



# Handelshøyskolen BI

## GRA 19703 Master Thesis

Thesis Master of Science 100% - W

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# Master of Science in Business

## Major in Strategy

### A Strategic Framework for Important Decisions Before Entering New Markets – A case study of smaller Norwegian Software Companies

*“What is the most important strategic decisions a small Norwegian Software  
company must consider when entering new markets?”*

Hand in date:

30.06.2022

Kristoffer Lorentzen Eidissen

Supervisor: Randi Lunnan

## **Acknowledgements**

This master thesis marks the end of the Master of Science in Business degree, with a major in Strategy at BI Business School. The master thesis is written during the spring of 2022, and represents 30 credits.

Working with the master thesis has been an educational, and excited process, where I have gained an in-depth knowledge into entry processes into new markets of smaller Norwegian software companies. I have gained knowledge about the reflections and experiences top executives have about their earlier expansions and have learned a lot from their previous mistakes and successes. Therefore, do I wish to thank everyone who has helped and contributed with writing this paper. Without these persons sharing their knowledge, experiences and information would it not have been possible to complete the study.

I would also like to thank my supervisor Randi Lunnan for helping. At the end, would I like to give a big thanks to my colleagues in Vince, for both helping me with the research question and finding relevant interview objects.

**Kristoffer Lorentzen Eidissen**

*Oslo, BI, 01.07.2022*

## **Abstract**

The purpose of this master thesis was to create a framework which can help smaller Norwegian software companies make better strategic decisions before entering new markets. While also trying to provide key learning and advice from similar companies. This paper has focused on the Software as a Service (SaaS) industry and has examined how SaaS companies in Norway have expanded their operations globally. There is much well-established research on the topic, which can make it difficult for companies to figure out the best practise. The purpose and theme for the paper was decided due to my current employer, and since we are faced with these dilemmas every day.

To accomplish this, the main research question for this paper was formulated as:

*“What is the most important strategic decisions a small Norwegian Software company must consider when entering new markets?”*

A qualitative research method and in-depth interviews have been used to answer the research question.

The paper consists of one theory part, one part with empirical findings and discussions. The empirical findings and discussion part presents the reflections and opinions of top executives which have entered new markets before. All the interview objects gave clear and precise answers about the topic, and expressed their reflections and experiences from their process. The key findings in the discussion of the research question are based on theory and the empirical findings in this paper. This has resulted in some interesting findings, and a proposed framework for important strategic decisions for smaller SaaS companies.

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Attachment 1: Interview guide

Attachment 2: NSD form

Attachment 3: Approval NSD

Attachment 4: Approval to use Vince information

Attachment 5: Information email ahead of interview

Attachment 6: Illustration 2

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## **Part 1: Introduction**

The introduction part will present the theme and purpose of this paper. The research question, and the sub-research question which have been examined will be presented, and further will this part also explain the scope and help narrow it down. Finally, there is a description of how the paper is built.

### **Purpose and background**

This master thesis will address the strategic decisions and research a firm must take before entering new markets. This paper will add to the already well-established international strategy theories about global expansion. This paper has focused on the Software as a Service (SaaS) industry, and has examined how SaaS companies in Norway have expanded their operations globally.

The purpose of this master thesis is to help smaller Norwegian SaaS-Companies with strategic and important decisions a company must have sorted before they enter new markets. While also trying to provide them key learning and advice from others. There is much research on the topic, and entry processes have been conducted forever, so it can be difficult for companies to figure out the best practise for them. The purpose and theme for the paper was decided because of my own current working situation, and which decisions we are faced with in our everyday life, and in the future.

Vince has defined an economic goal of achieving a minimum of 30 percent revenue growth for the next three years. This growth is mainly to come on their SaaS-solutions, and they have a goal of achieving 50 million NOK in annual recurring revenue (ARR) by the end of 2024. Status for Vince currently is that they have roughly 20 million NOK in ARR, and expect to achieve 25 million NOK by the end of 2022. Their customer portfolio is mainly in the Nordic Countries, with Norway (50 percent) and Sweden (30 percent) being their largest markets. Approximately 20 percent of their yearly earning comes from companies

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worldwide. Vince has seen that to achieve the goal of a minimum 30 percent growth, they will have to enter new markets, especially since the Norwegian market is tapped.

This research paper has collected data from in depth interviews with persons within Vince, and other similar companies within the Software industry to learn and use their experiences, combined with established theories to make the best framework for small SaaS companies to enter new markets.

## Motivation

I work as a business developer in Vince AS, a new position in the firm, where my main responsibility is making sure that Vince achieves the 50 MNOK in ARR within 2024. As stated above, being able to achieve this goal, Vince will have to enter new markets.

As a business strategy major and having studied abroad earlier, I also find the topic of strategical decisions a firm must make before entry new markets interesting. I have also since I last studied been able to experience how different the theoretical and practical world can be, and thought it would be of great practical use for other companies, like Vince to get insight into how others have done it before them.

## Short introduction of Vince AS

Vince was established in Oslo, Norway back in 2010 by former consultants working for Infor and Lawson. The main purpose of Vince is to make ERP better and easier. The company has approximately 50 employees, 25 persons located in in the Nordic countries, and a development team in India consisting of 25 persons. The company have three different areas of expertise and offerings:

1. Service - Consulting within Infor M3 ERP



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2. Business Solutions - Customized development of web applications for Infor M3 customers
3. Applications – SaaS solutions developed to make Infor M3 better and easier to use

The revenue of the company was approximately 55 MNOK in 2021, where service/consulting revenue contributing with 40 million NOK and subscription software (ARR) contributing with 15 million NOK.

## Research question

This paper's purpose is to give an answer to the research question and answer the three sub-research questions. The research question has worked as an overall framework for the subsequent work on the sub-research questions.

The paper will study what the most important strategic decisions small SaaS companies must take to best enter new markets, and how these companies can make better decisions before entering. To accomplish this the main research question is formulated as:

*“What is the most important strategic decisions a small Norwegian Software company must consider when entering new markets?”*

The three sub-research questions have contributed to answer and elaborate the main research question. First, this paper has examined which reflections, experiences, and thoughts the interview objects have had after entering new markets, and what their overall experiences are. This paper has also tried to figure out key elements the interview objects deem most important for an entry process. Finally, the paper has researched which strategic frameworks and analysis they used ahead of entering new markets.

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*Sub-research question 1*

*What reflections, experiences, and thoughts are the company left with after entering new markets? What is their overall impression of the process?*

*Sub-research question 2*

*What were the companies' key drive for expanding globally, and what were important for them when choosing which market to enter?*

*Sub-research question 3*

*What frameworks and analyses were used and conducted before making the entry strategy?*

## Scope of the research paper

The study has as intention to specify a given theme and one research question which is to be answered. Since the research question touches upon many different fields of study such as culture, economics, law, HR, and entrepreneurship is it important to narrow the scope. In this way is it possible to answer the research question in an effective way.

For the paper to be conducted with the framework of the main research question, and sub-research question, will it only present the findings which is relevant for how a company can optimize its entry process.

The theme includes a wide range of different actors, processes, and opinions. This paper has chosen to only include one active participant within the firm, and hear their experiences of the entry process.

The study has a practical approach related to entry processes, and will mainly focus on decisions and what pre-requisites should be in place for a small Norwegian software company before entering into new markets. The paper touches briefly upon how the different companies have continued their operations within the entered markets, but this is not a focus for this paper. The study will not go in dept into economic analysis, and contractual suggestions, but rather briefly touch upon these topics.

## How the paper is built

The paper is structured in four parts.

Part 1 is introduction and presentation of the framework for the work, theme, explanation of the research question and scope of the paper. The purpose for this part is to explain the theme, and arouse interest in further reading.

Part 2 explains the choice of method and the process used in the paper. It also addresses reliability, validity, and privacy.

Part 3 presents relevant theory. There will in this part be an explanation of how companies gain competitive advantage, and a literature review on earlier research related to entry processes. There is also given a concept explanation.

Part 4 presents the empirical findings and discussion of the sub-research questions and main research question. The sub-research questions are presented first, with empirical findings, discussion, and conclusion. Finally, the main research question and the papers conclusion will be presented.

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At the end the paper will present some ending reflections around the master thesis and work with the paper.

The references for the paper is presented after ending reflections. Further follows different attachments for the paper.

## **Part 2: Method**

### Research Method

#### *Social Science method*

This part shall describe and explain why this method and approach have been chosen for this master thesis. This chapter will touch upon topics such as interview guide, data collection, ethical considerations, reliability, validity, and privacy. Social Science method is about how to proceed to find information about the social reality, and how this information should be analysed (Johannessen et.al., 2011, p. 33).

The purpose of this master thesis was to collect information about how Norwegian software companies have planned and acted in the phase before entering new global markets. This paper has focused on collecting data and information on which markets, plans, analysis, and frameworks has been used by the company to decide on where and when to enter. There has been a focus on gathering information regarding the learnings and experiences that the companies have made, and see if there is a best practice for other companies to learn from.

### Methodology

#### *Qualitative and Quantitative method*

Within research, the two most common approaches for collecting data are qualitative and quantitative method. The two differ in terms of that qualitative method registers data such as text, sound, and picture, while the quantitative collects and registers data in terms of numbers (Bell et. al., 2019, p. 103). The distance between the researcher and the phenomenon being studied, is also a contributing factor for differentiating the two approaches. By choosing qualitative method the emphasize will be proximity to a small group of research objects by conducting observations and interviews. Quantitative methods will instead choose to distance themselves from the group and use questionnaires. The chosen

research question is to a large extent the deciding factor for which method is chosen. Other factors such as time, will also play a factor for which method is used (Johannessen et. al., 2011, p. 103).

### Research design for this paper

Through help of the research design of this paper, has there been collected information about the decision-making phase before entering new global markets for software companies in Norway. The paper has also tried to collect data on which frameworks, analyses and plans companies have made. Given that this is a complex, company unique and long process for many companies, would it be difficult to give answers to these questions by numbers. For this paper was it more appropriate to collect data through in-dept interviews and observations. Meaning that this paper has used a qualitative research design. Each of the companies/persons being interviewed is unique. Because of that the first step was to collect the data, and then look at potential common denominators.

### Data Collection

Collecting data and information from interview objects and observation have made it possible to answer this papers research and sub-research questions. The data have been collected through notes of observations during the interviews, sound recordings, and transcripts from the interviews. To write such notes and work with the analysis of data afterwards is time consuming, but have given a good understanding of the interview objects personal feelings and meanings (Bell et. al., 2019, p. 434). The sound recordings worked as safety to make sure that all data was collected. They were also used to register pauses and help register frustration, joy, or uncertainty in the interview object.

## Interview

### *Interview as data collection method*

Interview is a qualitative data collection method which gives the opportunity for in-dept and detailed descriptions. The method is flexible and can be used everywhere (Johannessen et. al., 2011, p. 143). This approach for gathering data gives the interview object the opportunity to express and explain what and how they have acted in the process. This is one of the main reasons why this paper has chosen this method. The method also allows the interview object to take a larger part of the conversation and provide feedback and comments that the researcher has not yet thought of.

### In-dept interview

For this paper has it been chosen to conduct in-dept interviews, since such one-on-one interviews gave a better understanding of the interview objects. This type of interview gave the opportunity to ask about meanings, processes, frameworks, feelings, motives and get a better understanding of what have been most important for them. The interview object will not be influenced by other participants.

### Semi-structured interview

A semi-structured interview guide was chosen so the interview guide could be flexible, but also to make sure that the answers would be detailed enough (Bell et. al., 2019, p. 435). An unstructured interview guide would have made it harder to find common denominators, which was one of the main reasons this method was not chosen.

### Interview Guide

As mentioned, an interview guide was created ahead of the interviews. The interview guide was used as a guide during all the interviews. It also contributed to an easier systematization process of the answers, and made it easier to get

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answers to the same questions from all interview objects, while also having the opportunity to ask follow-up questions regarding other interesting things that came up.

To prepare the most appropriate and comprehensive questionnaire, it was necessary to research the companies ahead and read up on existing theory. This was also important to get a natural flow throughout the interview. Therefore, comprehensive in-depth research about the companies was conducted. This included to find out where, when, and how they went abroad. Also, it was important to reading up on theory regarding internationalization strategy and establishing oneself in new markets. Based on this information, 20 questions were created (Attachment 1). The questions made were related to their reflections regarding their going abroad process, important aspects to consider for globalisation and an explanation of their process.

The questions in the interview guide are directly linked up to the sub-research questions, which means that the research question has been in focus during the entire process. The remaining questions worked as introduction and finishing questions. In retrospect this method worked both during the interviews, and when the interviews were to be analysed further.

### Selection of interview objects

For this study, and this research question was it most relevant to collect data from companies within the SaaS industry, where they had already established themselves in new markets abroad. The scope of this paper has been narrowed down to only involve Norwegian Software companies which made it easier to conduct research and to find companies that was relevant for the decided criteria. The study is a smaller project, where it is normal with a selection of ten to fifteen interview objects (Johannessen et. al., 2011, p. 108). Therefore, it was desirable to talk to twelve persons with experience on taking companies abroad. Since this



involved interviewing top executives from companies in Norway, it was a big challenge to find and get interviews with the desired number of interview objects.

It was conducted a strategic selection of all the interview objects. This means that in advance it was thought of whom to get in contact with/whom to contact (Johannessen et. al., 2011, p. 110). The interviewees were recruited by combining the criteria-based selection with the snowball sampling method. This involved choosing participants that fulfilled the criteria mentioned above, while at the same time ask acquaintances to help find more interview objects (Johannessen et.al., 2011, p. 113). The Researcher's own network was used to find the first interview object, and interview objects network was used to find other objects. This method made it possible to get in contact with persons that could contribute with information, opinions, and knowledge/experience. The selection for this paper ended up with being seven persons, involved in taking nine companies abroad.

### Recruitment of interview objects

There is no register/data base with companies that have established themselves worldwide in new markets. This made it challenging to find relevant interview objects. Especially since there was a needed to talk to the persons involved in the planning and evaluation process ahead of going abroad. To find companies was not the difficult part, but finding the relevant persons to talk to was time-consuming. The process of finding interview objects was through the researcher's network. Access to some persons was established, and through their network the other persons was located and contacted.

When the selection was established, the interviewees was contacted directly via phone, LinkedIn or by email. The recruitment process proceeded this way because it was less time consuming than showing up at different companies and ask whether people had time to talk. It was also practical based on the Covid 19 situation and gave the interview objects time to decide from a distance. The first subjects were contacted via email. These again provided contact information for

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people within their network. By referring to the fact that someone in their own network had recommended them, the persons became friendlier, and it was easier to convince them to participate.

The e-mail that was sent contained information on what the project was about, the purpose of the paper and why it was desirable with an interview. Thereafter the interview was scheduled and based on the Covid 19 situation it was important that the interview objects were allowed to choose if they wanted the interview to be conducted face-to-face or via phone or other digital services. It was important that the interview object felt comfortable in the interview setting. During the recruitment it was also informed about how they should prepare before the interview, and they were informed about privacy, anonymity, and voluntary participation. The same day as the interview were to take place, a friendly reminder was sent via e-mail or SMS to the interview object.

### Execution of the interviews

All the interviews were conducted between February and April 2022. Most of the interviews was conducted using Microsoft Teams, two was conducted face-to-face and one was conducted by phone. With consent from the participant, there was made sound recordings during the interview. The note taking was mainly done during the interview, and added to during the transcription shortly after the interview.

