeded to interpret these findings based on these results, as well as the interviews with the entrepreneurs, a larger sample is possible that it could lead to different results.

Correlations

			Frequency	Customer engagement
Spearman's rho	Frequency	Correlation Coefficient	1,000	-,307[**]
		Sig. (2-tailed)	.	,005
		N	82	82
	Customer engagement	Correlation Coefficient	-,307[**]	1,000
		Sig. (2-tailed)	,005	.
		N	82	82

**. Correlation is significant at the 0.01 level (2-tailed).

Table 4. Spearman's correlation coefficient for H2.

Qualitative results: study 2

At the beginning of the interviews, we tried to explore why entrepreneurs use social media marketing for their startups. Participants expressed several reasons (Table 5) and many of them were common among all of them. A major reason according to them for using social media marketing is the ability to build a community with the audience, where customers can express their feelings, share their experience, and engage with the firm. One of the entrepreneurs stated, "It is nice to see people share their opinion and others to trust our firm. Also, we have received a lot of feedback from our customers, helping us to improve our products and services." Another participant told us "Some months ago we received a message from a client that wanted to start her own business and wanted to ask for our help. Knowing that you influence people in this way and build a community that shares the same ideas is what we mostly enjoy in social media." Additionally, many of the participants mentioned that social media is a place where you can freely express yourself and show your identity to you customers. This helps them to create a bond with them and gives them the ability to try different strategies with less or zero capital in order to promote their products.

Next, entrepreneurs were asked about the strategy they use on social media, as well as for the characteristics they have noticed to be crucial for social media marketing. The participants have noticed that customers do not want them to focus solely on the products the firms sell. They have the desire to see more information about the startups, the procedures to create the products and the values of the firms. For this reason, all of them share content that either shows different aspects of the business or include texts with various information under the content they share. One of the entrepreneurs stated, "At some point we had received many messages from our audience, asking us to show who we are and talk about ourselves." Due to this reason, the entrepreneurs said that their strategy focuses on sharing content that contains their products or includes messages to motivate people and content that calls for action, like sharing feedback or suggesting new ideas. Most of them, also, told us that after trying different things, they have learnt what their customers like, so they try to share content with similar colors and context.

Main Themes	Representative interview quotes
Reasons that entrepreneurs chose to use social media	• We want to build a community where people can share their thoughts and feedback. • I find social media a place where I can express myself and my business in the way that I want. Plus, it is free. • I did not know anything about marketing, so I started promoting my business on social media as I thought of it as a place where I can try, fail and learn. • It really allows us to reach to a broader audience and connect with them. It is free, easy to use, and we can be as creative as we want.
Strategy entrepreneurs use when they share content	• I tend to share content based on categories. For example, if I upload rings today, I will upload images with rings for the whole week so I can engage with people that are interested in them. • We have noticed that people do not just want to see our products. After some time, they wanted to see our faces and hear our voices, so now we share a lot of content that shows us and what we do daily.

	• I try to follow a specific pattern, and colors so my customers can recognize my photos quickly. Instagram is quick and people will not spend much time to understand which one is your photo. • I really try to be close with my customers, so I always share content about my products, but I have also created a more personal account and I talk to them about my day and experiences so they can feel comfortable.
Entrepreneur's experience on content related to brand identity, products, frequency, and customer engagement	• Customers want to see both our products and the identity of our brand. • I have not noticed any difference between each other. I have noticed that they like to see the products, as well as the values this brand represents, but either of them leads to higher customer engagement. • Customer do not want to see anything that is fake. They want to see that firms realize their daily problems and address them. • We have noticed specific days and hour that customer engagement is increased, and that's the days we prefer to share content we consider important. • I share content daily, even if I know that it will not have the same reach every day. I still want my customers to know that I am available every day.
Measurements for the success of the content	• Customer engagement is important, but still, we do not consider it the most important. Other measurements like new followers is what we mostly observe. • I find it very important. Sales will come after customers know that they can trust you, so it is important to have increased customer engagement. • Customer engagement might be a good indicator for the success of your content. However, I want to observe how many of the people that engage with our content really follow us. So, I try to notice my new followers, see how often some of them comment under the posts etc.

Table 5. Interview quotes for each main theme.

