PROMOTIONAL STRATEGIES OF MEDIA STARTUP COMPANIES

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ANALYSIS

Literature Review

Introduction

Since the overwhelming impact of the Internet, the term “startup” has been mentioned frequently all over the media. Neil Blumenthal, the cofounder and co-CEO of Warby Parker, defined “startup” as “a company working to solve a problem where the solution is not obvious and success is not guaranteed” (Robehmed, 2013). One vital attribute of a startup is its potential and capability to grow. Because technology is a booming area, small companies could grow quickly by doing tech-related business. Silicon Valley is a gathering place of such types of business. Paul Graham, the head of a startup accelerator company named Y Combinator, said, “A company five years old can still be a startup. Ten would start to be a stretch” (Robehmed, 2013). Expanding in a considerable period is the key goal of startups, so setting strategies to promote its brand efficiently is very important to its growth.

Why integrated marketing communication matter

Proper marketing strategies could save companies from disruption. As some motion-control technologies, such as Sony PlayStation and Microsoft Xbox, no longer allow free games within the platforms, small companies such as Just Dance need to seek new platforms to avoid disruption (Heine, 2015). In the recent market, the iPad
and iPhone are the two main platforms with large potential. Small companies are making great efforts to switch their focus on these two platforms. In this process, they use TV spots to align with videos on social networks. At the same time, they also utilize user-generated content on platforms such as Instagram and Snapchat (Heine, 2015). Utilizing different channels to promote a business is important. Entrepreneurs should not focus only on limited platforms; they should have a broad sight and be aware of the importance of marketing in an integrated way.

Taking advantage of integrated marketing communication by tech-based startup has been discussed over the recent decade. Don E. Schultz, professor of integrated marketing communications (IMC) at the Medill School of Journalism, Northwestern University, discussed it in 2000. He described the tech-based startups as “an organization with no history, no knowledge base, no recognized customers, only prospects” (Schultz, 2000). So, how can these kinds of newborn companies catch customers’ eyes and express how they can benefit customers? Schultz concluded 10 disciplines:

1. Have a disciplined focus on the core customer or who might become the core customer.

2. Possess a proprietary insight into and about the core customer.

3. Consider the brand to be a strategic asset. Assets don't take budget cuts.

4. Align all actions with the brand value proposition.

5. Distinguish themselves on the operating basics. If you aren't "best in class" today, you aren't even considered.
6. View the brand as a platform to refresh and innovate. The brand must be an elastic element—one that changes as customers change and responds as customers request.

7. Have the ability to reshape and transform their industry.

8. View themselves as advocates for their customers.

9. Create an internal culture that is passionate about doing what's right for the customer.

10. Believe in the power of communication.

With the evolution of the industry, integrated marketing communication has been defined as "an audience-driven business process of strategically managing stakeholders, content, channels, and results of brand communication programs" (Kliatchko, 2008, p. 140). This approach is widely accepted by academics and professionals.

**Previous research of framing**

Amos Tversky and Daniel Kahneman did a research study on how a difference in phrasing affected peoples' decisions and choices (1981). Two problems were designed to investigate how people respond to negative framing and positive framing:

Problem 1: Imagine that the U.S. is preparing for the outbreak of an unusual Asian disease, which is expected to kill 600 people. Two alternative programs to combat the disease have been proposed. Assume the exact scientific estimates of the consequences of the programs are as follows:
If Program A is adopted, 200 people will be saved.

If Program B is adopted, there is a 1/3 probability that 600 people will be saved and a 2/3 probability that no people will be saved.

Which of the two programs would you favor?

Problem 2:

If Program C is adopted, 400 people will die.

If Program D is adopted, there is a 1/3 probability that nobody will die and a 2/3 probability that 600 people will die.

Which of the two programs would you favor?

The two choices in the first problem are all positively framed and the two choices in the second problem are all negatively framed. Program A and Program C were conducting messages with the same meaning. Program B and Program D had the same situation, as well. The results showed that most of the respondents chose Program A and Program D. The experiment pointed out that people tend to choose a sure phrasing when the phrasing is positively framed, but people tend to choose a risky phrasing when the phrasing is negatively framed.

There is another recent research study focused on age differences that further discusses this topic. Ryan Best and Neil Charness did a meta-analysis on the effect age differences and framing can have on risky choices (2015). They designed two kinds of scenarios. One is related to money, which was coded as “financial,” and the other is related to health or mortality, which was coded as “mortality.” In the result, young people were found to be more likely to choose risky options in positively
framed cases, especially in situations of small-amount financial and large-amount mortality-based scenarios. However, in negatively framed cases, the authors did not find overall age differences in choosing risky options.