It was important to establish trust between the interview object and myself so that they were willing to share information and opinions. The interviews were started by informing about anonymity and that the work with the empirical part of the paper would contribute to this. And further by asking neutral question which not challenged them, including questions about their position, and the success of the process. Thereafter the in-dept questions were asked, including the success of the strategy, if they would have done anything differently and their experience during and after the process. Each interview was planned to take approximately an hour,

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because shorter time would have given more shallow answers, and by having longer interview the persons attending could lose interest. A longer interview could therefore quite easy become not suitable. The interviews ended up lasting approximately an hour.

## Observations

### *Observations as supplement*

Observations can among other things supply data. Which involves descriptions of human's activities, behaviour, and interpersonal interactions (Johannessen et.al., 2011, p. 121). By using observations as a supplement to the interviews you get access to other information which not necessary had been available if by only focusing on question-answer during the interviews. Observations makes it easier to understand and take part of the interview objects situation and natural setting, which gives an opportunity to come with other opinions and one owns reflections (Johannessen et. al., 2011, p. 123).

### *Conduction the observations*

The observations which were made in this study was based on sensory impressions, such as listing, experiencing, and looking. This was conducted by unstructured observations which was written down manually. Only the observations relevant for the research question was written down. In this way the researcher participated as an observer, and did not take part in any of the processes, only conducted the interview. After completing the interview, the observations were supplemented to the notes.

Some of the observations did already start during the recruitment process and was supplemented to during the meeting. The interview objects were evaluated according to the setting of the interview, and notes were taken accordingly. It was important to establish trust between the interview object and myself, so they functioned as natural as possible. The subjects were only interviewed once.

## Validity and Reliability

### *Necessity of evaluating validity and reliability*

The terms validity and reliability are used when data shall be processed and analysed after data collection. Such evaluations are necessary to make sure that the collected data, which the conclusion is being built on, is of valid quality and at the same time enlightens the research question in a representative way.

### *Validity*

#### *General about validity*

Validity concerns the purpose of the research method and if what you wanted to measure were measured. It is about the validity of the data. Validity concerns if the informants are trustworthy or not, and if what they are sayings are true or false (Johannessen et. al., 2011, p. 244). The assessments and choices which have been made throughout the study gets consequences for the validity of the finished report.

#### *Interview*

For this study has seven persons been interviewed, and it can be questioned whether the selections are representative for most SaaS companies in Norway, because there can be other companies which have other opinions and experiences than the persons in this study. With a larger selection would it have been possible to get an even better representative selection. The study is based on their thoughts, perceptions, and experiences that these individuals have made before, during and after completed globalization process, and will give an indication of how these processes are completed and planned.

The interview objects could choose if they wanted to be sent the interview guide ahead of the interview, which was not encouraged. The disadvantages of reading

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the interview guide ahead of the interview, is that they can plan what they are going to say, and their answers can become shaped towards what they think the interviewer want to hear or give answers others have asked them to give. This can lead to that their own opinions and experiences is not reflected in their answers. No one wanted to read the interview guide ahead of the interview and the advantages of this is that the answers became more intuitive. By using a semi-structured interview guide versus an unstructured conversation, also strengthened the validity.

By using in-depth interview, the interview object would not be anonymous, which makes it important to create a safe atmosphere for the interview. The interviews were therefore started with information regarding confidentiality and anonymization, and the researcher acted as a natural party by not giving any expressions for own opinions. Doing this helped making the interview process less serious and allowed the interview objects to share their opinions and experiences. Due to Covid 19 most interviews were conducted using Microsoft Teams to make sure that the interview object felt safe and comfortable. By using interview as a method made it possible to collect subtitle information. This information includes the interview object`s reflections, knowledge, experience, and perception. Such information does not exist in any archive or documents but emerges under trustworthy conversations in safe settings.

### *Observations*

The basis for the validity for the observations is the observers' descriptions. Other observers who do the same observations can make other conclusions than in this paper. This do not mean that the observations of this paper is wrong but that other observers can weight things differently. The validity can be questioned since the objects have only been observed once. None of the interviews was filmed, and therefore was it not possible to review the data several times.

## *Reliability*

### *General about reliability*

Reliability includes to what degree the different occurrences would be similar if the data collection had been conducted again by the same observer at a different time, and if other observers had collected the data (Johannessen, et. al., 2011, p. 243). In that way reliability concern the accuracy and trustworthiness of the collected data, and the data`s relevance. If the reliability is high, several data collections would provide approximate the same data, as the original research. It is important to remember that qualitative method will be impossible for others to duplicate 100 percent. The reasoning for this is that the conversations is running the interview, and perceptions and observations are individual (Johannessen, et. al., 2011, p. 243).

### *Interview*

The study is based on data collected from interviews with persons which have taken part of, or been responsible for conducting an internationalization process. As mentioned before, the interviews were initiated by informing about anonymity and confidentiality which contributed to create a comfortable situation for the interview objects. This allowed them to be honest, and able to share without holding back. High degree of reliability is achieved by making the interview objects feel comfortable enough to give honest answers.

By using video and audio recordings during the interviews the reliability can be increased (Johannessen, et. al., 2011, p. 243). This paper used audio recording during the interview process to strengthen the reliability of the research. This made it possible to analyse and supplement the interviews after they had been conducted, also it made it easier to write down correct quotations. By asking each interview object the same questions, as shown in the interview guide, have contributed, and helped secure the degree of accuracy. This makes it easier to verify for later projects. That all the interviews were transcribed short time after being conducted has also helped the degree of accuracy of this paper.

### *Observations*

To strengthen the reliability the interview objects would have had to be observed more than one time, but since observations, only was used as supplement method was it not enough time or opportunities to conduct more observations. Video recording could also have strengthened the reliability. In that way other researchers could have seen the recording and given their feedback. Since this could have led to a less comfortable interview setting, and since most interviews were conducted over teams, it was better to not do this. The reliability could also have been strengthened by having more observers present during the interview.

### *Conclusion*

External validity is about whether the results from the study can be generalized, or transferred to other similar studies. Internal validity is about whether the study is appropriate to show causal relationships or not (Johannessen et. al., p. 365 and 367). The degree of external validity in this paper will be somewhat reduced, since each internationalization process is unique, which makes it hard to say that the results from this paper can directly be transferred to other companies going into the same process. On the other hand, it is appropriate to assume that some of the findings in this paper would be applicable for other companies. The degree of internal validity is high since the method used have given an answer to the research question. The internal validity is somewhat weakened since only seven persons have been interviewed.

By using interview guide, audio recordings and transcriptions, the reliability in this paper can be considered relatively high. The degree of reliability is somewhat weakened since the interview objects only were observed once, and since they would most likely not have answered the exact same things to someone else.

## Privacy

The study was sent to “Norsk senter for forskningsdata” (NSD) on the 21.02.2022, and approved 11.03.2022 (Attachment 2 & 3). There were made audio recordings of interviews conduct face-to-face, and of the interviews conducted via Microsoft Teams. The recordings were stored on the researcher’s personal computer and phone, to which one need a password to use. It is only the researcher that know the password to these devices. NSD required that one duty as a researcher is to not make false quotes or misuse the information given by the research objects. This have contributed to extra attention towards providing correct and accurate information in this paper. The audio recordings, and other relevant observations regarding the interviews will be deleted after submission of the paper. The interviewees will also be provided with the option to receive, review, and suggest changes to the final paper before submission to make sure that they do not feel like they have been misused or misquoted.

## Ethical considerations

It is expressed in Lov 28. april 2017 nr. 23 om organisering av forskningsetisk arbeid (Research ethical legislation) that research, both private and public, shall be conducted after recognized and established research norms. There have been taken several ethical considerations for this master thesis. These considerations especially relate to the companies/persons participating, and making sure that the paper will be in line with the legislation. This has been done through letting each interview object know that the participation is voluntary, and given them the right to withdraw, without any reason. The data collected is anonymized, and it has been clarified that the purpose of this paper is educational, and it has been facilitated for a safe and comfortable atmosphere.

Before each interview an introduction e-mail was sent (Attachment 5) to the interview objects containing information about the study, the background for the study, why they were contacted, processing of personal data (GDPR) and confidentiality terms.



## Challenges with choice of method

### *Challenges with recruitment of respondents*

It was challenging to find the companies and the right persons to interview. Considering that there is no public database on which Norwegian companies are selling their products worldwide. Since persons often change jobs, it was hard to find the right persons to talk to. As mentioned above, current network, LinkedIn and 1881.no or proff.no was used to find phone numbers. Calling or texting the phone number sometimes resulted in mislead calls. It was also several persons which did not answer, neither by phone nor text.

### *Challenges with conducting the interviews*

Since Covid 19 has made it more common to work from home, and use Microsoft Teams (or similar tools) as one of the main work tools, was it not possible to get all the interview objects to agree to have time for face-to-face meetings. Since many of the interviews was conducted over Microsoft Teams, was it harder to make observations. This situation made it more challenging to create a natural setting, which for instance that you are not able to handshake before starting. Also, the communication flow becomes somewhat worse by using digital platforms, since they are built so that only one person can talk at a time. This makes the interview somewhat less spontaneous than the ones conducted face-to-face interviews.

## Pitfalls

When collecting and processing the empirical data one tries to have an objective approach, but there will always be a risk of using own experiences and values. It was strived to act neutral during the interviews so that the validity and reliability where to be increased. In this study, one weakness by using interview as the method could be that the sample could have been larger, which potentially could have given different perceptions. Another weakness is that the interviews was

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conducted in Norwegian, while writing the paper in English. This increased the possibility that the quotations will not be 100 percent accurate.

## **Part 3: Theory / Literature review**

### *Introduction*

This part of the paper explains theory and literature, which contribute to answer the research question. Initially follows a clarification of different concepts used throughout the paper, then general about how the field of strategy explains how companies gain competitive advantage. Finally, looking at existing literature related to entering new markets and key finding of important aspects of what some of the literature deem important. Since entering markets, globalization and internationalizing are large subjects on their own, the scope in this paper have been narrowed down to only include attributes which are important for companies to have and to have focus on. This is due to the defined scope of the research question itself.

### Clarification of concepts

**Entry process:** In this paper the concept of an entry process will be referred to as the entire scope of decisions a firm makes from deciding to enter a new market, to having completed the expansion.

**Entry-strategy:** In this paper the concept of an entry strategy will be referred to as the plan firms makes when entering new markets. This will include from when deciding to enter a new market, to when the new organizational structure is up and running.

**Annual Recurring Revenue (ARR):** Is revenue which a company is received annually, due to licencing their developed software to another company.

**Tacit knowledge:** Is defined as the know-how of something (Grant, 1996b, p.111).

**Software and Product(s):** These two terms will be used interchangeably throughout the paper. Software for the purpose of this paper is defined as a computer program intended to optimize an internal process for a given company. Product(s) will in this paper be referred to as a software package sold by one company to another company/individual.

**Software as a Service (SaaS):** is a software licencing model in which access is provided based on monthly, quarterly, or yearly subscription. SaaS solutions are usually accessed through web browsers instead of being installed as a program on a computer (Grant, 2021).

**Host-country:** The definition of Host-country will in this paper be Norway. In a more general term, a host-country is the country where a company first establish themselves.

**Globalization:** Globalization in this paper is defined as distribution of technology, information, and services from one country to other countries (Benito, 2017).

**The Global firm:** A global firm acts to gain the most cost-efficient method when it comes to location, organization, and performing. These firms both thinks and acts global (Benito, 2017).

**Network:** In this paper the term “Network” is used to describe the interviewees set of human contacts, either first-hand or through someone else.

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**Return on Investment (ROI):** Is a performance measure used to evaluate the profitability of an investment. ROI tries to measure the exact return on a specific investment (Fernando, 22).

**Perfection-Paradox:** The Perfection-Paradox is a term coined in this paper. Used to describe that believing that the perfect product will gain you a competitive advantage.

**Growth:** Will in this paper be referred to as an increase in revenue for the company.

**Competitive Advantage:** Refers to elements, which allows one company to create products or services better than its competitors (Twin, 2022)

**Born Global:** Organizations which from birth seek to establish themselves in multiple markets (London Business School, 2008)

## Theories for how to gain competitive advantage

### *Resource-based view*

The resource-based view (RBV) emerged in the 1980s and 1990s when several researchers such as Barney, Wernerfelt, Grant and Prahalad published articles regarding the subject (Kraaijenbrink, et. al. 2010, p. 350). The foundation of the resource-based view is to explain how companies achieve competitive advantage.

RBV was developed as a complementary theory to the industrial organization (OI) perspective, which emerged during the late 1960's to early 1980's (Kraaijenbrink, et. al. 2010, p 350). The industrial organization perspective is based on a collection of microeconomics theory, which explains the economic behaviour of a

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firm, together with the firm's competitive advantage through the structure of the industry (Jenkins & Ambrosini, 2002, p. 15). In that way the OI perspective evaluates the competitive advantage of a firm based on Michael Porters Five Forces model.

The model splits an industry into five forces:

1. Competition in the industry
2. Potential of new entrants into the industry
3. Power of suppliers
4. Power of customers,
5. Threat of substitute products.

With this view the competitive advantage of a firm mainly comes from choosing the right industry to enter (Chen, 2020a). This way the OI theory seemingly explains competitive advantages through external factors, while the RBV model on the other hand explains it through internal resources.

This means that the RBV does not try to replace the OI view, but rather try to complement it (Kraaijenbrink, et. al., 2010, p 350). The RBV perspective explains that resources within the firm are the main objects to gain competitive advantages. Further the RBV model divides resources into two different categories.

“Tangible” resources are physical things such as land, building and machinery.

“Intangible” resources are non-physical presence, brand reputation and intellectual property. Tangible assets are resources which are easy for other actors in the market to acquire, but in a long run does not provide the firm with a competitive advantage. In contrast intangible resources takes time to build and are not easy to copy by other actors. Such resources can provide the firm with a long-term advantage in the market (Barney, 1991. p. 115).

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Based on RBV, if a firm have resources which are “intangible, heterogeneous or immobile”, and at the same time fulfil the VRIO attributes “Valuable, Rare, Costly to imitate, organized to capture value” the firm can have sustained a competitive advantage compared to their competition (Jurevicius, 2021).

During the last 30 years the RBV theory has become one of the most influential and most cited theories in history of management theory because of its internal focus. On the other hand, this theory has also been subject to considerable criticism because of its lack of external focus.

#### *Knowledge-based view*

The knowledge-based view (KBV) was founded in the mid 1990`s by Robert M. Grant. In this view knowledge is being defined as “an uninterrupted process of maintaining know-how to predict existing and future needs, exploit resources, and develop new opportunities” (Hamilton & Philbin, 2020, p.3). When this knowledge is being shared, gathered, and used internally within an organization, a company can achieve competitive advantage (Grant, 1996a p. 116). KBV is important within organizational learning and puts human capital involvement at the centre of the organization of a firm. Different knowledge structures within the organization are according to the knowledge-based view a must for keeping the firm`s competitive advantage (Encyclopedia, 2022).