Furthermore, we focused on how participants experience the effects of content related to brand identity or product on customer engagement and the ideal frequency to share content. Most of the entrepreneurs seem to agree that customers want to see content that focuses on both the brand identity and the products of the firm. They have not noticed any major difference regarding the customer engagement that each content type attracts. However, what all the participants have experienced is that customers want to see realistic content on social media, and they do not engage with content that presents an ideal scenario. An entrepreneur stated, "We can see that our audience does not care about an ideal picture. They want to see content that shows everyday problems and provides some motivation. We have received messages from women saying that they liked photos of us looking natural, as it helps them feel more confident." Regarding content related to the brand identity, one of the entrepreneurs that still has not shared any content related to brand identity said, "I believe it is very important to show your identity and therefore I have not done it yet. I want to plan it very well so it can be consistent and help my audience to trust me even more."

Additionally, regarding the frequency they share content and the reasons behind their decision on this topic, entrepreneurs had similar observations to state. All the participants have noticed specific days and hours that the customer engagement is increased. However, the entrepreneurs choose to share content everyday so they can stay in touch with their audience, even if they know that this content will not reach the same number of people some days. One of them stated, "We try to upload content daily, and we always try to include something that is common in that specific day for everyone. For example, during a rainy day we avoid uploading content that shows a sunny, warm day." According to the

entrepreneurs they use the days and hours with the increased customer engagement to share content that promotes something important for their business, like new products.

Finally, entrepreneurs were asked about the measurements they use to evaluate the success of the content. Some of them told us that customer engagement is an important index but not the most crucial. One of them said, "We always calculate the customer engagement, mostly because we want to evaluate what people like, and they do not. However, what is most important for us is to see our followers grow, as it shows us that our community grows." On the contrary, another participant stated, "I believe customer engagement to be the most important index. This is a small business, so I know that I will not have increased sales from one day to the other. What I really need is to see more people trusting my brand and engage with the content. This eventually will need to more sales." What all the participants said to us, is that they usually measure customer engagement and then try to evaluate all the other indexes, like comments, direct messages and saves, in order to understand what people, like to see and what drives them to trust the brand.

Discussion

This study made use of Instagram data from a startup that operates in the fashion industry in order to determine how elements of social media marketing affect customer engagement. Additionally, the study tried to capture the perception of new entrepreneurs regarding social media marketing and its effects on customer engagement based on the strategy that each entrepreneurs uses. In this section we provide an interpretation of the quantitative and qualitative findings of the study, and we connect these findings with previous research.

To begin with, our results were not statistically significant regarding the effects of content related to brand identity to customer engagement. This goes against previous research that showed that content related to the brand identity is important in order to increase customer engagement through social media (Lee et al., 2018). An interpretation for this could be, due to the small sample size that was used for the analysis. However, we, also, took into consideration the finding from the interviews with the entrepreneurs in order to understand these results. According to these interviews, entrepreneurs have not noticed any major difference or increase on customer engagement when the content they share is related to the brand identity of their firms, explaining in this way the results of the quantitative study. Another interpretation lays on what the startup presents through the content related to brand identity. For example, many entrepreneurs stated that customers want to see realistic content, as well as content that matches with their daily life. This is consistent with previous research that showed the importance of realistic content (Colicev et al., 2019). The startup we took data from maybe does not share the kind of content related to the brand identity that customers expect and could therefore lead to higher customer engagement. It would be interesting in the future to look deeper into this, and research what elements

included in the content related to the brand identity leads to higher engagement, compared to the elements that do not. Additionally, as this study focused specifically on the fashion industry, we should consider whether customer engagement may be influenced by this factor too. Future research could investigate whether customers are more attracted to brand identity content in other industries.

Similarly, the results regarding customer engagement and content that includes the products of the firm were not statistically significant. For this hypothesis, too, entrepreneurs stated that they have not noticed any major changes in customer engagement when products are included in the content, supporting in this way the findings of study 1. Also, according to entrepreneurs, customers want to see content that extends beyond the product, and more specifically they want to interact and be part of a community. These observations are consistent with previous studies that have proved how important interactivity is in order to achieve higher customer engagement specially on social media (Calder et al., 2009; de Vries et al., 2012). The importance for more interactivity and the feeling of belonging could explain the results of this study which show that customers are not so affected by the inclusion of products in the content. Customers appear to like sharing their opinion and participating in the process with which the startup is developing. This customer behavior should be further study so we can understand what is it that triggers customers to engage with the firm and how startups can offer this form of interactivity, while at the same time include their products in their content.