However, the discoveries on this topic are not all the same. Five scholars from the Department of Psychology at Umeå University did a research to ask the question, “Are Younger and Older Adults Differently Susceptible to Framing Effects?” (Rönnlund et al. 2005). They sampled 192 younger adults with the average age of 23.8 years old, as well as 192 older adults with the average age of 69.1 years old. All of the subjects were assigned to one of three scenarios with different goods at stake. The three scenarios are related to human lives, paintings and money. After observing the statistics, the authors found that the majority of the participants preferred the risky options. However, they did not find any differences between younger adults’ preference of risky options and older adults’ preference of risky options. According to these two studies, the topic of age differences and the effects of framing, with respect to risky choice making, is still necessary to discuss when doing research related to framing and age.

There are other research studies related to framing that are focused on other topics. Framing theory is widely used in the area of advertising. How the advertisements are framed is always important. Atul A. Kulkarni and Hong Yuan did a research study on the relationship between ad-irrelevant distance cues and persuasiveness of message framing (2015). In the result, people feel positively framed messages are persuasive when the irrelevant cues could induce social remoteness (social distance) and spatial remoteness (physical distance). However, people feel that negatively framed messages are persuasive when the irrelevant cues could induce
social proximity, spatial proximity and concrete construal. This study could be applied in the process of advertising design, as well as contribute to research on the use of framing in advertising.

In addition, Jeremy Kees did a research study on advertising framing effects and customers’ consideration of future consequences (2011). The purpose of the research is to test the effectiveness of differently-framed advertising message designed to persuade people to make a decision related to health promotion. Two studies were conducted in this research. The first study was about unhealthy food choices, and it showed that present-oriented customers are easier to persuade with messages that refer to proximal consequences instead of distal consequences. The second study showed that present-oriented customers have higher behavioral intentions when they receive messages of promotional strategies.

The research Kees conducted on advertising framing effects was mainly focused on advertising messages relating to health. However, there are also interesting findings of advertising framing effects related to other kinds of messages. Three Taiwanese scholars did a research study on framing effect and green messages (Tu et al., 2013). “Green message” in this context referred to messages related to promoting green awareness and environmental protection. The researchers found that customers prefer positively framed advertising before receiving green messages. After receiving green messages, the customers have the same attitudes toward both positively framed and negatively framed advertising.

Indeed, framing could have different effects on different people. Three scholars studied the framing of gambling consequences in advertising (Orazi et al., 2015). In their research, they split different types of gamblers into two groups.
Problem gamblers made up one group, while recreational gamblers made up the other group (Korman et al., 2008). The researchers used the advertisements framed with material consequences and social consequences. Generally, they found that social consequences are more effective than material consequences to reduce the propensity of gambling. The difference between the effect of social consequences and the effect of material consequences is more significant in the study of problem gamblers when the consequences are negative.

Is the use of framing limited to word-based language? A Romanian scholar discussed visual rhetoric and framing strategies (Grancea, 2014). The author referred to visual rhetoric as “visual literacy” in the research. The author asserted that visual elements can play the role of language. The research findings also pointed out that “the power of visuals to speak about words depends on the degree to which benefits provided by words can be visualized” (Grancea, 2014). This point supports that the concept of framing can not only be applied to word-based language, but it can also be applied to visual elements. It is an important component of advertising that needs to be analyzed.

**Introduction of Paid Media**

Paid media is a third party channel brands pay to leverage (Campbell, 2013). Essentially, the definition refers to traditional types of advertising, such as TV spots, radio ads, print ads and out-of-home campaigns. However, with the development of technology, the concept of paid media has been expanded. Erica Machin redefined the concept in the digital age (Machin, 2015):

“Paid media is a good way to promote content in order to drive earned media, as well as direct traffic to owned media properties. Paying to promote content can
help get the ball rolling and create more exposure. Social Media sites like Facebook, Twitter and LinkedIn offer advertising that could potentially help boost your content as well as your website. Another way to gain more exposure for your content is to pay influencers to tweet or share your links, impacting the reach and recognition your pieces receive. Using retargeting, Pay Per Click and display ads is an effective and more direct way to drive searchers to your owned media sites like your website, to help increase traffic and/or conversions.”

In the digital age, advertisers can not only buy time on TV programs, but can also buy banners on websites or place advertisements in other interactive ways.

Among the formats of paid media, high-impact digital advertisements with multiple interactive elements are aimed to gather more response from customers (Baron et al., 2014). “High-impact digital advertising’ can be defined as any interactive, large-canvas format that accounts for significant real estate of a Web page”(Baron et al., 2014). A research study about delivering brand value through high-impact digital advertising tested three types of high-impact advertisements: “Large-canvas display formats”, “Full-screen interactive ‘takeover’ formats” and “Skin’ or wrap formats”.