There have been conducted much research of the effectiveness of knowledge-sharing within organizations. It has been discovered difficulties of sharing knowledge of complex and tacit knowledge across organizational subunits (Zander & Kogut, 1995, p.82). Tacit knowledge is an important part of KBV and is defined as the know-how. It is being formed through experience and socialization. Tacit knowledge is deemed more difficult to share than explicit knowledge, which is knowing about something (Grant, 1996b, p.378). Optimizing and utilizing knowledge-sharing within in an organization, can according to KBV generate a competitive advantage (Grant, 1996b, p.380).

A study in the Management Decisions in 2007, which studied the human capital element within different software companies in Egypt, provided positive evidence that certain types of human capital showed positive results for firm performance. The study also suggest that company performance is positively influenced by what they define as superstar developers. They conclude that employees, in this case developers, are the most valuable resource with the software industry (Seleim, et. al, 2007, p 798). Human capital is today considered as one of the most important components within a firm, and is a critical resource in many industries such as software, management consulting and financial services. For instance, McKinsey recognized in 2001 that the most important and needed resource for the next 20 years would be effective and educated human capital (Seleim, et. al, 2007, p 790).

### *Network Theory*

Network research entails a focus on relations among actors, whether they are individuals, work units, or organizations. The network perspective explains that actors are included in networks of interconnected relationships that provide them with either opportunities, or constraints on their behaviour. The network perspective differentiates itself from more traditional fields by examine individual actors in isolation (Brass et. al. 2004, p.795). The differences mostly come from this theory's clear focus on relations rather than attributes, and it is the intersection of relationships that defines an individual's importance (Brass et. al. 2004, p.795).

If knowledge is the resource for gaining competitive for a company, network theory offers some clear potential benefits:

- Fast access to information
- Fast access to technological know-how located outside the firm
- Economies of scale in joint research/production.
- Risk sharing



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- Access to complementary skills.
- Flexibility and adaptability
- Quest for quality

(Sasson, 2016)

## Literature Review on Born Global and Internationalization

Globalization is a popular and important theme for today's scholars (Paweta, 2015, p.12). In the 20th century the theory around globalization has mainly been focusing on large multinational companies. While small- and medium sized enterprises (SME) has been the focus within entrepreneurship (McDougall & Oviatt, 2000, p.905). By the end of the 20th century these two research topics started to become more aligned. Due to a change in the global business environment, more efficient communication, and transportation, decrease in governmental regulations and an easier opportunity to gain international experience, has it become more common and less costly to conduct business in different markets. This have helped enlighten the creation of the international entrepreneurship phenomenon (McDougall & Oviatt, 2000, p.905).

There is a positive relationship between being a born global company and performance. It is found positive results for growth, and that international companies have larger growth than domestic companies. (Keeble et. al., 1998, p.331). It is also found that entering new markets early is associated with higher profits (Aspelund et. al. 2007, p.1437).

International entrepreneurship combines both international business theory and entrepreneurship concepts. Both these fields help explain how firms enter new markets. Today's fast changing and competitive environment, together with globalization and integration, states that the older and more traditional theories and frameworks no longer works. Instead, there needs to be implemented new

models to explain how small- and medium sized companies can go global (Paweta, 2015, p.12).

There has been conducted much research on whether past international and work experience influence the entrepreneurs and their companies (Paweta, 2015, p.12). It has been found that the founders of born global companies, usually have international living and work experience (Madsen & Servais, 1997, p.569; Chetty & Campbell-Hunt, 2004, p.62). It has also been suggested that top management of born global companies today, are better educated than persons before them (Chetty & Campbell-Hunt, 2004, p.62). Earlier international experience of the founder is claimed to be influential in impacting the speed of learning and internationalisation of a firm (Chetty & Campbell-Hunt, 2004, p.62).

There are some personality characteristics that is found to be highly relevant for top management of internationalising firms. Being entrepreneurial is highly associated with being innovative, proactive and risk taking. Companies with founders who have these characteristics engage more in risky ventures and are seen as good decision takers (Knight, 2000, p.14). Being entrepreneurial is claimed to have a significant effect on the international performance of companies. While there is also being claimed that possession of these elements is important for the creation of an internationalization company's strategy (Paweta, 2015, p.12).

The theory of the effectuation way of thinking and decision making under uncertainty was introduced in 2001. (Paweta, 2015, p.17). There are several empirical evidence linking entering new markets and the effectual way of thinking (Paweta, 2015, p.17). The theory explains two types of logic used during a decisions-making process: causation and effectuation. Causation is typical rational management behaviour, where decisions are based on searching for ways to reach an end goal. The process usually comes together by first defining the end goal, then focusing on what the expected returns will be, and at the end describing a

plan or strategy for achieving this. Effectuation is the opposite of this. There is no clear goal, and the situations are usually full of uncertainty (Sarasvathy, 2001, p.258).

Network theory claims that traditional entry models are outdated since companies interact with international actors within their own network. Companies today spend much more time developing relationships and creating strategic alliances to exploit and enhance their own resources. This is done to gain benefits from resources within their network (Laanti et. al., 2007, p.1107). This has made it more cost efficient, meaning there is no longer the same need for large human or financial resources because their networks allow them access to complementary resources in many areas like R&D, technology, production, marketing, knowledge, and distribution (Paweta, 2015, p.13). It was found that the selection of new market entries is based on the knowledge, and the knowledge of their networks (Sharma & Blomstermo, 2003, p.746).

## **Part 4: Empirical findings and Discussion**

### *Introduction*

Part four of the paper addresses the empirical finding which have been made, and a discussion related to the different sub-research questions. This section deals with the individual sub-research questions, where the result is compiled under the main research question.

### **Sub-research question 1**

*What reflections, experiences, and thoughts are the company left with after entering new markets? What is their overall impression of the process?*

### *Empirical Findings*

#### *Collection of data*

The empirical findings concerning this sub-research question was collected through interviewing seven person which had taken part the process of entering new markets at least once. The questions related to the sub-research question can relate to the main research question because it gives an overall description of their reflections and experiences with entering new markets. In this part of the interview, there were asked questions related to how they thought the process had gone, specific questions related to common things many companies do today, and whether their overall impression had changed from before entering and after entering.

First it was established that the person being interviewed had taken part in one or several processes of entering new markets, this to make sure that the interviewees were first-hand sources. These persons had taken part of the entire process, from deciding why, how, when and taken part of the implementation process. In most cases the reason for establishing themselves in new markets, came from the ambitions from the owners of potentially growing revenue and profits.

*Interview objects earlier experience with entering new markets*

It was central to establish if the persons had taken part of earlier expansions into new markets, and if they had advantages of these earlier experiences in their most recent expansion. Some of the persons being interviewed had at some point in their career taken part of entering a new market. Two persons had worked, and helped build up companies that focused on selling their products to several markets. These products were related to consulting services and not SaaS-solutions. One of the interview objects mentioned that “the experience I had from my previous company was essential for how we structured, and which markets we went for in my most recent company.” For three of the persons, this was their first time entering new markets. Several of the interview objects mentioned that their perception of entering new markets was a complicated process, and it required time and dedication to be successful. One interview object, which participate in an external network group, gave an example where one person in the network had asked the groups opinion on “how they best should enter new markets”. He had questioned the dedication behind the entry, since he felt that this was only something the owners of the company wanted, but he lacked the enthusiasm from the leader.

All seven interview objects had experience from working in large international companies, with different level of involvement related to international experience. Two of the persons had mainly focused on their home market, while the rest of the persons had mainly been active in several markets.

*Interview objects starting point for entering new markets*

Since this paper focuses on smaller Norwegian software companies it was also important to establish the starting point; meaning brand recognition, funding, and infrastructure for the companies before they entered new markets. Four of the persons being interviewed explained that they entered new markets without external investments. This meant that all money used for the entries came from

the company itself, providing a larger risk for owners and companies. Three of the persons explained that they had already well-established brands within their host country, which helped them when entering new markets. One interview object explained that when they established the company, they had focused on being a Nordic company. This goal gave them a much larger area to focus on, while also giving them a lot of extra work in terms of building brand recognition. Four interviewees built their infrastructure in the markets, based on earlier international experience, in terms of network and market understanding.

Another person that was interviewed differentiated himself from the rest on this specific point. He had participated in building a SaaS-company on the foundation from a large Norwegian and international conglomerate. This had allowed them to take advantage of the mother`s brand name, the funding was large and the infrastructure of offices around the globe and already well-established networks was in place and worked smoothly. This allowed them to scale up fast, and start selling their product to several markets from day one.

#### *Number of Market Entries*

It was interesting to establish how many different markets the interview objects and their companies had or tried to enter. Most of them had first established themselves in Norway, for thereafter entering Sweden, Denmark, and Finland, and then tried with different levels of success to establish themselves in other markets in Europe and the rest of the world. One of the interviewees who established themselves early in the Nordic Countries, had followed the same procedure as the others in terms of becoming a Nordic company first, before continuing down Europe and the rest of the world. Several of the interviewees explained that entering the Nordic countries first was their primary goal because of similarities in culture, buying habits and existing knowledge of the markets. On average most of these companies, apart from the large international conglomerate, found it harder to enter markets outside of the Nordic countries. One of the persons explained that they had tried to establish themselves in Poland by following the same procedure as in the Nordic countries, but had quite quickly decided not to follow through

with their plan. This was since the cultural differences was too large, and they did not receive the same market attention as other places. Another of the interviewees explained that they right now are in the process of testing out the German market and are planning on an entry into that market within the next twelve months. On average one could say that most of the interview objects had fully entered three to four new markets each, while the larger company had established themselves in over ten different markets.

### *External consulting*

All persons where asked whether they had used external consultants in the process of entering new markets. It was important to establish if experts had helped them creating the plan, or if it was conducted mainly by themselves and their teams. This was an interesting topic to discuss with the interview objects because each one of them explained that they had not hired external consultants to help them. After some follow up questions, they all remembered that they had received help from others after all. This was not help from big consulting companies within these markets, but rather from their own network, people who had entered there before, or help trough different partners. Partners in this sense is defined as a company operating within the same industry segment, which is already an established brand with paying clients Some of the interviewees invited others who had already entered the relevant markets to lunch to discuss how they entered and with what approach. One explained first that he had not used consultants at all, but after some consideration he thought back to when they first entered. He then told that they had talked to several partners and some market consultants before entering the markets. The person from the larger company explained that he had used the knowledge and “how to” within their company extensively when they first tried to enter the market. Another one first explained that they in the beginning only had used their own knowledge of the Nordic countries, but after following up he explained that they had used partners to the extent that these had helped them gain a market share in each country.

*“Boots on the ground” vs Partners*

One important aspect when entering a new market, which each company needs to consider, is whether they should open local offices with staff from that country or region, use digital platforms or partnering up with someone. What was interesting about this topic was that most of the interviewees explained that they in the beginning had partnered up with already established, but not competing companies, within their segment. They had done research on who offered complementary services, created synergies between their service and the SaaS delivered. Some of these explained that this was mainly done to keep costs down, and as a test of the market. When the demand for their products increased, most opened own offices within these countries.

They all extensively explained that having people you trust will do the best job as possible, was the most important thing for them. All persons who had first used partners to enter/test the new markets, explained that using partners was a real time-consuming task. One person explained “A partner will never have your level of commitment or passions for your product. This means that you must spend a lot of time creating a product understanding and keep your product(s) relevant for that partner, which costs a lot of time”. Another explained that “When partnering up with someone, you will at best be second in line in terms of what that partner wants to sell. They will always push their own product first, and if they have partnered up with other companies too, the product with the best margin and which they understand the best, will be the product they sell second”. A third said “I am speaking from experience, but if one chooses the partner strategy when entering new markets, one needs to take time on the legal parts of the contract, because their will at some point always be a conflict”.

Three persons explained that opening an own office in the new market was somewhat difficult. Not in terms of the legal aspects or anything, because “Innovasjon Norge”, embassies, and other organizations are very helpable for starting up in other countries. The challenging part was finding the correct and right first employees. Two interviewees really emphasized the trust element when



hiring the first persons. Trust in terms of “can I really trust that this person does what he has agreed” and “do we have confidence that this person is able to bring the company forward in this segment”. Another person explained that when they first had entered their first market, they did something which they later have deemed to be wrong. Which was only hiring one person and then left him alone. He said: “when we first entered, we found one guy we really believed in, we travelled over a couple of times and then basically left him alone. This came to bite us fast because we did not see the wanted results at all”. They learned from that mistake and hired another person such that those two persons could work as a team. In addition, they started travelled to them more often, followed them up more closely and helped them more. After this he has had a simple philosophy when opening an office in a new country. “When first entering, always hire two persons. These needs to be entrepreneur types, which find it fun to build a company from scratch. This allows you to get to chance to see if it is the market that is not responding, or whether you have hired the wrong person/s”.

One explained that they had from day one hired boots on the ground in the new market they were to enter, and from there scaled up their operations in the country. Several of the other interviewees also had reflections around “boots on the ground” when selling software in new markets”. One of the persons explained his simple way of looking at it “The more complex and wider reach within a company your SaaS-solution gets, the more likely it is to have a need for boots on the ground. Selling simple plug and play software allows you to utilize partners, resellers, and digital arenas to sell your product, but as soon as the software have a large reach you need your own people to convince and reassure the customer”.

#### *External funding or self-financed*

Something that emerged as important for all during the interviews was the question of external funding or being self-financed. Two of the persons being interviewed proudly explained that they had been self-financed since the start of the company and when doing entries into new markets, this was financed from their own pocket. They explained that this had both positive and negative sides to

it. On the positive side, they explained that since they did not have cash to burn, every investment they made, they had to be more critical and develop realistic time frames of their investments. One of them explained that this helped them learn the value of money. Looking at the downside of not having external investments, they both explained that this had made it much harder to establish the needed new roles and teams in the new markets from day one, and the entire entry of a new market took much more time than they wanted to, which directly influenced the return on investment for them.

Two of the interview objects explained that when they first started, they were self-financed for approximately three to five years. After this they had a goal of finding external funding to help them scale up their organization. They both succeeded in finding external investors, which then again helped them fill positions in the organization in the host country. This was needed to expand into new markets, and allowing them to scale up the organization and establishing the much-needed teams in the new markets. For them, the upside of having a larger wallet was that they much faster could establish a well-organized team, which allowed them to see a faster return on their investment. They had a similar experience concerning the negative aspect of getting external investments. Which includes new persons without experience from their industry becomes decisions maker on important things within their company. Also, they had to spend much more time on financial reporting, which took time from the tasks that “generated value”.

*Interview objects overall impression and learnings from the process*

To answer the research-question of this paper, it was important to figure out what the overall impressions and what key learnings the interview objects was left with after having entered one or several new markets outside of their host country. What was interesting was that there was quite similar reflection from all of them. First, they all explained that entering new markets is much more time consuming than they ever thought when they first started the process. All of them explained that dedication and stamina are key aspects for being successful when entering a

new market. Building culture, brand awareness, and product understanding in a new market means a lot of travelling for key personnel from your host country, and if these persons cannot find time in their calendars to do this, one will not succeed to the extent one could. What was interesting about the topic, was that one of the interview objects explained that when the company first decided to expand into new markets, he did not believe that what they had accomplished was possible. Afterwards he has reflected on it that if he was more dedicated to the plan from day one, they might have gotten to where they are even faster.