Even though content related to brand identity or to the products of a startup can be considered important, our qualitative findings suggested that customer engagement cannot be determined only by them. The concept of customer engagement seems to be more complicated and the interviews with the entrepreneurs helped us to understand this. For example, many of the participants mentioned how the Ukrainian war has changed the way that customers behave. Some entrepreneurs mentioned that it became more difficult for them to engage with their audience, and most of them stated that they needed to completely change their social media marketing strategy. Through this we can understand that factors related to the society might have a strong influence on customer engagement. Another example is the fact that customers want to feel motivated through the interactions they have with the startups, showing the importance for a more societal approach that firms should adopt. Similarly, according to the entrepreneurs, factors like the weather might change the way that customers perceive the content shared by startups. Previous studies have investigated psychological reasons and emotions that influence the virality of the content (Berger & Milkman, 2012). Also, factors like the colors of an image seem to influence customer engagement (Overgoor et al., 2021). Thus, it is important to further investigate how startups can better understand and use customer's psychology, in order to provide them with appropriate content based on this. Also, as we saw in this study, we were not able to support whether content related to product or the brand identity of the firm influence customer engagement. Thus, it would be interesting

to investigate how other factors and elements combined may affect customer engagement and how we can measure them and include them in the content.

Furthermore, our findings indicated that the higher frequency leads to lower customer engagement. The interpretation of this result could be due to the fact that customers care more about the quality of the content than the quantity. Previous studies have shown that realistic content, and content with specific asymmetry is more appealing (Colicev et al., 2019; Overgoor et al., 2021). However, we should also take into consideration that entrepreneurs have noticed specific days and hours that customers tend to engage more. According to them, even if you upload content every day, something that most of them do in order to keep their customers informed, customer engagement is not going to increase. This could be an additional interpretation for our findings, as the startup that we used, does not always share the content that we examined on the days they have noticed to attract higher customer engagement. According to our findings it seems that customers indeed tend to engage more on specific days, something that explains why higher frequency leads to generally lower customer engagement. These results show the necessity for future research that will try to answer how the frequency with which a startup shares content influences customer engagement. The research should investigate what the ideal frequency is that customers want to come across content shared by the firm. Additionally, it would be interesting to search for the reasons that lead customer to engage more on specific days.

Finally, for this study we made use of both quantitative data from a startup, and qualitative data through interviews with entrepreneurs. This is one of the few studies that made use of this mixed-methods approach. This way of researching this topic provided us with crucial information that we would not be able to understand otherwise. Many researchers have supported how important customer engagement is, in order to evaluate how successful a social media marketing strategy or the content that the firms share are (Calder et al., 2009; de Vries et al., 2012; Shahbaznezhad et al., 2021). However, according to the entrepreneurs, even though customer engagement is important, they cannot consider it as the most crucial index to measure their success. These observations show us that future research should investigate social media marketing through the lens of different measurements that entrepreneurs find more important. Additionally, in order to examine customer engagement, we chose elements that are in the control of the startups and we could easily quantify. Similarly, many other researchers approach this topic in the same way. Many of the entrepreneurs, though, mentioned how social factors are really important and can determine customer engagement. Future research should focus more on these factors and investigate how societal changes may influence customer engagement.

Implications and limitations

Practical implications

First, this study highlights the importance of social media marketing for startups. This way of reaching out to the customers provides startups with many advantages, like the low cost, high return, and the ability for entrepreneurs to experiment (Kumar et al., 2013). Additionally, it can be seen that customer engagement is a complicated concept that should be investigated from various perspectives. Even though brand identity content and content related to the products are important, the findings of this study show to the entrepreneurs the various dimensions that can influence customer engagement. This is also highlighted through the interviews we conducted with entrepreneurs. So, new entrepreneurs could use these findings when they design strategies for their own firms. The interviews, also, provided us with the experience of the participants that can be used from new entrepreneurs while making use of social media. The frequency, for example, with which the participants of this study share content, and the results on customer engagement can be used from the entrepreneurs in order to better asses their strategies. Furthermore, knowing that entrepreneurs fear using social media, this study allows them to realize that social media can be used as a field to experiment and learn, while reaching to a broader audience every day (Dutot & Bergeron, 2016; Jones et al., 2015). Finally, an important outcome of this study in the fact that social media can be used to build a community with the customers, as well as to address problems that they may face and motivate, something that can be used from entrepreneurs except from just promoting their firms, creating more trust in this way.

Limitations

This study is subject to several limitations. First, in order to test our hypothesis, we made use of a small sample, something that might have influenced the results making it difficult to accept or reject our hypotheses. Second, this study focused solely to the fashion industry in order to investigate the main research questions. It is possible that different conditions stand for other industries that make use of social media marketing. Additionally, even though the interviews with the entrepreneurs provided us with important information, we should take into consideration that many of them are not familiar with the science of marketing, and their opinion comes from their experience. Finally, the startups that we used for both the quantitative and qualitative studies operate in Greece and represent the way that the population in this country behaves. So, it is not possible to draw a general conclusion regarding the way that customers engage with startups through social media in the rest of the countries.