• Large-canvas display formats: High-impact advertisements offering interactive functionality and large pixel size within standard advertising slots on the Web page. Formats representing large-canvas display formats were what LAB refers to as its "Rising Stars," including "Billboard," "Portrait," "Slider," and "Sidekick."

• Full-screen interactive "takeover" formats: High-impact advertisements offering interactive functionality and full-screen capabilities that cover the entire
Web page or a large portion of it and can interact with the page content. The formats representing full-screen interactive takeovers were Undertone's formats, including PageGrabber.

- "Skin" or wrap formats: High-impact advertisements that surround the Web page content and remain persistent on the page during scrolling but lack interactive functionality. The formats representing skin or wrap formats were Undertone's "PageSkin" format.

The results pointed out that the size of digital advertisement is important. It could increase brand recall, advertisement recognition and brand recognition. The research also pointed out that the most highly interactive elements in digital advertisement can deliver best brand connection. Different formats of high-impact digital advertising have different advantages. Large-canvas display could bring more user engagement and consideration, and full-screen takeover could build awareness effectively.

Although digital media platforms play important roles in modern marketing activities, traditional media, such as television, radio and print, are still a large part of integrated marketing communication. However, in the digital age, can traditional media have the effectiveness and efficiency to meet marketing goals? Wildner and Modenbach did a research study about the long-term ROI (return on investment) of TV advertising (2015). They analyzed the TV advertising of 204 brands and found that 65% of the brands have positive ROIs. They also found that the average long-term ROI is 2.65, which is higher than the short-term ROI (1.15). This means that TV advertising is an efficient advertising format, especially in a long-term scope.
Is print media also an efficient advertising format? In recent years, the print industry has declined. There are a lot of challenges the print industry is facing (McKean, 2015). The traditional relationship between print media and its audience has changed. Audiences have more choices of media brands, and advertisers have other choices through which to send their messages to the audiences. Other non-media platforms have grown, and advertisers could buy ad space on their websites. The advertisers may also find ways to communicate with their audiences directly without media platforms. As a part of the entire media industry, the development of magazine is now driven by technologies along with other formats of media (McKean, 2015). The relationship between magazine and other digital platforms is getting closer. Many magazines have launched electronic versions to reach their readers and get revenues back, and Apple has recently launched its Apple News app on iOS 9, aligned with 50 publishers (McKean, 2015). With the reinforcement from digital technologies, newspapers and magazines are no longer paper-based platforms. Now, they can provide advertisers and marketers with additional possibilities for promoting their businesses.

**Introduction of Owned Media**

The term “owned media” is frequently referred to in the digital age. Steven and Galak defined this term as “media activity related to a company or brand that is generated by the company or its agents in channels it controls” (2012). More specifically, Erica Machin explained digital owned media:

“Owned media is any web property that you can control and is unique to your brand. One of the most common examples is a website, although blog sites and social media channels are other examples of owned media properties too. Channels like
social media and blogs are extensions of your website, and all three are extensions of your brand as a whole. The more owned media you have, the more chances you have to extend your brand presence in the digital sphere.”

According to this definition, owned media is a proper way to communicate with audiences directly, which means brands could have more possibilities to communicate with audiences. In addition, other owned media platforms such as videos, whitepapers, webinars and photo galleries are also controlled by brands themselves.

Is owned media playing a positive role in an integrated marketing campaign? Xie and Lee performed a research study on social media and brand purchase (2015). They found that a brand’s owned media activities have significant and positive impacts on the audiences’ purchase behavior. However, they also found that owned media activities also have no impact on offline impact with in-store promotions (Xie& Lee, 2015). Their findings pointed out that owned media could play a positive role in customers’ purchase behavior, at least in online purchase behaviors. So it is important for brand company heads to realize that sending promotional messages through social networks is necessary and positive.

Why should owned media work with paid media? Harrison did a research study on the media platforms and users to answer that question (2013). He found that the customers who already bought or used a brand have higher brand recall than non-users. He also found that paid media is a better platform for reaching non-users, but owned media and earned media are better platforms for reaching existing users. So, he believes that brands should add owned media and earned media to paid media touch points (Harrison, 2013). These touch points could help the brand to be in the initial set
of brands the consumers consider. Then consumers may add or subtract brands as
they evaluate what they want before they select a brand at the moment of purchase.
After the purchase behavior, consumers will build expectations based on experience
to affect the next purchase behavior (Court, et al., 2009).

**Conclusion**

The existing researches have discussed the extensive uses of framing effect.
This idea is not only important in news coverage, but also in the industry of
advertising. It is important to figure out how to communicate with the audience in a
proper way. The framing effect also points out that messages should be framed in
different ways depending on the situation.