Hiring the right persons in the beginning also emerged as an important aspect for all the interview objects. A key contributing factor that several interviewees explained was spending time on finding the person you believe and trust, so they will help you build up your company in the new country. One person also added the importance of the first new clients and explained that: When you finally get your first client in a new market, you, and your organization in your host country, must treat this client as customer number one of the entire organizations, because happy customers and word of mouth is the best sales channel in any new market. So, “if the customer wants you to jump, you only ask how high”.

The topic of external investments also emerged as an important reflection for most. Having capital to do the things you deem necessary was important. The persons without external money have done the reflection about if they were to do it again, they probably would have tried to get external money to help them. The interviewees who got external funding explained that they would have gotten it earlier than they did. The biggest reason for this, was mainly due to being able to establish the right sales organization. All explained that having a professional commercial department is the key to succeed when you are selling SaaS. One need a marketing department helping you build brand awareness. One need dedicated resources who are specialists on what they do when it comes to pre-sales, sales, after-sales, customer care and key accounts/customer success managers. Not having established these functions will set one back tremendously

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when it comes to sales. Hiring these persons is costly and one cannot expect to see a return on the investment before earliest eighteen months.

Networks and being able to utilize networks, was probably the most important thing all persons emphasized. Utilizing their networks had helped them in more ways than all of them could count. This helped them to discuss the best entry strategy into the different markets. It helped them to find the first employees within the new markets, and the first new customers in those markets. Also, this helped them grow the company in those markets. They all emphasized the importance of establishing and spending time on building your own network. They explained that this is a time-consuming task, but it will grant you endless of opportunities.

Another thing that was discussed during the interviews was the quality of the software they delivered. There was a common understanding among all the interview objects that having the “best” product in terms of features and functionality in the market, was not the most important thing and was not something to strive towards either. Most of them explained that being a smaller SaaS-company means that you do not have the same research and development (R&D) budgets as your larger competitors, which means you need to have a more customer centric focus in terms of R&D. What does the customer really want?

### *Discussion*

#### *Earlier experience makes things easier*

The starting points of the process differentiated the interviewees in terms of brand awareness, funding, earlier experience, and networks. One common denominator for most of the interviewees was that they all had experience from working in large international companies. This had helped them build networks across the globe and given them a cultural understanding of how some markets works. They explained that this experience had influenced the ambitions of their own companies and where they had entered. This can contribute to what was explained

in the literature review on page 35, where it was stated that there most often is a correlation between earlier international experience, and entrepreneurs expanding abroad (Madsen & Servais, 1997, p.569; Chetty & Campbell-Hunt, 2004, p.62).

Some of the interview objects had founded their companies within the same industry as they came from, and this experience and market understanding had been essential for them to build their own company. One of these persons had worked with selling services within a specific industry and had seen a need for generic software. From this, he founded his own company and directly partnered up with previous colleagues. From there he built a solid foundation for his own company and used this to enter new markets. Another had a quite similar path for starting the company. He had worked as a consultant in a firm before he and a group of colleagues started their own company. They were originally planning on becoming a direct competitor of their previous firm. Instead, they saw a need for generic software within the industry. This was the beginning of the path going from being a consultancy firm, into becoming a software- company. He explained that his previous experience allowed him to find and hire the best people in Norway and partnered up with previous competitors.

On the other hand, one of the interviewees did not have previous experience from the industry/company he helped start, but the group itself had a clear vision and ambitions on where they were going. He explained that the entry into new markets had been easy, and this was due to that the established infrastructure was in place.

It is common sayings, which historians do not completely agree on where it originated from, “that people usually do what they know”, and “practise makes perfect” (Cramer, 2022). The interviews and experiences uncovered in this paper help underline these statements. Most of the interviewees had worked in international markets. All used this experience to build companies that has entered several international markets. The experience of the owners has largely influenced how the interviewees have entered new markets. This can also be supported by the

fact that there was only one person interviewed in this paper who did not have a clear vision on where to go. He did not decide to enter the same industry that he previously had worked in. It is sound to state that experience of the owners/employees is of high importance for the direction, path and how-to for companies. This is also shown in the literature review, where it is found that new market entries are usually based on the owners, and their networks knowledge (Sharma & Blomstermo, 2003).

The person who entered a completely new industry, was interestingly also the interviewee which described a more systematic approach to evaluating where to enter. This makes one wonder if experience, and a common belief in one owns knowledge can negatively influence decisions. Meaning that the theoretical approach for deciding on where to enter becomes secondary. Market knowledge is fresh produce, and it goes bad quite fast if it is not maintained. Taking the example from one of the interview objects who described they were in an evaluation to enter the US market. He explained that the knowledge they had gained about the US market was completely new information for them, and before receiving this knowledge entering the US market was not even on the agenda.

It is hard to conclude on what is the most correct path for new, smaller Norwegian SaaS companies. Should one only use experience when deciding on where to expand to, or should one take a more systematic approach? The only evaluation parameter which could offer some guidance are the results and revenue of the companies. If we exclude the larger company and evaluate the rest, this still leaves it hard to conclude. The company founded as a Nordic company and the company which had a more systematic approach are similar in both revenue and result, while the rest were approximately at 50 percent of the two others (proff.no). To conclude on this specific topic, this paper state that experience makes things easier, but one needs to keep this experience updated, and experience combined with a systematic approach makes the best decision.

*Entry processes are complicated*

One thing all the interview objects agreed upon, was that expanding into new markets are complicated, time consuming and never goes according to plan. All the persons interviewed in this paper have had a similar approach related to the first entry. They all first utilized their own networks to get tacit knowledge from persons which had done it before. Secondly, they had all partnered up with well-established existing brands in these countries. Third, after getting some market penetration, they hired own personnel and opened an office. All interview objects reflected and agreed that the most important thing when entering a new market was stamina, being adaptable and having the needed time available. The interviewees reflections of being adaptable relates to the findings from the theory of the effectuation way of thinking and decision making, described in the literature review. Where it was explained that entrepreneurs need to possess an effectual way of thinking, meaning that one makes decisions without not have a clear goal, and under uncertainty (Sarasvathy, 2001, p.258).

They all concluded that it was important to focus explicitly on the recruitment of the first key personnel within the new markets. The characteristics for these persons must be driven/entrepreneurial, trustworthy, and reliable. According to a study in the Management Decisions, the most valuable resource of a software company is its resources (Seleim, et. al, 2007, p. 798). This goes hand in hand with Barney`s resource-based view, and Grants knowledge-based view. Barney`s theory describe a company`s competitive advantage through valuable, rare, costly to imitate and organized to capture value resources (Barney, 1991. p. 115). Grant explains that knowledge is the source to gain a competitive advantage for companies (Grant, 1996a p. 116). All the interviewees have explicitly highlighted that one of the most important aspects for being successful within a new market is human capital. This all helps underline the points of both knowledge-based view and resource-based view, which can be opinionated as somewhat describing the same thing. Knowledge is the resource which will help you gain a competitive advantage within a new market, and this is only done through finding the right personnel.

Some of the interview objects had made similar mistakes when they first entered a new market. One person had been hired to manage the operations with minor help from the top management team in Norway. All agreed that hiring only one person was a mistake, since this left this person utterly alone and that one must learn from such mistakes. All the interviewees with such experience staffed up, and, and if they are to enter new markets today, they would always hire at least two persons. This learning from many of the interview objects is quite interesting. When entering a new market, especially when being a smaller SaaS-company, liquidity is not always your best friend. This means that making an investment always is thoroughly thought through. From a financial perspective, analysing if you need one more developer to speed up development, or hire several persons within a new market, is something most SaaS-companies can relate to. It is perfectly rational to only hire one person, to test the market. Then if one receives a good market penetration, one can scale up the organization. The learnings from this paper, turns the table around, and states that to have the highest possibility to receive the wanted ROI, you need at least two persons from day one. We have several examples to draw learnings from here, which helps underline this point.

*Partners or “Boots on the ground”*

As touched upon above, almost all interview objects first utilized partners in new markets. Here there were a common agreement among them that partnerships can be successful if done correctly. Partnering up with a new reseller is a time-consuming process. One will have to spend a lot of time educating the reseller/partner in your own product portfolio. The interview objects have here experienced that getting the most attention from partners usually is directly correlated with the financial incentives the partner receives. If the partner receives incentives which makes it profitable both for them as a company, and down to the seller-level, a partnership model can thrive. This also makes the education of the software much easier because the receiver of the information can see a clear end-goal for themselves. Partnering up with someone demands a lot of time from the partner initiator to keep their product relevant. Another benefit from doing



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partnership models, which was surprising that non-of the interview objects addressed, was the fact that one usually has lower cost per sale through partners. Giving the partner great financial incentives to sell your products, will most likely be more profitable than having a large sales organization.

There are negative aspects of partnering up with a reseller too. The line between giving good enough financial incentives and not, is thin. If one is on the wrong side of the line, you will get minimum attention from your partner. Which result in a lot of time spent on educating and creating a partnership which does not provide the wanted results. It is a common saying within sales organizations that a person will never sell what they do not know or understand. This is an important aspect that SaaS-companies need to understand when deciding to partner up with someone. There needs to be a way that you are sure that your partner knows and understand your products and keep on learning along the way you keep developing.

Deciding on partner up with someone or establishing your own office, is a tough decision for a company to make when entering a new market. The common denominator for this paper is that all started with partnering up with someone, for than to establish their own office. The reason for this was similar for all. The attention they received from a partner was always second in line in comparison of the partners own core business. Many of the persons also described that the partnerships which they made, had helped them with the recruitment process. Many of them hired staff and personnel from previous partners which meant that they had to spend less time educating these persons.

Another important subjects which were discussed with the interview objects was whether selling Business to Business, or Business to Consumer influenced their decision on choosing a partner or establishing an office. In the same discussion, complexity of the solution occurred as an important element for choosing the

preferred sales channel. Table 1 has been made based on key findings regarding target customer and complexity of solution.

Complexity	B2B	B2C
<i>Simple</i>	Online sales	Online sales
<i>Medium</i>	Partners / Resellers Own Office	Online sales
<i>Large</i>	Own Office	Partners/ Resellers / Regional offices / Own Office

TABLE 1 - HOW COMPLEXITY OF SAAS-SOLUTION AND TARGET CUSTOMER INFLUENCE SALES CHANNEL.  
SOURCE: SELF-PRODUCED TABLE

As the table shows, there was a consensus among the interview objects that the more complex solution you have, the bigger is the need for boots on the ground. Another interesting fact that came into light was that several of the interviewees described that when selling a complex solution, was it as important to not make the purchaser (person within that organization) feel left alone, as it is having “the best solution”. The bigger and more complex the solution, the worse will the “word of mouth” effect be if something does not go according to plan.

As discussed earlier, people are the key resource of any software company and getting these people implemented and taken care of is one of the most important things for a company, whether it is in their host country or the new market. If a SaaS-company wants to continue to maintain their competitive advantage, one would have to create an atmosphere and culture, were key personnel does not want to leave. This directly means that opening an office within a new market, will take valuable time from the top management. Top management needs to travel and spending time with the new resources. Peter Drucker said that “Culture eats strategy for breakfast”, which all the interview object agreed on. Meaning if you are the owner or CEO of the company, you need to lead by example and spend time with everyone. You cannot expect your employees to do the heaviest workload if you are not willing to do it yourself.

To conclude on the benefits and disadvantages of Partnerships vs Boots on the ground, there are clear incentives for both. Both paths require a lot of time from top management, either in terms of following up and educating a reseller or spending time at the new office. So, one will need to evaluate if one has the available time. If the liquidity of the company does not allow you to invest in a proper organization within the new market, the Partner strategy, with good enough financial incentives, is to be recommended. This also allows you to test the market before making larger investments, while also providing you with a track record of good potential resources to hire in the future. If you have money and are sure that the market itself is something worth perusing, establishing an office is beneficial, but one needs to consider that this requires a lot of time. One must build a culture and organization which is there to succeed.

#### *Overall experience*

As touched upon over, there are many similar reflections that emerged from all the interview objects. The three things which have not yet been discussed is external funding or self-financed, establishing a professional commercial department from day one, and the power of networks. Two of these things is closely linked. As explained in the empirical finding, most of the companies had a clear plan from the start to get external capital, while a few of the interview objects explained that they were self-financed. Comparing these there was no surprise that the interview objects which had external funding had established themselves faster within a new market, than the companies without. This all came down to “money to burn”. The companies with external money could follow the practise described in “Entry processes are complicated” on page 46, where you from day one builds the organization you need, while the others had to build it stone by stone. What was interesting was that all the persons interviewed explained that if they were to go through the same process again, they would either have gotten external funding earlier, or tried to get it. Some of the persons being self-financed explained that they briefly had started to look at external funding now. This is not a mind-blowing fact, but it is important to remember for

smaller SaaS-companies. Having external money will allow you to build the commercial department within the new market much faster and help you penetrate the market faster.

There are also some downsides to getting external funding, which some of the interview objects touched upon. Administration cost is one of them. Having professional investors on your board and taking an active part of your organization will in some way or another influence the culture. As discussed earlier, culture and the start-up feeling are something which are beneficial for a company to keep. If one is to get external investors, it is even more important that top management keep their focus on the core values and culture which they want within their company.

The thing that has been mentioned by all, are networks. Establishing and focusing on building networks is at least based on the findings in this paper, one of the most important things the top management and founders of a SaaS-company does. Either if it is in terms of expanding into a new market, finding this new market, or finding the best new employees. Most persons interviewed for this paper are either, or have earlier, participated in networks groups which they all had gained a lot of experience from, and recommend for all.

### *Conclusion*

There are many key findings to learn from the overall experiences from the persons in this sub-research question. This part has discussed and proposed a best practise on when to choose partners and re-sellers, or boots on the ground. Networking has emerged as very important. Stamina and being able to “sail through the storm” have also been key findings for succeeding when entering and deciding to enter new markets. Also has it been enlightened that entry processes are complicated and that things never goes according to plan. The last key finding concerns external funding, and we have learned that even though it requires more

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from the management team in terms of administrative tasks, it is something all the interview objects regretted that they did not focus on earlier.

## Sub-research question 2

*What were the companies' key drive for expanding globally, and what were important for them when choosing which market to enter?*

### *Empirical Findings*

#### *Collection of data*

The empirical findings concerning this sub-research question was collected through interviews with persons who has taken part of a process of entering new markets at least once. In this part of the interview, they were asked questions related to why they had chosen to enter new markets, and how they had decided on where to enter. In this part there are four common elements that have been decisive for why and where they have entered.

#### *Ambitions as key driver for internationalization*

As established in sub-research question one, most of the interview objects for this paper have either been partners/owners and Chief Executive Officers (CEO`s) or top management for the given companies. This has provided this paper with first-hand information about why these companies have chosen to enter new markets. Most of the persons being interviewed were the company owners, and it was interesting to hear why they decided on becoming a global firm. One interviewee, even though not being an owner, had also extensive knowledge into why and where the company were to focus their attention.