Conclusion

Customer engagement is an important concept that can be used by startups in order to evaluate their content on social media. In this study we studied how content related to the brand identity or the products of a startup influence customer engagement. The results of the study showed us that none of them can lead to higher customer engagement, even though the existing literature supports the opposite. Entrepreneurs stated that they, also, have not noticed major differences between these two types of

content and customer engagement. The reason behind this could be the fact that various factors and elements, like the colors, the social environment or the feeling of the customer might influence customer engagement, and we cannot restrict it, to just a few of them. This indicates that entrepreneurs should always take into consideration these various factors when sharing content, and researchers should investigate how they really influence customer engagement and the best way that these factors can be used.

Additionally, we investigated whether the higher frequency with which a startup shares content increases customer engagement. Our findings, however, suggested that the lower frequency leads to higher engagement. The participants of the interviews told us that they have noticed specific days and hours that customer engagement is increased. This observation could explain our results, as it seems that the lower frequency represents these limited days that the customers actually want to connect and engage with the firms. Entrepreneurs should be aware of this concept regarding the frequency and find the solution that best suits their customers. Researchers, on the other hand, should further investigate the reasons behind this behavior, as well as the way that startups can better understand the perfect balance.

Even though the sample that we used for this study was small and did not provide us with the results we expected, the interviews with the entrepreneurs really helped us to understand and interpret these results. However, future research should use larger samples in order to better understand the concept of customer engagement. The existing literature also helped us to interpret the results and led us to conclude and answer to our research questions. This study adds to the existing literature, and it provides future researchers with new data that can be used to further explore the fields of social media marketing and customer engagement in the case of startups.

References

Appel, G., Grewal, L., Hadi, R., & Stephen, A. T. (2020). The future of social media in marketing. *Journal of the Academy of Marketing Science*, *48*(1), 79–95. https://doi.org/10.1007/S11747-019-00695-1

Aral, S., Dellarocas, C., & Godes, D. (2013). Social media and business transformation: A Framework for research. *Information Systems Research*, *24*(1), 3–13. https://doi.org/10.1287/ISRE.1120.0470

Aral, S., & Walker, D. (2011). Creating social contagion through viral product design: A randomized trial of peer influence in networks. *Management Science*, *57*(9), 1623–1639. https://doi.org/10.1287/MNSC.1110.1421

Berger, J., & Milkman, K. L. (2012). What makes online content viral? *Journal of Marketing Research*, *49*(2), 192–205. https://doi.org/10.1509/JMR.10.0353

Brodie, R. J., Ilic, A., Juric, B., & Hollebeek, L. (2013). Consumer engagement in a virtual brand community: An exploratory analysis. *Journal of Business Research*, *66*(1), 105–114. https://doi.org/10.1016/J.JBUSRES.2011.07.029

Bryman, A. (2006). Integrating quantitative and qualitative research: How is it done? *Qualitative Research*, *6*(1), 97–113. https://doi.org/10.1177/1468794106058877

Calantone, R. J., Schmidt, J. B., & Song, X. M. (1996). Controllable factors of new product success: A cross-national comparison. *Marketing Science*, *15*(4), 341–358. https://doi.org/10.1287/MKSC.15.4.341

Calder, B. J., Malthouse, E. C., & Schaedel, U. (2009). An Experimental Study of the Relationship between Online Engagement and Advertising Effectiveness. *Journal of Interactive Marketing*, *23*(4), 321–331. https://doi.org/10.1016/J.INTMAR.2009.07.002

Chen, Y., & Xie, J. (2008). Online consumer review: Word-of-mouth as a new element of marketing communication mix. *Management Science*, *54*(3), 477–491. https://doi.org/10.1287/MNSC.1070.0810/SUPPL_FILE/MNSC.1070.0810-SM-EC.PDF

Colicev, A., Kumar, A., & O'Connor, P. (2019). Modeling the relationship between firm and user generated content and the stages of the marketing funnel. *International Journal of Research in Marketing*, *36*(1), 100–116. https://doi.org/10.1016/J.IJRESMAR.2018.09.005

de Vries, L., Gensler, S., & Leeflang, P. S. H. (2012). Popularity of Brand Posts on Brand Fan Pages: An Investigation of the Effects of Social Media Marketing. *Journal of Interactive Marketing*, *26*(2), 83–91. https://doi.org/10.1016/J.INTMAR.2012.01.003