In the digital age, marketers should realize the differences between paid media
and owned media. Owned media, especially social media (except paid social), is now
playing a positive role in marketing activities. The importance of owned media should
not be neglected. Because the nature of owned media is different than paid media,
marketers should also consider how to deliver promotional messages through
different channels.

**Promotional Strategies of Media Startup Companies**

Social media is an important tool for media startup companies to expand. On
the other hand, paid platforms may boost the process. The process of selecting an
efficient platform to deliver their promotional messages is crucial for a start up's
branding and marketing. So I interviewed three media entrepreneurs to answer these
research questions:
RQ1: What is the most popular social media platform media startups use to deliver promotional messages?

RQ2: What is the most popular paid platform media startups use to deliver promotional messages?

In order to answer these questions, I mainly asked the entrepreneurs these questions:

• Could you briefly introduce how your company was established?
• Does your company use any social media platforms to promote its brand?
• How does it work?
• Does your company utilize any paid platforms to promote its brand? For example, paid promotion on social media, such as Facebook, Twitter, Weibo, or WeChat? Or other traditional ways, such as banner ads, TV commercials… How does your company work on these?
• Compare the promotional ways. Which one do you think is the best way to promote your brand? Why?

According to Global Entrepreneurship Monitor’s recent data (2015), in the United States, 12 percent of the population between the ages of 18 and 64 are latent entrepreneurs who intend to launch a business within three years.

This number indicates that it is common to start an entrepreneurship in the United States. But how can a startup entrepreneurship take off? A good promotion strategy is the way to success.

What is the media startup companies’ key factor of selecting platforms to do promotion? Different platforms have different features. Media startup companies may frame their promotional messages differently among platforms. Could their promotional strategies be related to framing theory?
The term “message framing” refers to manipulating the way a message is presented to message receivers, for the purpose of optimizing its impact on their reactions and behavior (Rothman and Salovey 1997). So, the framing can affect how the message receivers perceive the message. Different frames may lead receivers’ positive and negative decisions (Gonzalez, Dana, Koshino, & Just, 2005; Levin et al., 1998).

I decided to use a qualitative research method to answer the research questions, because I want to explore why and how these entrepreneurs set up their promotion strategies. Qualitative research method is focused on meaning rather than measuring (Keegan, 2009). The key of qualitative research is understanding why individuals think and behave as they do (Keegan, 2009).

So I interviewed three media entrepreneurs to explore their business plans and promotional strategies.

**The Social Media Monthly: Bring “Digital” to Paper**

I met with Robert Fine in his small office. His office is in a shared workspace with other startup companies. All of these companies have dreams of expanding. Fine’s *The Social Media Monthly* is among them.

Fine started *The Social Media Monthly* with his personal interests.

“In high school, I was really strong in English and communication,” said Fine, who graduated from The John Hopkins University with an engineering degree. “In graduate school, I minored in English, and my concentration was mechanical.”

Sometimes, it is not necessary to connect careers with academic background, but hobbies could play important roles in careers. Fine’s enthusiasm in writing helped him start the magazine without hiring an editor.
Fine became interested in social media early. He observed that Twitter played an important role in its third year after launching.

“In April, 2009, the day after my 38th birthday, I got laid off,” Fine said. “At that time I was personally getting interested in social media—Facebook and Twitter. Twitter just became really popular after Obama’s election.”

In 2008, Barack Obama battled with John McCain on Facebook and Twitter. Obama had big wins on both sides. He accumulated over two million supporters on Facebook and 112,000 followers on Twitter, while McCain only accumulated 600,000 on Facebook and 4,600 followers on Twitter (Dutta& Fraser, 2008).

Fine said, “It became a little bit more mainstream” after Obama’s 2008 election.

He noticed that social media was becoming important, so he decided to organize the first social media conference on the East Coast in Washington D.C. After that, he continued to organize 20 conferences by himself across the U.S. and Canada, as well as one in Dubai.

Before launching The Social Media Monthly in early 2011, he wrote a book called The Big Book of Social Media. It was used as a textbook in ten universities.

For Fine, the preparation gave him the inspiration and confidence to figure out a business opportunity for himself.

“There was already Mashable, there was already TechCrunch—a lot of online competition. But no one did a print magazine.”

The online competitors had been launched for years. Fine discovered a niche to start his own entrepreneurship. Publishing social media content would bring an emerging format to the old fashioned.
In May 2011, *The Social Media Monthly* had a national distribution by national bookstore chains such as Barnes & Noble three weeks after its first issue. By the end of 2011, the magazine already had a global distribution in 20 countries spanning North America, West Europe and Asia.