Some of the owners explained that when they first founded the company it was a clear ambition for them to be global. Which also meant that they had clear ambitions of getting external funding after a while. They had this embedded in their mindset from day one and tried as best to create products and organize themselves in a manner which allowed them to fulfil their ambition. Some of the

other owners explained that going abroad was not part of the original scope of the company, but when they saw a demand for their product from other markets, they had to take the chance. Some of the interviewees told that when they had started developing software, they had a customer unique focus on solving different issues. After entering new markets, they had to change their mindset related to features and functionality. Their mindset went from a market to market, or customer to customer mindset towards generic worldwide solutions. These interviewees explained that this change have been challenging within the organizations, and is still not fully completed. Some of them thinks that this will take several more years to complete. One of the interview objects explained that “Going abroad, being ambitious and never being satisfied is something that starts from the top. If the CEO or owners are not motivated to grow the company into what it can become, they will never be able to capture and utilize this value and you will never be able to get your employees to help you along the way.” One interview object explained that when the board and the management team wanted to expand into new markets, he never thought they could reach the projected revenue and growth goals. He has again, and again been shown that he was wrong, and has reflected a lot on the subject, and is convinced that if he had believed in the plans and projections earlier, he expects that the company would be even further ahead.

One other interview object stated that having ambitious owners, clear goals, and strategies from day one was essential for their success in expanding the company. When they founded the company, their instructions were to create products which could be sold through their already well-established network and infrastructure worldwide. This allowed them to focus on generic features in their SaaS-solutions which could be applicable for everyone, rather than country specific.

#### *Where to enter*

To answer the question of where to expand, it was important to establish how this was decided internally. One this matter there were clear common denominators between the interview objects. The majority explained that the reason why they

entered the specific market was because of their own networks, earlier experience, and their market knowledge. Other interviewees explained that what they do is industry specific, which means that their potential customer-pool is limited to specific markets where these industries and market conditions are present. This factor made their decisions on where to expand easier. There were also some that stated that based on their market knowledge, they used their networks within the potential new markets to get traction for their products and that way tested how good their market fit was.

One of the interviewees explained a quite more systematic approach on how to decide where to expand. First, they had done an evaluation of what kind of countries had the most similar culture to Norway, which turned out to be the Nordic countries. Secondly, they slightly started to test their products within these markets. This was done both by marketing, and by interviewing potential partners and customers in these markets. Lastly, they conducted an in-dept analysis of market size, product fit, and partner feedback. These elements were used to decide whether they should enter that or the other market. The interviewee also told they are currently in such a process of testing markets to see where they are going to enter next.

### *Opportunities*

The two persons who explained that it was not part of their original scope to become a global company, emphasized the importance of seeing and daring to take opportunities when they occur. One of them explained that they currently just had received an interesting opportunity of establishing themselves with an office in the United States. Internally they are now discussing if they should take that opportunity. In his opinion, taking such opportunities, and being adaptive is the reasons for the company`s success. When an opportunity occurs, they evaluate it, and if the finances and market size fit the ambition of the owners, they take it. A few of the other interviewees also addressed the point of seeing and taking opportunities. From their perspective the digital and global world we live in today have given them customers worldwide and given them totally different opinions

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on “where to go next”. One explained “We suddenly started getting a couple of handfuls of customers in Poland, due to great work from our marketing department. This made us act fast, and since it was not part of the budget to establish an office in Poland in the near future, we teamed up with a great partner. We spent time teaching and learning from each other and when we are going to evaluate on where to go next, Poland is far up on the list.”

### *Culture*

Differences in culture arose very fast as an important element for deciding on where to, and how to enter a new market. All interview objects expressed an understanding of that even though we think that the culture in the country is like the Norwegian culture, there are always either small or large differences. They all agreed that entering new markets and thinking that the Norwegian culture is superior to any, “will send you home packing faster than you can pronounce the name of that country”. They explain that focusing on understanding and taking part of the differences has been a key success factor for all of them. Having local persons from the start in helps you.

### *Discussion*

*Is Mission and Vision dead, while ambition is emerging as the key success factor?*

The mission, vision and values-frameworks were something that emerged in the 1960s, and have been widely used and implemented by companies across the globe for decades. (Lanqueur, 2017). One of the interviewees had heard and claimed that this was an old and dying framework. One can discuss how many employees who can site their company’s vision. Furthermore, how many of the employees who clearly understand the mission and vision statement of the company they work for. If one is to succeed with imprinting the vision and mission to the employees, the top management and the founders will need to focus on preaching it to them. From personal experience this have only happened once, but that gave a boost and a belief that the company could change the buying habits of the entire Norwegian market. The interviewee continued by introducing



“ambition” as a simpler term and pointed out that one should ask “what is the ambition of your company?”, rather than their vision and mission.

The word “ambition” emerged as one of the key elements for all the interview objects. Having owners and top management which all stands behind and actively follow up the ambition of the company will be an important factor when deciding on entering new markets. As describes in sub-research question one, an entry process is always longer and more complicated than first expected, and stamina and dedication are key aspect for succeeding. Maintaining a clear ambitions and goal of where one is going, will help the company better realize its potential. While also making it easier to take tough decisions and help the company prioritize easier.

This paper also shows that not having a clear vision and ambitions from the start, does not mean that you cannot succeed. As some of the interviewees which did not have a clear goal of being a global company, has shown. One of these also explained that if he would have believed in the global expansion plan at an earlier stage, he thinks they might be further ahead than they are. It shows that ambitions are also something being influenced by day-to-day operations and actions happening within a company.

To conclude on the topic of “is mission and vision dead”, and the if the new buzzword is “ambitions”, we would need more research on the topic. As shown in this paper, having clear goals for the future will help the path and actions of the of the company. This paper suggested that it does not matter if we call it mission, vision, ambitions, impact, or purpose, it is the same present with different wrapping. Meaning that the founders of smaller SaaS-companies still need to have a long-term goal for their company. This will help the company to make right prioritizations based on their long-term goal, and help make the company culture clearer. There was an interesting column in Shifter, where Jacob Mørch founder of four different companies, explained that in his opinion start-ups is in dire need

of two leaders. One which is responsible for long-term vision, while the other takes on the day-to-day operations. He explained that in his opinion, most entrepreneurs are better at being visionary, but most often lack the day-to-day operation qualities (Mørch, 2022). This comment helps the finding of this paper, because it emphasizes long-term ambitions as a key success factor.

#### *Where to enter*

As concluded upon in sub-research question one, experience has been an important element in shaping the interview objects in terms of ambitions and deciding on where to enter. The key finding on this specific topic is that people usually do what they know. Many of the interviewees had experience and know-how in the markets they first decided to enter. Also discussed in sub-research question one, this is beneficial since this market knowledge will grant them the opportunity to faster gain a market share. What also came into light was that the first entries were similar their host country in terms of culture.

Culture arose quickly as a topic for all the interviewees, and they all agreed the importance of understanding the differences. For them this is where experience and networks has helped them. It is important for smaller SaaS-companies to consider the cultural aspects of the country they are entering. Do one understand the culture, or do we know someone who has managed to enter this market before? If the answer is no, one should, based on the findings of this this paper spend some time finding these persons. As the example from one of the interview objects shows where they had tried to enter Poland.

Also, what we have seen through the interviews, is that entry one, two and three is most often a consequence of experience, culture, and networks. While entries after this is most likely a result of good marketing and evaluating opportunities which happens. As one of the interviewees explained about their now ongoing evaluation of the Polish market. This was not part of their original plan, but now since they already had a couple of handfuls of clients within this market, it was being

evaluated. To conclude on what we can learn from this is that prioritizing and shaping your message for worldwide audience is important in today's digital world, because one can never be 100 percent sure where the next gold cost for your company is.

### *Conclusion*

To conclude on what the key drive is and most important aspects for expanding globally, this paper has found that this is a combination of different elements. The most important thing that emerged was the ambition of the owners. If this is clear, communicated and actively followed up by top management, it is easier to make decisions. This means that the founders and owners should have the ambitions discussion as early as possible, because it will allow them to avoid larger organizational re-structuring later.

On deciding on where to enter first, the advice and conclusion of this paper is that people do what they know. Meaning that if you have much experience in operating in for instance in France, you should first utilize this knowledge and your network here. When deciding to enter a new market one should also consider the cultural differences between the host-country and the country in questions, because there will always be differences.

When deciding on where to enter next, the findings in this paper is that companies need to be adaptable, and both facilitate for, and take opportunities that occur. SaaS-companies need to prioritize both a local sales statement, while also being global at the same time. This will allow you to reach a much wider audience than being "market specific", and might give you an opportunity which you did not know existed.

### Sub-research question 3

*What frameworks and analyses were used and conducted before making the entry strategy?*

#### *Empirical Findings*

##### *Collection of data*

To answer the sub-question the interviewees were asked questions related to how the actual entry process was conducted, and what analysis and frameworks was used to evaluate and make sure they were doing the correct investment. During the interviews there were discovered three common elements.

##### *Interview objects description of entry process*

As touched upon in sub-research question one, there are many similarities on how the different companies have entered new markets. Some of the companies established themselves in Norway first (their host country). The strategy was to first build a solid framework and then to establish themselves in new markets. Many of these interviewees told that they first only hired one person to manage, run and operate in the new market. After some time, they realized that this did not work as they had hoped it would. In the end they had to hire more resources to be capable to take the respective market share they were planning to. Another important finding was that several have stated that the top management from the host country will need to use and spend much time at the office in the new market. They emphasized that this is the only way one can follow up, build company culture, and share product knowledge to new employees.

For one company it was very important that they established themselves as a Nordic company. Being “Nordic from day one” was directly related towards the functionality of their software. When they developed a new feature, they made sure that this feature was equally relevant in each country. They did not create features that was in demand in only one of the specific countries. On the contrary

this person also told that they did not build the “Nordic” as one entity, in fact they built the Norwegian organization first. In the rest of the Nordic countries, they used partners to sell their products. The interviewee continued to explain that after the Norwegian organization was solid and established, they then opened offices in the other countries. When the offices in the rest of the Nordics were opened, they went on to steal the “best” performing employees from their partners so that the training of the new resources would be optimized as much as possible. This led to a conflict with the existing partners that ended up in the court system. Regardless, this decision allowed them to have already trained resources available from day one. Even though it ended up being costly they do not regret this decision. In fact, when establishing themselves outside of the Nordics they have used the same strategy in terms of utilizing partners and reseller first, for then making an evaluation of how much traction and how big the potential market in that country is.

Another interviewee explains a similar process. they already had an established infrastructure, and available capital which made their entry process quite easy. They first established themselves in Norway, for then to spend time on figuring out their competitive advantage on a world stage. After this, they then utilized regional and local sales personnel from the group to establish themselves and take markets shares in other countries.

#### *What analysis was used*

As briefly touched upon in sub-research question 2, under “*Where to enter*” on page 57, it seems clear that in depth analysis was not something conducted and spent much time on by most of the companies before entering the different markets. One interview object differentiated themselves a lot by having a systematic market evaluation approach for deciding on where to enter next. Most of the interview objects spent a lot of time before entering the markets together with their own network and received feedback and learnings from them on how they had entered before. Most of the persons also spent a lot of time on recruitment of the first persons within these new markets. Most of the persons

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being interviewed did already have extensive knowledge into to markets for their products. The interviewees who were selling industry specific products, had a clear understanding of where in the world their potential customer is located. The persons with the more generic and for the larger masses product(s) also had a good understanding of the Nordic market. It was one of these persons which used the market evaluation approach to enter new markets. Another one, which was explained in sub-research question two used the traction from marketing worldwide to decide on where to enter. All agreed that the best way to get market shares in a new market, was through customer references. This means that when they first had established a customer base within a country, and received customer references, the decision and entry process was much faster.

#### *Well known frameworks and research used to optimize the process*

To be able to try and find a best way for Norwegian software companies to enter new markets, it was interesting to see how the practical world works in comparison to the educational and theoretical world. All the interview objects explained that they had not used any known theories, frameworks, or research when they entered the new markets. They all explained that they utilized market research and knowledge, and their network to evaluate whether to enter a market or not.

## Discussion

#### *Description of the processes*

To figure out which frameworks and analyses was made by the companies, the study needed to get an overall and simplified explanation of the interviewee's entry processes. As stated in the empirical findings there were more things in common, rather than differences among the persons being interviewed. As discussed in sub-research question one, there were only one person which slightly differentiated themselves from the rest. All started by partnering up with several companies which supplemented their own software. They all spent a lot of time following up and educating these partners. After receiving some market

penetration, they all established their own local offices. The only difference between the other interviewees and the one that differentiated themselves was the time spent on market testing ahead of partnering up with someone. They all have also explicitly focused on the importance of a good and effective marketing department. There was a common agreement among the interview objects that it is not the best product that wins the war, it is the company with the best worries, in this term the commercial department wins. If a company focuses on the commercial aspects and satisfied customers, they will succeed when entering a new market. Based on the interviewee's experiences, and personal experience, the focus should shift from having a 100 percent perfect product, to what feature is it that we need to today to serve customer X. This approach can contribute to satisfied customers while at the same time avoid delays.

#### *Use of research and analyses*

When studying business, you experience that internationalizing and globalizations are popular topics, and one spend a lot of time learning these fields. What was interesting was that all the interviewees explained that research and best practise from the theoretical world was not something they had used. One explained that they had used some marketing research such as, market fit, market size, and competitor analysis. The rest stated that their main source had been their networks, and learnings as they moved ahead. One can question if these persons, could have made better decisions during the way, if they had available and understandable frameworks. Based on their feedback, they would not have made large changes to their approach. But they do see that getting investors earlier could have made thing easier, even though this is hard to accomplish. One explained that the first time they became relevant for external investors was when they first had established themselves in a new market.

This leaves me with the question concerning how different the theoretical and practical world is. Earlier experience, relationships and networks have emerged during this paper as the foundation for decisions, and how-to for all the interview objects. The Network theory explains that people are embedded within networks

of relationships that provide opportunities for and constraints on behaviour (Brass et. al. 2004, p.795). Which the findings in this paper can verify. Based on this study, it is safe to say that even though none of the interview objects claimed that they had used a theoretical approach, this has to some extent been done.

It is safe to say that the interviewees have not used a lot of time considering and analysed whether their networks have put any constraints on their decisions. It is important to remember the pitfalls within the Network-perspective, such that trust and knowledge, can reduce information asymmetries and curb opportunism.

Which was a point discussed in sub-research question one. In this paper's opinion, has the interviewees been too much shaped by earlier experience and their networks. If they had utilized existing research together with their own networks, they might have seen an even faster and larger market penetration. To give a best possible conclusion about the difference from the theoretical and practical world, findings from this paper would state that the two worlds are different, but similar. In this paper's opinion, companies can benefit from complementing practical with theoretical knowledge.

### *Conclusion*

As described above, there has been used less existing research than initially expected. What we have learned here is that it is possible to successfully enter new markets without having read 100 research papers or hired several different consulting firms to help build your entry strategy. The best advice this paper would give to smaller SaaS companies, is to spend time building your network both in your host country, and in international markets. This paper has also concluded that one trap many SaaS-companies falls into is the perfection-paradox. Software companies needs to realize and consider that good enough, is exactly as the words explain, good enough. Meaning that money invested in making the product perfect, is better spent on build a world-class commercial department.



## Main Research question

*What is the most important strategic decisions a small Norwegian Software company must consider when entering new markets?*

The main research question is being deliberated and concluded on based on the empirical findings and discussions of the sub-research questions in part 4. The purpose of this paper is to find key learnings from companies which have entered new markets before, and provide smaller Norwegian Software companies with a framework together with do's and don'ts before their entry into new markets. In this context it is natural to look at what elements and learnings the interviewees had contributed with, so that future companies can learn from these findings. Under each sub-questions the different aspects of market entry have been discussed and concluded. First, these conclusions will be summed up, and then a checklist with points that new companies can consider before entering new markets will be presented.