Dutot, V., & Bergeron, F. (2016). From strategic orientation to social media orientation: Improving SMEs' performance on social media. *Journal of Small Business and Enterprise Development*, *23*(4), 1165–1190. https://doi.org/10.1108/JSBED-11-2015-0160/FULL/HTML

Enders, A., Hungenberg, H., Denker, H. P., & Mauch, S. (2008). The long tail of social networking.: Revenue models of social networking sites. *European Management Journal*, *26*(3), 199–211. https://doi.org/10.1016/J.EMJ.2008.02.002

Greene, J. C., Caracelli, V. J., & Graham, W. F. (1989). Toward a Conceptual Framework for Mixed-Method Evaluation Designs. *Source: Educational Evaluation and Policy Analysis*, *11*(3), 255–274.

Hollebeek, L. D., Glynn, M. S., & Brodie, R. J. (2014). Consumer brand engagement in social media: Conceptualization, scale development and validation. *Journal of Interactive Marketing*, *28*(2), 149–165. https://doi.org/10.1016/J.INTMAR.2013.12.002

Jones, N., Borgman, R., & Ulusoy, E. (2015). Impact of social media on small businesses. *Journal of Small Business and Enterprise Development*, *22*(4), 611–632. https://doi.org/10.1108/JSBED-09-2013-0133/FULL/HTML

Kaplan, A. M., & Haenlein, M. (2010). Users of the world, unite! The challenges and opportunities of Social Media. *Business Horizons*, *53*(1), 59–68. https://doi.org/10.1016/j.bushor.2009.09.003

Kim, A. J., & Ko, E. (2012). Do social media marketing activities enhance customer equity? An empirical study of luxury fashion brand. *Journal of Business Research*, *65*(10), 1480–1486. https://doi.org/10.1016/J.JBUSRES.2011.10.014

Kumar, V., Bhaskaran, V., Mirchandani, R., & Shah, M. (2013). Creating a measurable social media marketing strategy: Increasing the value and ROI of intangibles and tangibles for Hokey Pokey. *Marketing Science*, *32*(2), 194–212. https://doi.org/10.1287/MKSC.1120.0768

Lee, D., Hosanagar, K., Science, H. N.-M., & 2018, undefined. (2018). Advertising content and consumer engagement on social media: Evidence from Facebook. *Management Science*, *64*(11), 5105–5131. https://doi.org/10.1287/mnsc.2017.2902

McIntosh, M. J., & Morse, J. M. (2015). Situating and constructing diversity in semi-structured interviews. *Global Qualitative Nursing Research*, *2*. https://doi.org/10.1177/2333393615597674

Morris, M. H., & Paul, G. W. (1987). The relationship between entrepreneurship and marketing in established firms. *Journal of Business Venturing*, *2*(3), 247–259. https://doi.org/10.1016/0883-9026(87)90012-7

Overgoor, G., Rand, W., van Dolen, W., & Mazloom, M. (2021). Simplicity is not key: Understanding firm-generated social media images and consumer liking. *International Journal of Research in Marketing*. https://doi.org/10.1016/J.IJRESMAR.2021.12.005

Rietveld, R., van Dolen, W., Mazloom, M., & Worring, M. (2020). What You Feel, Is What You Like Influence of Message Appeals on Customer Engagement on Instagram. *Journal of Interactive Marketing*, *49*, 20–53. https://doi.org/10.1016/j.intmar.2019.06.003

Shahbaznezhad, H., Dolan, R., & Rashidirad, M. (2021). The Role of Social Media Content Format and Platform in Users' Engagement Behavior. *Journal of Interactive Marketing*, *53*, 47–65. https://doi.org/10.1016/J.INTMAR.2020.05.001

Shepherd, D. A., Douglas, E. J., & Shanley, M. (2000). New venture survival: Ignorance, external shocks, and risk reduction strategies. *Journal of Business Venturing*, *15*(5–6), 393–410. https://doi.org/10.1016/S0883-9026(98)00032-9

van Doorn, J., Lemon, K. N., Mittal, V., Nass, S., Pick, D., Pirner, P., & Verhoef, P. C. (2010). Customer engagement behavior: Theoretical foundations and research directions. *Journal of Service Research*, *13*(3), 253–266. https://doi.org/10.1177/1094670510375599

Virtanen, H., Björk, P., & Sjöström, E. (2017). Follow for follow: marketing of a start-up company on Instagram. *Journal of Small Business and Enterprise Development*, *24*(3), 468–484. https://doi.org/10.1108/JSBED-12-2016-0202/FULL/HTML