The company received help in these early stages from its campaign on Kickstarter, a funding platform, which brought in $23,000. For a physical print magazine, Fine said the fund could support the company’s printing. But by May 2012, the company was still mainly supported by Fine’s own funds.

In order to help the company expand and gather more readers, Fine had to set up a strategy to promote *The Social Media Monthly*. Social media was an important tool in the strategy. Although most of the contents came from social media, these edited articles were published again on social media platforms.

Fine does all the social media work by himself. Some of the outlets he uses are Twitter, Facebook, Instagram, LinkedIn, Pinterest, Tumblr and Google+. Each of these platforms plays very different roles for his magazine.

“But I would say Instagram is not so much for the business right now,” said Fine. “Twitter is generating the most traffic. And then Facebook, and then LinkedIn.”

Twitter is the social media Fine started with and the platform he pays the most attention to.

“We published all our content on social media, and shared on Twitter and Facebook. We have over 200 thousand followers on twitter and 15 thousand likes on Facebook. On LinkedIn, maybe 5 or 6 thousand.”

Fine’s *The Social Media Monthly* uses Twitter, Facebook and LinkedIn for its main online distribution. But at this point, these three platforms are not used for promoting the magazine. The organic use of social media platforms is a kind of
electronic distribution. So for this usage, social media platforms are publication tools. These platforms can only promote the magazine’s articles. In addition to publishing articles, the company should pay more attention to promoting itself on social media platforms.

Fine also realized this point. “I manage all the social media myself,” He said, “Which isn’t good because I don't have enough time to manage and talk to people—to converse and build the community relationships.”

It is important to invest time into communicating with the audience. This provides potential opportunities to gather earned media. Earned media is not free. It requires brand loyalty and interactions. Fine did not utilize social media platforms to build a brand community. This brand community could create a forum to let the audiences of The Social Media Monthly provide feedback to the company and maintain an interactive atmosphere.

But Fine does not waste resources. On his social media platforms, he not only posts contents produced by the magazine, he also posts invitations to conferences and webinars held by The Social Media Monthly. He uses the promotional messages delivered by social media accounts to encourage interested people to attend the events and communicate with him. Although he does not have the opportunity to gather earned media on social media, he gathers his readers and potential investors at his online and offline events.

Compared to his organic management of social media platforms, Fine has a conservative opinion on paid platforms. He tends to not use any traditional paid platforms; he would prefer to invest more in social media platforms.

“I paid for some Facebook posts. We need to do more of that in the future to grow. That’s one reason I need to raise money, too.”
His company has a different financial status. The limited budget is a big issue for his marketing efforts. He only pays for boosting posts on Facebook. He believes that it is helpful to work with his organic posts.

“Everything has been very organic and very slow,” Fine said. “I started the website in late 2012. We get 60,000 ‘uniques’ a month. On average, we get 200 to 300 social shares. It gets shared very well. The email list has over 20,000 readers.”

Over the years, his strategy helped him to generate a great amount of social media activity. He thinks that it is best not to use other paid promotional platforms. He said his company is generating revenue with online marketing, including banners, emails and webinars. However, he hasn't had the budget for doing marketing on other traditional paid platforms.

**Local News Now L.L.C.: Born Locally, Serve Locally**

Scott Brodbeck created a local media company named *Local News Now.* Brodbeck was a former D.C. local TV news producer. He started his journalism career when he was a graduate student at Georgetown University. The first step of his career was a website, *ARLnow.com*, launched in January 2010. Now, he has already established four branches, including *borderstan.com, HillNow.com* and *RestonNow.com*. With only six full-time employees, however, the company is still small.

*Local News Now* produces online-only local news covering the D.C. area, including the Capitol Hill, the northwestern part of D.C., Fairfax County and Arlington County. The company has two co-working offices. Both of the offices are in shared spaces with other startup companies.
Brodbeck’s company now earns around half a million dollars in revenue annually. The company mainly sells advertising and marketing solutions to local businesses. Since the company’s target audience matches that of the local businesses, Brodbeck said his company can bring the advertisers’ messages to engage local audiences. He also said the company had over 400,000 unique visitors in April 2015.

Social media plays an important role in gathering this large readership.

“I would say that social media definitely generates a large portion of our readership,” Brodbeck said. “It’s mostly used to promote our news stories.”

Instead of promoting events, Brodbeck tends to promote his contents. He only uses Twitter and Facebook to promote content because his company is a local news company, and the two social media platforms are more suitable for news.

“We’ve seen a bit of dichotomy between the two,” Brodbeck said. “Twitter seems to be better for immediate news. For example, if that building caught on fire right now, I would go take a photo and ‘tweet’ out the article. And everybody would ‘retweet’ that—it’s very immediate. Facebook, on the other hand, isn’t quite as immediate because of their algorithm.”