It is worth noticing that the discussion and findings here is based on experiences and perceptions from a limited selection of persons. It is conceivable that other interview objects might have other approaches, experiences, and opinions.

## Summary Discussion

Googling “Best practise entry into new markets” gives about 2 billion results and searching for “Entry into new markets” on BI's library page, provides 2,9 million results. This shows how much information there exists online and how much research there has been conducted on this topic. As explained above, this paper has not tried to redefine or state that some earlier research is best, but rather try to provide practical examples of what smaller Norwegian software companies must focus on and learn from, when deciding to enter a new market. Given the flood of information on these topics, it is hard for companies and persons today to sort out what is most applicable for them.

As shown through the interviews all the interviewees have been satisfied with both the approach and result of their entry into new markets. There has been some hiccups during the way, but these are experiences they have learned from, fixed, and made sure to not do again. To make this paper's findings understandable and reusable for future companies, the findings have been split into four plus two processes. The first stage will influence the strategic decision a firm makes and is called *Vision and Ambitions of the owners*. Secondly is *Network and Research*. The third is *Partners versus Own office*, and the last is *Follow Up and Follow Through*. The two other add-on processes, which according to this paper always are conducted, are *Building Networks* and *Seeking and Taking Opportunities*. See this visualised in illustration 1 below.

Strategic Decisions & Framework  
**Entry into New Markets**

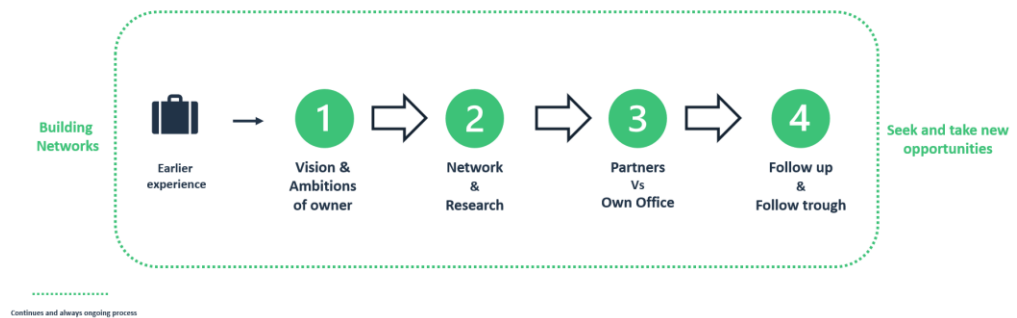
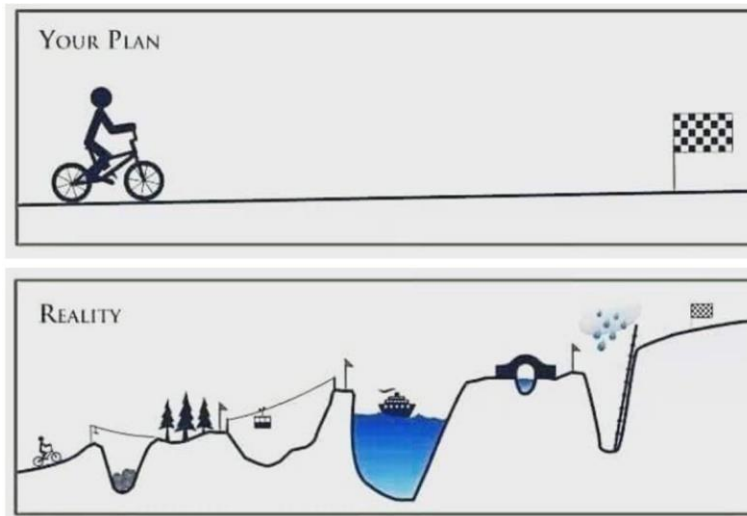


ILLUSTRATION 1 - STRATEGIC FRAMEWORK FOR ENTRY INTO NEW MARKETS. SOURCE: SELF-PRODUCED ILLUSTRATION

*Vision & Ambitions of owners*

As discussed in the sub-research questions, vision and ambitions have emerged as an important aspect for being successful when entering a new market. This paper has concluded that the entry into new markets is a time-consuming task and there always happens things that you have not thought of. This paper suggests that stamina and the willingness to put in the effort it takes, can in many ways be the

differentiator from success and failure. Most of the interview objects describes the entry process as shown in picture two.



PICTURE 1 - DESCRIPTION OF PLANS VS REALITY. SOURCE: SEMINAR WITH NORDIC SEMICONDUCTOR

This means that the owners and top management of the given company needs to ask themselves if they are willing and have the available time to put into a new entry. The reason why this paper has called the first stage of the entry process *Vision and ambition of the owners*, is due to the conclusions that there must be long-term visions from the owners' concerning topics as growth and expansions. If these ambitions exist there is most likely also a higher willingness to put in the required time. Before, during or at least in the beginning of the company's birth, according to this papers suggestion, is that the partner(s) need to have the discussion among themselves of what their goal for the future contains.

Another important thing that emerged when discussing ambitions was organizational culture. All interview objects mentioned that you cannot expect your employees to work extra or put in 110 percent if you are not willing to do it yourself. Therefore, having a fundamental understanding of the path of the company, and the future goal, can help you create a drive within your organization which will make it easier to enter new markets.

As this paper also touched upon, is how earlier experience has shaped the interview objects. There are common denominators in each of the interview objects background, and their ambition for growth and expansion. As discussed, earlier experience is beneficial both on the ambition level, and for network-building. This paper will not conclude on whether entrepreneurs need to have experience from larger international firms to be successful, because there are many examples such as Apple, Facebook, Microsoft, and others, where the owners do not have this experience from before. This paper does though suggest that it will be beneficial.

### *Network and Research*

What the interview objects have thought me is that the theoretical and practical world is often different. As described earlier, there are endless with articles, research papers and consultants dedicated to the topic of entry into new markets. It is easy to get confused on whether one should do this or that. Therefore, it was refreshing to learn that the persons interviewed for this paper had used a very simple approach to solve the “drowning in too much information sea”. They have all utilized their networks to get first-hand knowledge from someone they know on how to best enter a new market. Network theory has really emerged as a field that all the interview objects have focused on, and their advice for any new smaller Norwegian software company is to spend time networking every day, or at least as often as possible. Most of the persons have used their networks to gain knowledge and research, not only on how to enter, but why they should enter these markets. Most of the interview objects had some knowledge about the first markets they entered, but it was through their networks they got this confirmed and saw a potential market for their products.

As addressed in this paper, there are some potential down sides by relying to heavily on your network for making decisions, because without your own, or a second and third opinion, you might not be able to utilize the market potential as you could have. The suggestion from this paper is therefore to always include

elements of your own research even though you know someone in the potential market. As shown in Illustration 2.

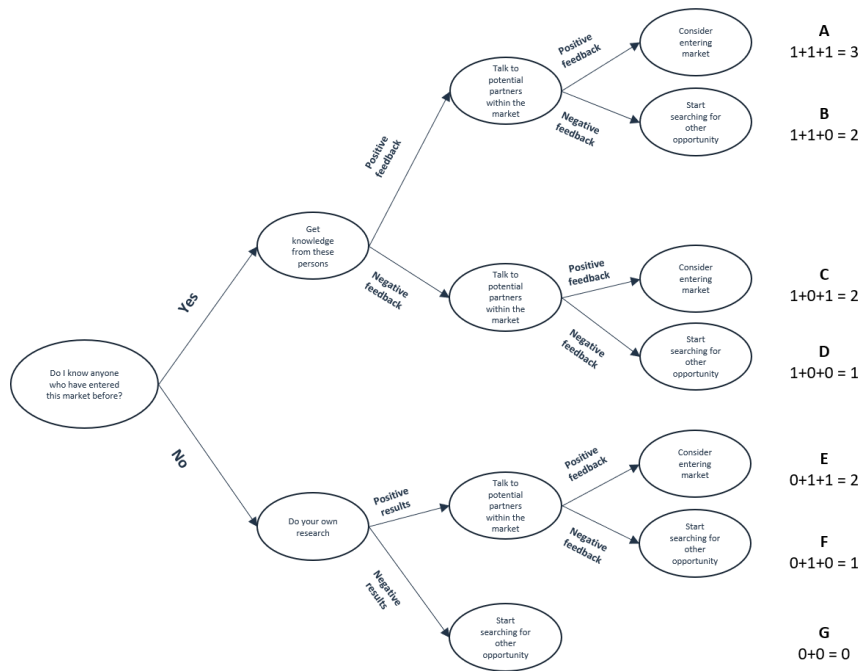


ILLUSTRATION 2 - DECISION TREE FOR MARKET POTENTIAL AND NETWORK. SOURCE: SELF-PRODUCED ILLUSTRATION. FOR OPTIMIZED VIEW, SEE ATTACHMENT 6.

This illustration demonstrates a simplified approach to evaluate a new market. As one could see, there are many repeating steps in the process. The main conclusion from this approach is that if you are left with scenario A, the percentage for succeeding is higher than for any of the other options. In this simple scenario own research is weighted higher, therefore the conclusion of not entering in option B and D.

*Partner versus Own Office*

During the interviews *Partners versus Own Office* came into light as an important decision companies must make when entering new markets. In sub-research question one, Table 1 on page 49, gives an overview based on complexity of software delivered. Illustration 3, on the other hand provides a decision-tree-overview for companies to use if they have passed stage one and two.

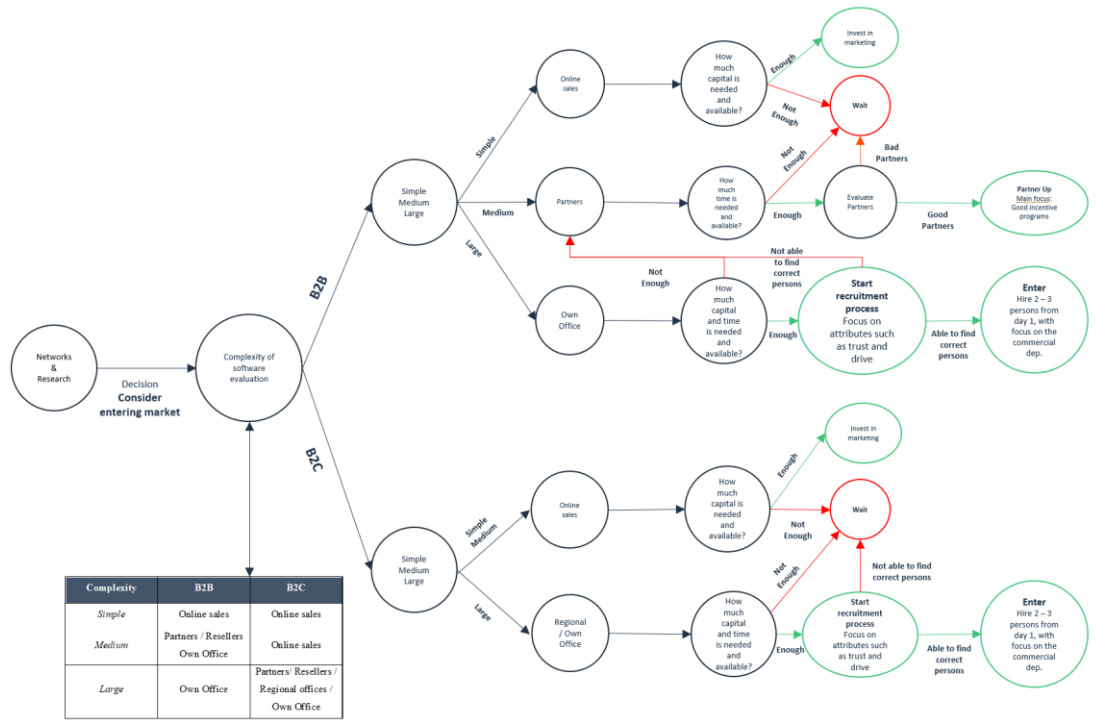


ILLUSTRATION 3 - DECISION TREE FOR OWN OFFICE, PARTNERS OR ONLINE SALES. SOURCE: SELF-MADE ILLUSTRATION. FOR OPTIMIZED VIEW, SEE ATTACHMENT 7.

There are many important strategic decisions a company will have to make, some of these are described in this decision-tree. The *Complexity-Table* is based on the feedback from interviewees. It provides a preferred choice based on complexity of your software. Complexity is both addressing reach of the software, and difficulty of using. It was stated by several of interview objects that they were selling complex solutions, which has a wide reach, and therefore they focus on own personnel in the new markets. Their reasoning for this was that the money invested by their customers where of significant amounts and had a long implementation process. Even though that Covid 19 has made virtual communication more common, will it not provide the same result as face-to-face interactions. For B2C software, the persons interviewed claimed that there was a smaller need for regional offices, with the exception that this could benefit sales positively. Since all interviewees only had experience with B2B, more research is needed to verify the B2C statements. Considering that all the interview objects

had a similar approach when entering new markets, this paper suggests that this is tested and a successful approach.

There are several other important aspects that emerged throughout the paper such as time, available capital, and recruitment. If a company has a medium or complex product and want to choose the partner-strategy, they must ask themselves if they have enough available time to follow up and to educate these partners. As discovered in sub-research question one, several of the interview objects had a focus on that no one will ever sell something they do not understand. Therefore, based on the findings of this paper you should consider taking the amount of time you think you have to spend educating and following up your partners and multiply it with five, to understand how time-consuming this is. If the answer is that your organization has this time available, then you can do it, but if not, you should wait. Another important aspect that this paper would like to emphasize when choosing the partner-strategy, is the financial incentives. These needs to be so attractive that the partner have a high willingness to sell your products.

In terms of complex solution, where the preferred option is your own office, the questions of time, capital and recruitment comes into play. An important key finding from this research is that hiring one person in a new market and thinking this will allow you to conquer new grounds, it will most likely fail. One advice, based on this paper`s findings is that when entering a new market, you need to staff up that organization to such an extent that there is a fair chance. This means a minimum of two to three persons from day one. As several of the interview objects described, this was something they had learned the hard way. This means that when deciding on opening an office or not, you need to plan with at least two FTE from day one. If there is not enough liquidity to do this, then the best advice would be to considering a partner-strategy. This is where the learning about external funding becomes important. There was a consensus that this was something all would have focused on much earlier to help them scale their organization.

If a company finds themselves in a situation where they have the available capital to hire two to three persons from day one, the element of recruitment becomes important. As described earlier, recruitment of the first personnel is the most important recruitment. One must look for qualities such as trust, honesty, and drive. If one cannot find these qualities in the people being interviewed, one will have to wait. One can say that entrepreneurs usually have a common flaw, which is that they think there are 30 hours per day and that they can be everywhere all the time. This is not reality, and therefore finding personnel one can trust, is a highly important aspect when deciding if one should open an office or not.

If one can complete all the stages described above, then one must ask oneself the question if one have the available time to spend in the given market. Culture is something which is built through leadership and “walking the talk”. So top management must spend time building the wanted culture within the new market themselves, for them to succeed.

#### *Follow up and Follow Through*

Having the needed time has been an important element throughout the paper. But since the scope of this paper has been on strategic decisions a firm must take before entering a new market, there have not been collected much detailed information upon stage four. This point will have to be researched even further. There has been given enough comments and reflections regarding the topic to only include this as an important decision for companies to consider.