Brodbeck believes that Twitter is more suitable for posting something when it happens. The contents need to have timeliness. However, Facebook is a platform that tends to work better for stories people want to share. Brodbeck said the stories he works with on Facebook are more like something people have emotional reactions to—whether they like it, hate it, or just want to tell their friends about it.

So Brodbeck divides his contents into two parts. One part is posted on Facebook and the other is posted on Twitter. He uses eye-catching descriptions in the content to promote and drive the readers back to the websites.
For him, page views and “uniques” are the benefits social media platforms could bring to his company. That is the reason why his company only uses Twitter and Facebook.

“On Instagram, for instance, I might be able to post a photo of the building on fire, but it’s harder to post a link back to our site. So how does it benefit us? Instagram makes all the money, but we don’t, unless we’re driving people to our site.”

As a small media company, page views and “uniques” are important. Brodbeck believes that Instagram, SnapChat and Pinterest could work for larger companies. Because his company is small, it needs to be selective about how its employees use their time. In Brodbeck’s opinion, Twitter has more “die-hard” users. It is more suitable to post news on Twitter.

However, he found that more of his readers came from Facebook than Twitter. The most important reason for this is that more people are using Facebook than Twitter. There are more people on the platform, which naturally results in more traffic.

“If a lot of people start liking something, their friends will see their likes. They might like it. I think things go viral more on Facebook.”

And there are more functions on Facebook posts. People can do more on Facebook, but they can only retweet and reply on Twitter.

Similar to Fine’s company, Brodbeck’s company also pays little attention to traditional paid platforms. The reason why he does not prefer other types of ads is because he believes social media could provide more. Followers follow the account and continue to see its content. However, if the company put up a banner ad, someone would just click once, unless the viewer follows the company on Twitter or ads a bookmark. So a banner ad requires the viewers to commit to two actions. The first is
clicking on the banner, and the second is following the account. This process may lose a large number of viewers.

So Brodbeck’s company invests a lot on social media platforms. He said, “My company generates about a half million dollars a year. In the past three years, we spent about 10 or 11 thousand dollars on Facebook ads.”

Paying for Facebook ads is a large portion of Brodbeck’s company’s costs. On the other hand, Brodbeck also pays for advertisements on Twitter. On Twitter, Brodbeck has bought many ads to promote his websites, especially when his company launches a new website.

“Our Twitter ads will try to increase our followers. And I still think that’s a good method because we can assume each of the followers engaged with your brand. It is pretty valuable because there’s no algorithm.”

Brodbeck believes that Twitter followers are more valuable than Facebook likes. Buying Twitter ads could increase Twitter followers directly. Twitter arranges the posts by timeline, but Facebook arranges by algorithm. He said it is the game Facebook is playing, and his company has to pay to play.

In addition to paying for Facebook ads, Brodbeck also pays Facebook for another service: “boosted posts”.

“We also try to get Facebook likes through ads. But what we are doing more of these days is boosting posts.”

Brodbeck boosts posts to gain more exposure. Additionally, advertisers sponsor some of his company’s content.

“Part of our revenue is from sponsored content. All of sponsored content got a lot clicks. Most of the time, Facebook’s algorithm doesn't like sponsored content and
like our news articles better. In order to better serve our advertisers, I will spend between five and a hundred dollars to boost Facebook posts for our sponsored posts.”

Boosting sponsored posts could guarantee the quality of the company’s advertising service. Advertisers require exposure. But boosting sponsored posts may not only benefit the advertisers; it can also benefit Brodbeck’s company. Brodbeck believes that boosting posts could help his company to get more exposure, as well. It is a mutually beneficial thing.

**ListenWallstreet: Exotic Business News**

*ListenWallstreet* is a New York City based business news platform. Instead of using English, this media uses Chinese to produce their content.

“We created a public channel on WeChat, named ‘青听华尔街 (YouthListenWallstreet).’ We published a business news audio piece every day,” Ray Yang said. “We ran this public channel for about a year. Then, we built a website and an app. And we changed our name to ‘倾听华尔街 (*ListenWallstreet*)’.

Yang started the WeChat public channel at the end of 2014. He discovered the market by observing the increasing number of Chinese students studying in the U.S.

In the 2013-14 academic year, 274,000 international students in the U.S. were from China (Svoboda, 2015). There is a large market in the U.S. for Chinese language companies.

“Our company mainly targets Chinese people who live in the U.S. and are interested in business. We also have a lot of Chinese readers, but our original strategy was targeting the Chinese speaking readers living in the United States.”

Business is a popular topic in China. According to Global Entrepreneurship Monitor’s recent data, 14 percent of the Chinese population between the ages of 18
and 64 is made up of latent entrepreneurs who intend to launch a business within three years (Gao, 2015). This statistic is two percent more than that of the U.S. China is now the second largest economy in the world. The Chinese peoples' interest in business is growing with the economy. Yang realized that there might be a lot of Chinese speaking people in the U.S. who were their potential readers.

However, starting a Chinese-speaking media in a non-Chinese-speaking country was not easy. Yang’s company does not have a physical working space.

“We recruit remote interns and part-time journalists. We even have interns in Beijing. At this point, we have only been launched for a few months. Manhattan is too expensive for us. Now, our first mission is raising funds. We are close to that.”

Yang’s company is now facing the limitation of budget and labor. The company is not able to afford renting an office and employing more full-time employees.

However, Yang believes that they are able to expand because they have two senior consultants to oversee the quality of their content. One is Yong Ma, a Managing Director of Morgan Stanley, and the other is Dr. Yong Li, a veteran manager in Wall Street. So, Yang hopes that venturing capitalists will see their strength of quality.

The most important issue Yang’s company is facing is spreading its quality content. This company was born on WeChat, and Yang still believes that social media is a cost-effective tool. Yang and his team gathered users with the public channel. They post content every day on their channel page and send the content to the subscribers directly. The content is sharable and encourages subscribers to share it. Each piece of content also has a QR code, which encourages new readers to subscribe to the public channel. Although Yang and his team are running the company in the
U.S., he still believes that WeChat is an efficient platform for gathering Chinese-speaking readers.

WeChat is a Chinese social media platform owned and run by the technology tycoon Tencent. According to Statista’s recent data, WeChat now has about 650 million monthly active users (2016). It has the sixth largest population of monthly active users. Most of them are Chinese-speaking users.

Yang and his team have spent years on WeChat and have already gathered a considerable readership. They are now mainly using WeChat to promote their content and brand. The most important articles are placed in the daily feed with feature images, while the less important articles are also in the daily feed but without feature images.

Though established in New York, WeChat is a global platform. Most of its users are in the mainland of China. It is difficult to deliver messages to its target audience accurately. In order to gather more American Chinese-speaking users, *ListenWallstreet* should develop a new channel.

Facebook is blocked in China; people can only use it outside of China. But people begin to use Facebook when they move out of China, and Facebook also has a Chinese version. Among Facebook’s Chinese-speaking users, there are many Chinese people studying or working in the U.S. So, it is a bonanza for Yang’s company.

“Although we created Facebook and Weibo accounts, we didn’t put too much effort into those platforms. However, I think our next step is using Facebook to gather more readers when we have enough budget and people to do more.”

The limitation of funds and labor is an obstruction for Yang and his team to move to their next step. He realizes that Facebook is a better platform for them to
build readership. However, promotion is expensive. As a small startup company, 
*ListenWallstreet’s* strategy is driven by its resources.

“At this point, we haven’t used any paid platforms.”

Yang’s company is smaller and younger than the other two companies. This company tends to choose free platforms to deliver promotional messages.

Yang still believes that word-of-mouth is the most effective and efficient promotion for them. It does not require any budget or even labor.

“In our operation, we have some problems. I think our company is lacking in original content. We also need more talent to help us.”

**Limitations and Breakthrough**

Generally, the three startup companies are all small and lack a substantial budget. They are very cautious when selecting the platforms to use to promote their companies. All of the factors are related. Small companies need funds to hire more employees. Readership is the key to raising funds. But the limitation of labor and budget is an obstacle to gather readership. These companies are stuck in a difficult cycle. How to get out of the cycle is crucial for the companies.

The breakthrough is selecting a cost-effective platform to promote the companies. These entrepreneurs set strategies under the limitations of budget and labor. The platforms they select should be easily managed and as cheap as possible.

All of the companies tend to keep using the social media platforms they began with. For *The Social Media Monthly* and *Local News Now*, this platform was Twitter. Even now, they continue to pay a lot of attention to Twitter.

Compared to Facebook, Twitter is more suitable for publications. Twitter feeds are ordered by time. When media companies publish news on Twitter, users
could receive their posts immediately and click the links to read the whole articles. Additionally, Twitter could help media companies deal with breaking news. Journalists may often not have enough time to write a long article. A short Twitter post could trigger readers’ interest and lead them to follow-up stories.

Twitter offers a good atmosphere for news. “Twitter can be important in other ways,” Brodbeck said. “Even though it doesn't have the same traffic [as Facebook], other journalists use Twitter a lot.” Media companies could keep interactions with these journalists and use their resource to enrich company Twitter accounts.