As discussed in the previous stages and in the sub-research questions, an entry process is almost exactly as described in Picture 1 on page 66. Meaning there is not possible to plan for everything. This suggests that if one chooses to enter new markets, the top management needs to be aware that this will require a lot from them. Both in terms of travelling and digital meetings. As an example of an unforeseen action, one of the interviewees ended up in the court system because of a conflict with a previous partner. The interview object explained that this had



taken so much time from more pressing issues, that he got mad even talking about it. There are many more things one could touch upon on this topic, this paper has not gone in dept on any of them, rather mentioned some key findings from the research. Culture will always be different, and this is an aspect top management, and the entry firm must consider. Spending time and money on creating good contracts is important, because there will always be a possibility for a twist. “Culture eats strategy for breakfast”, meaning that you will have to spend time building the culture you want, and this culture is not built over Teams or Zoom.

### *Seeking Opportunities and Network building*

The research in this paper has shown that being able to take opportunities when they occur and always be seeking new opportunities can potentially allow you to find a gold cost you did not know existed. As explained by several of the interview objects.

Since networks have emerged as one of the key resources for success for most of the interview objects, the advice for all small software companies in Norway, or any place in world, would be to take the time an participate in network groups, conferences, and any arena possible to keep on building your network.

### *The Perfection-paradox*

The last finding this paper will touch upon is the coined Perfection-paradox. This does not directly influence the entry strategy for a company, but by putting it on the agenda, it might give the company a position to have better conditions for entering. This paper explains it as the *need* to create the perfect product for the market. As discussed in the sub-research questions, this is something the interviewees have seen in their own companies. The advice this paper will contribute with, is that good-enough, is exactly that. The money and time spent perfecting a solution, can be better spent building a solid commercial department and establishing oneself in new markets.

## Conclusion

As explained in the introduction of this part there are much information regarding the topic of market entry. This paper has tried, based on practical experiences and some theoretical research to provide a framework, and highlight different important strategic decisions a small Norwegian Software company might have to take when entering a new market. This paper will enlighten best practise for how to enter new markets, and it also highlights important strategic decisions a firm must consider. The framework will have to be tested and verified more going forward, and more research is also needed. Hopefully the framework and processes explained here can give companies and people an understanding on how to better enter markets.

## **Ending reflections**

### Entry process

An entry process has throughout the paper emerged as a complicated, complex, and usually longer process than first expected. The paper has found clear correlations on how smaller Norwegian companies enter new markets, and what strategic decisions which has or do influence the process. As we have seen through the paper that access to capital makes the process itself much easier. This paper has suggested a step-by-step approach on how to do and evaluate the situation, and this is a process I look forward to further develop and test in Vince in the near future.

The study has concluded that networks have been the main source of knowledge for the interview objects in this paper, and they all have emphasized the importance for always be networking.

### Research representative

Through the research project different owners and top management executives from smaller Norwegian SaaS companies have been interviewed. Even though they are all operating in different industries, there are many common denominators both in experience, where they have entered and their reflections regarding the entry process. This selection of interview objects has been good since they have had hands on experience in entering new markets. What could have made it even better, is if some of the persons within the new markets had been interviewed too. Because today, we are only left with the reflections from the top management from the host country. Given the fact that the research is built on interviewing top executives has it been challenging to find the right persons to interview. When they were located, it was difficult to schedule a time for the interview. This has put some limitations on the size of the interview selection. Regardless, this paper conclude that the selection of interview objects is representative, and secure both reliability and validity.

The research paper presents issues and strategical important decisions a smaller Norwegian SaaS-company must consider when entering new markets. The purpose for this study is to present these, and provide new companies with a framework which allows them to learn from others. The paper has also addressed some important elements for being successful after completing the entry. Hopefully can the paper contribute to make Norwegian SaaS-company be successful when entering new markets in the future, by providing them with practical advice from persons which have done it before. This paper would like to state that the conclusion and framework presented here does not necessarily present the best practise for all, but rather provide a process of important decisions for most.

### Working with the study

The master thesis has been very educational, exciting, and challenging. Before I started working with the paper, I only had basic knowledge through introductory courses within internationalization, and how an entry process is conducted. Working with the paper have given me much more insight, and academic knowledge within this field, which we in Vince will use when deciding on entering new markets. It has been interesting to interview and learn from the top executives which has and are conducting entry processes. All the interview objects have been open and collaborative, and shared their thoughts and key learnings. This has provided me with good insight into the most important decisions a company has to make and how this process works in a practical sense.

There is extensive research into entry process and internationalizations. This paper has after its best ability tried to provide a framework, and some best advice in a practical world, and tried to summarize learnings from others, such that future companies can have an easier journey than the once before them. Much of the empirical findings within this paper have been addressed earlier by other

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researcher, which contributes to give clear academic credibility to some of the statements.

### Future research

Given the fact that this paper has provided a strategic framework for important things to consider before entering a new market, it would it be interesting to see the framework be tested in practice. Does it provide more successful entries or not? There are also many different subjects within the presented framework which needs further research. For instance, building corporate culture within a new market, the coined term of the perfection-paradox and if SaaS-companies where to achieve faster sales if they addressed this paradox earlier. The balance between how to best provide the most including incentives for partners is an interesting topic for future research, and it would also be interesting to get the perspectives from the chosen key personnel with the new markets.

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## **Attachments**

Attachment 1: Interview guide

Attachment 2: NSD form

Attachment 3: Approval NSD

Attachment 4: Approval to use Vince information

Attachment 5: Information email ahead of interview

Attachment 6: Illustration 2

Attachment 7: Illustration 3

# Intervjuguide

Formålet med intervjuene er å gi innblikk i de strategiske avgjørelsene og undersøkelser bedrifter tar før de velger å gå inn i nye markeder. Oppgaven vil sette søkelys på teknologiselskaper i Norge, og hvordan disse har ekspandert internasjonalt.

Problemstilling: Hva er de viktigste strategiske avgjørelsene et mindre, norsk, teknologiselskaper må vurdere før man går inn i nye markeder?

## **Data og Personalia**

Dato:

Navn:

Lokasjon intervju:

## **Innledende spørsmål:**

Bakgrunn:

Kan du fortelle litt om hvem du er, og hva du jobber med?

- Hvilken stilling har du i dag, og har den eventuelt endret seg de siste årene?
- Hva jobber du primært med?
- Hvilken rolle hadde du i at selskapet gikk internasjonalt?

Kan du fortelle litt om hvem dere i XX er, og hva dere holder på med?

- Hvor mange ansatte har dere?
- Hva omsatte dere for i fjor?
- Hvor er hovedkontoret?
- Hva selger dere?
- Hvor i verden er dere lokaliserte?
- Når ble dere internasjonale?
- Når ble dere etablerte?

## Del 1 – Delproblemstilling 1 – Tanker rundt gjennomført prosess

### Refleksjoner:

- Hvordan har prosessen gått for dere?
  - o Har den gått i henhold til deres forventninger?
  - o Har prosessen vært mer eller mindre krevende enn dere først trodde?
  - o Hva mener du har vært det vanskeligste med å gå internasjonalt?
  - o Hva mener du har vært det beste og enkleste med å gå internasjonalt?
- Benyttet dere eksterne konsulenter i prosessen?
- Hvor lang tid gikk det fra start av prosessen til dere var ferdig implementert i et nytt land?
- Hadde dere lokale personer i markedene dere gikk inn i, eller var alt gjort fra Norge og digitalt?
  - o Hvis lokale personer – Hvorfor valgte dere å benytte lokale personer?
  - o Hvis alt var gjort fra Norge og digitalt – Hadde prosessen vært enklere hvis dere hadde personer som hadde kunnet kulturen og språket?
- Noe som er veldig i vinden for øyeblikket, er jo bruk av partnere, er dette noe dere benyttet dere av, eller vurderte og benytte dere av?
  - o Hvis ja – Hvordan syns du partner strategien har vært?
  - o Hvis nei – hvorfor konkluderte dere med å ikke benytte partnere?
- Hvis dere skulle gjort prosessen om igjen, hva hadde dere gjort annerledes?

### Erfaringer:

- Hvilke erfaringer er det dere tar med dere som viktigst ifra prosessen?
- Hva er deres beste råd for andre bedrifter som skal begi seg ut på samme reise som dere?
- Hva tenkte dere underveis i prosessen? Ble det gjort store endringer underveis, eller holdt dere, dere til planen?

## Del 2 – Delproblemstilling 2 – Viktige momenter for globalisering

- Hvor utvidet dere?
  - o Hvorfor utvidet dere dit?
- Hva vektla dere mest i prosessen med å utvide globalt?
- Hva fokuserte dere minst på?
- Hvorfor valgte dere å utvide globalt?
- 

## Del 3 – Delproblemstilling 3 – Selve prosessen

- Kan du forklare meg deres prosess, hva dere gjorde, og hvorfor dere gjorde slik?
- Hvilke analyser ble gjennomført?
- Hvilken støtte søkte dere hos andre lignende selskaper?
- Hvilke kjente rammeverk/forskning ble benyttet underveis i prosessen?

## Del 4 – Avsluttende spørsmål

- Er det noe vi ikke har snakket om, som du føler er viktig å få belyst angående det å gå globalt?

Takk for at du tok deg tid til å stille opp!

# NSD NORSK SENTER FOR FORSKNINGSDATA

## Meldeskjema

### Referansenummer

504765

### Hvilke personopplysninger skal du behandle?

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- Navn (også ved signatur/samtykke)
- Adresse eller telefonnummer
- E-postadresse, IP-adresse eller annen nettidentifikator
- Lydopptak av personer
- Bakgrunnsopplysninger som vil kunne identifisere en person

### Beskriv hvilke bakgrunnsopplysninger du skal behandle

Navn på intervjuobjekt. Bedriftsadresser. Telefonnummer. Kan være aktuelt at det blir foretatt noen mailutvekslinger.

### Prosjektinformasjon

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#### Prosjekttittel

Hvordan kan mindre, norske teknologiselskaper best gå inn i nye markeder.

#### Prosjektbeskrivelse

Formålet med oppgaven er å gi innblikk i de strategiske avgjørelsene og undersøkelser bedrifter tar før de velger å gå inn i nye markeder. Oppgaven vil sette søkelys på teknologiselskaper i Norge, og hvordan disse har ekspandert internasjonalt. Jeg ønsker å få innblikk i dette ved å benytte en kvalitativ tilnærming, gjennom intervjuer med bedriftsansatte. Arbeidet med masteroppgaven og forskningsprosjektet skal foregå fra januar 2022, og frem til mai 2022.

#### Dersom opplysningene skal behandles til andre formål enn behandlingen for dette prosjektet, beskriv hvilke

Opplysninger blir slettet etter at det er ferdig behandlet i forbindelse med masteroppgaven.

#### Begrunn behovet for å behandle personopplysningene

Hensikten med masteroppgaven er å samle inn empiri knyttet til hovedproblemstillingen og delproblemstillingene. Dette betyr å intervju relevante personer. For å kunne samle inn slike opplysninger, er det nødvendig å behandle personopplysninger underveis.

### **Ekstern finansiering**

#### **Type prosjekt**

Studentprosjekt, masterstudium

#### **Kontaktinformasjon, student**

Kristoffer Lorentzen Eidissen, kristoffer.l.eidissen@gmail.com, tlf: 94839251

### **Behandlingsansvar**

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#### **Behandlingsansvarlig institusjon**

Handelshøyskolen BI / BI Oslo / Institutt for ledelse og organisasjon

#### **Prosjektansvarlig (vitenskapelig ansatt/veileder eller stipendiat)**

Randi Lunnan, randi.lunnan@bi.no, tlf: 46410479

#### **Skal behandlingsansvaret deles med andre institusjoner (felles behandlingsansvarlige)?**

Nei

### **Utvalg 1**

---

#### **Beskriv utvalget**

Bedriftsansatte fra norske teknologiselskaper som har utvidet globalt.

#### **Rekruttering eller trekking av utvalget**

Rekrutteringene skjer gjennom eget nettverk.

#### **Alder**

25 - 60

#### **Personopplysninger for utvalg 1**

- Navn (også ved signatur/samtykke)
- Adresse eller telefonnummer
- E-postadresse, IP-adresse eller annen nettidetifikator

- Lydopptak av personer
- Bakgrunnsopplysninger som vil kunne identifisere en person

## Hvordan samler du inn data fra utvalg 1?

### Personlig intervju

## Grunnlag for å behandle alminnelige kategorier av personopplysninger

Samtykke (art. 6 nr. 1 bokstav a)

### Informasjon for utvalg 1

## Informerer du utvalget om behandlingen av opplysningene?

Ja

### Hvordan?

Skriftlig informasjon (papir eller elektronisk)

## Tredjepersoner

---

## Skal du behandle personopplysninger om tredjepersoner?

Nei

## Dokumentasjon

---

## Hvordan dokumenteres samtykkene?

- Manuelt (papir)

## Hvordan kan samtykket trekkes tilbake?

Selv om intervjuobjektene får mulighet til å samtykke manuelt på papir, vil jeg også spørre muntlig i begynnelsen av hvert intervju. Samtykket kan trekkes tilbake når som helst, både skriftlig og muntlig.

## Hvordan kan de registrerte få innsyn, rettet eller slettet opplysninger om seg selv?

De kan be om å få se det transkriberte intervjuet.

## Totalt antall registrerte i prosjektet

1-99



## Tillatelser

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**Skal du innhente følgende godkjenninger eller tillatelser for prosjektet?**

## Behandling

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**Hvor behandles opplysningene?**

- Ekstern tjeneste eller nettverk (databehandler)

**Hvem behandler/har tilgang til opplysningene?**

- Prosjektansvarlig
- Student (studentprosjekt)
- Databehandler

**Hvilken databehandler har tilgang til opplysningene?**

Zoom, Skype og Teams

**Tilgjengeliggjøres opplysningene utenfor EU/EØS til en tredjestat eller internasjonal organisasjon?**

Nei

## Sikkerhet

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**Oppbevares personopplysningene atskilt fra øvrige data (koblingsnøkkel)?**

Ja

**Hvilke tekniske og fysiske tiltak sikrer personopplysningene?**

- Opplysningene anonymiseres fortløpende
- Adgangsbegrensning
- Andre sikkerhetstiltak

**Hvilke**

Passordbeskyttet

**Varighet**

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**Prosjektperiode**

01.10.2021 - 01.07.2022

**Skal data med personopplysninger oppbevares utover prosjektperioden?**

Nei, alle data slettes innen prosjektslutt

**Vil de registrerte kunne identifiseres (direkte eller indirekte) i oppgave/avhandling/øvrige publikasjoner fra prosjektet?**

Ja

**Begrunn**

Det kan være at noen bedrifter blir gjenkjente via hva de svarer om hvilke landet de har utvidet til, og basert på størrelse på bedriften. Det som kommer til uttrykk, vil være gjennomlest av veileder, slik at noe ikke virker støtende, selv om det er anonymt. Alt blir anonymisert, og lest gjennom av prosjektansvarlig lærer før det publiseres.

**Tilleggsopplysninger**

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# Vurdering

**Dato**

11.03.2022

**Type**

Standard

**Referansenummer**

504765

**Prosjekttittel**

Hvordan kan mindre, norske teknologiselskaper best gå inn i nye markeder.