In keeping with Brodbeck’s opinion, Twitter followers are more loyal to the accounts they follow. They are engaged with brands by continuing to see content, commenting and retweeting. Twitter followers are more valuable than Facebook likes. This structure would serve Fine well, as he is looking for a strategy to form a brand community.

As Fine said, Twitter is becoming mainstream. There is already a number of Twitter users using Twitter as their main source of news. Media companies could attract these users and provide the content these users are interested in.

Facebook plays a different role in promotion strategies. Because of its algorithm, the popular posts are more easily seen. Eye-catching content can go viral easily on Facebook.

Facebook’s large user base could also help promotional content be seen by more people. Reaching more readers and being more exposed are key points of promotion, other than engagement.

Sponsored content desires more exposure. Facebook is the platform that could be manipulated. Media companies can pay to boost their sponsored contents and serve their advertisers. On the other hand, better advertising services could bring media
companies more revenue, and finally help the company get a breakthrough out of the limitation cycle.

The price of boosting Facebook posts is comparatively more reasonable than other types of promotion. Promoting content is a start to promoting brands.

Additionally, media companies select which main promotional platforms to use based on their actual circumstances. Although Brodbeck prefers Twitter, Local News Now uses Facebook because of its larger user base, and its algorithm is suitable to deliver specific types of messages. The Social Media Monthly uses other mainstream social media outlets because Fine wants to cover more platforms and bring more users to actual events.

ListenWallstreet is in a totally different situation. It is still mainly using WeChat to deliver promotional messages because the company was born on WeChat, and much of its target audience uses the platform. They want to move to Facebook but do not currently have the budget or manpower.

**Discussion and Conclusion**

Although all of these companies have reason to use Facebook to deliver their promotional messages, I still cannot assert that Facebook is the most popular social media platform media startups use for that purpose. Because each company has its own unique situation, the social media platform they use depends on their current needs.

All three companies have not paid any traditional advertising services due to their budgets and the cost performance of traditional advertising services. However, Twitter and Facebook ads are the platforms they have the most reason to purchase.
Small media startup companies should set their promotional strategies carefully. The limitations are obstacles, but also tell them how to use their resource reasonably. This process is forming a mature business model that could affect their future operations.

All of the three entrepreneurs pointed out the importance of integrated marketing communication. These companies have not followed all the 10 disciplines mentioned in literature. But, at least, they followed some key disciplines (Schultz, 2000):

- Have a disciplined focus on the core customer or who might become the core customer.

- Possess a proprietary insight into and about the core customer.

- Distinguish themselves on the operating basics. If you aren't "best in class" today, you aren't even considered.

- View the brand as a platform to refresh and innovate. The brand must be an elastic element—one that changes as customers change and responds as customers request.

- Believe in the power of communication.

For the last discipline, Yang mentioned word-of-mouth (WOM). It is a kind of communication among users. WOM is not fully controlled by companies. But it can bring a lot of benefits to companies. 92% of people tend to believe recommendations from their families and friends over all kinds of advertising (Whitler, 2014). And 64% of marketing professionals also believe that WOM is the most effective marketing tactic (Whitler, 2014). For these media startup companies, WOM requires high-
quality contents and user experience. But it also requires fewer budgets. Although it
could not be fully controlled, it is still worthy to be paid attention to.

The results still cannot point out the most popular social media platform and
paid platform media startups use to deliver promotional messages. This question
could not be answered simply by statistics. Media startups have different themes,
financial conditions, target audiences and other related statuses.

Future research should focus on how media startup companies set their
promotional strategies, as well as which key factors most influence their promotional
strategies and tactics. Media startups companies always start with goals. There are a
lot of tools media startup companies did not mention and utilize, such as email,
chatbots and traditional paid advertising. There are not enough evidences to see
whether they are useful or not.

The interviews with the three entrepreneurs did not point out any differences
in how they frame content between those platforms. From the literature, different
frames could be applied on different platforms and may result different effects.
However, the three entrepreneurs did not talk about the relationship between frames
and platforms. They even have not realized that frames are related to different effects.

As such, future research should also pay attention to how framing theory
applies to media startups and their setting of promotional strategies. For now, these
media startup companies are too small and too busy to pay attention to do some
research on this. As Fine said, they are just running social media accounts. These
small companies do not have the resource to compare different platforms and set up
different frames for them. But it does not mean framing theory cannot apply to media
startups’ promotional strategies. So I think further academic researches need to pay
attention to it.
**Limitation**

This research still has some limitations. On one hand, in this research, there are only three media startup companies. So the results may be incidental. On the other hand, all of these media startup companies are located on the East Coast. The companies on the West Coast may have different citations. The entrepreneurial environment in Silicon Valley may be different. And the demographic background of the West Coast may also change the results.