**Behandlingsansvarlig institusjon**

Handelshøyskolen BI / BI Oslo / Institutt for ledelse og organisasjon

**Prosjektansvarlig**

Randi Lunnan

**Student**

Kristoffer Lorentzen Eidissen

**Prosjektperiode**

01.10.2021 - 01.07.2022

[Meldeskjema](#) 

**Kommentar**

OM VURDERINGEN

Personverntjenester har en avtale med institusjonen du forsker eller studerer ved. Denne avtalen innebærer at vi skal gi deg råd slik at behandlingen av personopplysninger i prosjektet ditt er lovlig etter personvernregelverket.

Personverntjenester har nå vurdert den planlagte behandlingen av personopplysninger. Vår vurdering er at behandlingen er lovlig, hvis den gjennomføres slik den er beskrevet i meldeskjemaet med dialog og vedlegg.

**TYPE OPPLYSNINGER OG VARIGHET**

Prosjektet vil behandle alminnelige kategorier av personopplysninger frem til den datoen som er oppgitt i meldeskjemaet.

**LOVLIG GRUNNLAG**

Prosjektet vil innhente samtykke fra de registrerte til behandlingen av personopplysninger. Vår vurdering er at prosjektet legger opp til et samtykke i samsvar med kravene i art. 4 og 7, ved at det er en frivillig, spesifikk, informert og utvetydig bekreftelse som kan dokumenteres, og som den registrerte kan trekke tilbake.

Lovlig grunnlag for behandlingen vil dermed være den registrertes samtykke, jf. personvernforordningen art. 6 nr. 1 bokstav a.

**PERSONVERNPRINSIPPER**

Personverntjenester vurderer at den planlagte behandlingen av personopplysninger vil følge prinsippene i personvernforordningen om:

- lovlighet, rettferdighet og åpenhet (art. 5.1 a), ved at de registrerte får tilfredsstillende informasjon om og samtykker til behandlingen
- formålsbegrensning (art. 5.1 b), ved at personopplysninger samles inn for spesifikke, uttrykkelig angitte og berettigede formål, og ikke behandles til nye, uforenlige formål
- dataminimering (art. 5.1 c), ved at det kun behandles opplysninger som er adekvate, relevante og nødvendige for formålet med prosjektet
- lagringsbegrensning (art. 5.1 e), ved at personopplysningene ikke lagres lengre enn nødvendig for å oppfylle formålet

**DE REGISTRERTES RETTIGHETER**

Så lenge de registrerte kan identifiseres i datamaterialet vil de ha følgende rettigheter: innsyn (art. 15), retting (art. 16), sletting (art. 17), begrensning (art. 18), og dataportabilitet (art. 20).

Personverntjenester vurderer at informasjonen om behandlingen som de registrerte vil motta oppfyller lovens krav til form og innhold, jf. art. 12.1 og art. 13.

Vi minner om at hvis en registrert tar kontakt om sine rettigheter, har behandlingsansvarlig institusjon plikt til å svare innen en måned.

**FØLG DIN INSTITUSJONS RETNINGSLINJER**

Personverntjenester legger til grunn at behandlingen oppfyller kravene i personvernforordningen om riktighet (art. 5.1 d), integritet og konfidensialitet (art. 5.1. f) og sikkerhet (art. 32).

Ved bruk av databehandler (spørreskjemaleverandør, skylagring eller videosamtale) må behandlingen oppfylle kravene til bruk av

databehandler, jf. art 28 og 29. Bruk leverandører som din institusjon har avtale med.

For å forsikre dere om at kravene oppfylles, må dere følge interne retningslinjer og/eller rådføre dere med behandlingsansvarlig institusjon.

#### MELD VESENTLIGE ENDRINGER

Dersom det skjer vesentlige endringer i behandlingen av personopplysninger, kan det være nødvendig å melde dette til oss ved å oppdatere meldeskjemaet. Før du melder inn en endring, oppfordrer vi deg til å lese om hvilken type endringer det er nødvendig å melde: <https://www.nsd.no/personverntjenester/fyll-ut-meldeskjema-for-personopplysninger/melde-endringer-i-meldeskjema>

Du må vente på svar fra oss før endringen gjennomføres.

#### OPPFØLGING AV PROSJEKTET

Personverntjenester vil følge opp ved planlagt avslutning for å avklare om behandlingen av personopplysningene er avsluttet.

Lykke til med prosjektet!

## Kristoffer Eidissen

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**Fra:** Øistein Reppe  
**Sendt:** mandag 27. juni 2022 09:50  
**Til:** Kristoffer Eidissen  
**Emne:** Agreement


I Øistein Reppe, CEO of Vince, has agreed with Kristoffer Eidissen that the Vince name can be used for the purpose of answering his research question. It has been in close correlation that we together decided on the topic and purpose of the paper.


Public information regarding the company is permitted to be used for the study, while company secrets and other secret information is not allowed to be used. Kristoffer is allowed to publicly announce our financial goal of 50 MNOK in ARR by the end of 2024, and is allowed to use our 30 percent growth goal, to express the purpose of the paper.



### Øistein Reppe

Chief Executive Officer | VINCE

 [+47 917 09 230](tel:+4791709230)

 [oistein.reppe@vince.no](mailto:oistein.reppe@vince.no)

 [www.vince.no](http://www.vince.no)

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[Support@vince.no](mailto:Support@vince.no) |

[Vince Service Center](#)

Til X

Februar 2022

**Vil du delta i forskningsprosjektet «Hvordan kan mindre, norske teknologiselskaper best gå inn i nye markeder»?**

Dette er en henvendelse til deg om deltakelse i et forskningsprosjekt som skal gjennomføres i forbindelse med en masteroppgave ved Handelshøyskolen BI. Masteroppgaven skal skrives som en avsluttende oppgave i utdanningen Master in Science with major in Strategy. Temaet for masteroppgaven er hvordan norske teknologiselskaper best kan gå inn i nye markeder. Dette skrivet skal gi deg informasjon om målene for prosjektet, og hva deltakelse vil innebære for deg.

**Formål**

Formålet med oppgaven er å gi innblikk i de strategiske avgjørelsene og undersøkelser bedrifter tar før de velger å gå inn i nye markeder. Oppgaven vil sette søkelys på teknologiselskaper i Norge, og hvordan disse har ekspandert internasjonalt. Jeg ønsker å få innblikk i dette ved å benytte en kvalitativ tilnærming, gjennom intervjuer med bedriftsansatte. Arbeidet med masteroppgaven og forskningsprosjektet skal foregå fra januar 2022, og frem til mai 2022.

Gjennom arbeidet med masteroppgaven skal jeg besvare én hovedproblemstilling. Denne skal besvares gjennom å belyse og drøfte tre delproblemstillinger.

*Hovedproblemstilling*

«Hvordan kan mindre, norske, teknologiselskaper best gå inn i nye internasjonale markeder?»

**Hvem er ansvarlig for forskningsprosjektet?**

Handelshøyskolen BI er ansvarlig for prosjektet.

### **Hvorfor får du spørsmål om å delta?**

Du får spørsmål om å delta i dette forskningsprosjektet enten fordi du jobber i et norsk teknologiselskap som har utvidet globalt, eller har erfaring med slike prosesser.

### **Hva innebærer det for deg å delta?**

Velger du å delta i prosjektet, innebærer det at du stiller til et intervju. Intervjuet vil ta omtrent én time. Vi kan sammen avtale hvor og når intervjuene skal finne sted. Spørsmålene som blir stilt under intervjuene har som hensikt å belyse dine tanker og erfaringer rundt prosessen.

Tema for intervjuene vil derfor blant annet være problemer, muligheter, utfordringer, erfaringer, resultater og effekter av prosessen i forkant av faktisk gjennomføring.

Det er ønskelig at intervjuet blir tatt opp med en båndopptaker eller liknende. Opplysningene samles inn ved hjelp av båndopptaker etter samtykke, og gjennom notater. Videre vil opplysningene lagres elektronisk. Intervjuene skal i hovedsak gjennomføres i februar 2022.

Det er ønskelig med personlig intervju, men på grunn av Corona-situasjonen er det fullt mulig å ta intervjuet per telefon eller en annen digital løsning dersom dette foretrekkes.

### **Det er frivillig å delta**

Det er frivillig å delta i prosjektet. Hvis du velger å delta, kan du når som helst trekke samtykket tilbake uten å oppgi noen grunn. Alle dine personopplysninger vil da bli slettet. Det vil ikke ha noen negative konsekvenser for deg hvis du ikke vil delta eller senere velger å trekke deg.

### **Ditt personvern – hvordan jeg oppbevarer og bruker dine opplysninger**

Jeg vil bare bruke opplysningene om deg til formålene det er fortalt om i dette skrevet.

Opplysningene vil bli behandlet konfidensielt og i samsvar med personvernregelverket. Dette regelverket innebærer at:

### **Dine rettigheter:**

Så lenge du kan identifiseres i datamaterialet, har du rett til:

- innsyn i hvilke personopplysninger som er registrert om deg
- å få rettet personopplysninger om deg
- å få slettet personopplysninger om deg
- få utlevert en kopi av dine personopplysninger (dataportabilitet), og

- å sende klage til personvernombudet eller Datatilsynet om behandlingen av dine personopplysninger.

### **Hva gir rett til å behandle personopplysninger om deg?**

Opplysningene om deg vil behandles basert på ditt samtykke.

Det understrekes at personopplysningene i dette forskningsprosjektet vil bli behandlet konfidensielt. Enkelt personer vil ikke kunne gjenkjennes av publikum. I rapporten vil det kunne fremkomme slik: «Bedrift A kunne fortelle at ...» eller «En representant fra Bedrift B i Oslo fortalte at ...». Informasjonen om deltakeren vil kun være tilgjengelig for meg som skriver masteroppgaven og veilederen min Randi Lunnan, og vil i tiden oppgaven skrives være lagret på passord beskyttet PC.

Forskningsprosjektet og masteroppgaven avsluttes med innlevering av skriftlig oppgave i juni 2022. Innhentede personopplysninger slettes ved prosjektslutt.

Norsk senter for forskningsdata AS (NSD) har vurdert at behandlingen av personopplysninger i dette prosjektet er i samsvar med personvernregelverket.

### **Hvor kan jeg finne ut mer?**

- Hvis du har spørsmål til studien, eller ønsker å benytte deg av dine rettigheter, ta kontakt med: vårt personvernombud: Vibeke Nesbakken: [personvernombud@bi.no](mailto:personvernombud@bi.no)
- NSD – Norsk senter for forskningsdata AS, på e-post ([personverntjenester@nsd.no](mailto:personverntjenester@nsd.no)) eller telefon 55 58 21 17.

Har du spørsmål om prosjektet kan du ta kontakt med meg på telefonnummer 948 39 251 eller sende e- post til [kristoffer.l.eidissen@gmail.com](mailto:kristoffer.l.eidissen@gmail.com). Du kan også kontakte min veileder Randi Lunnan på [Randi.lunnan@bi.no](mailto:Randi.lunnan@bi.no).

Med vennlig hilsen

Kristoffer Lorentzen Eidissen



## Samtykkeerklæring

Jeg har mottatt og forstått informasjonen om prosjektet masteroppgave om globalisering med tittel «Hvordan kan mindre, norske teknologiselskaper best gå inn i nye markeder» og har fått anledning til å stille spørsmål. Jeg samtykker til:

- å delta i intervju
- å omtale tredjepersoner anonymt

Jeg samtykker til at mine opplysninger behandles frem til prosjektet er avsluttet.

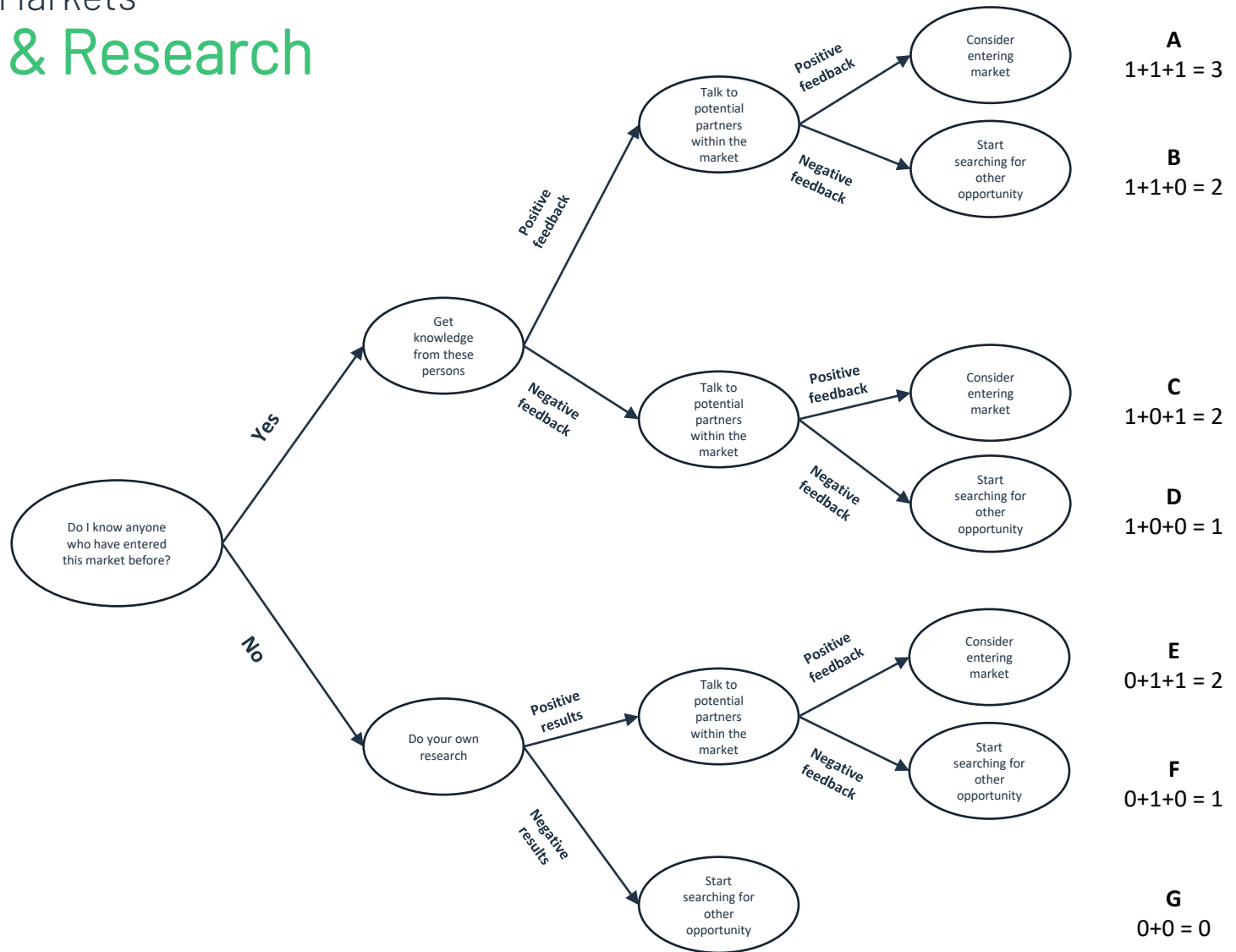
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(Signert av prosjektdeltaker, dato)

# Entry into new Markets

## Networks & Research



# Entry into new Markets

## Partners vs Own Office

