



**DEVELOPING INTERNATIONAL  
SERVICES OF TAMPERE  
CHAMBER AND COMMERCE BY  
USING THE METHOD OF  
PRODUCTIZATION**

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## ABSTRACT

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Developing international services of Tampere Chamber and Commerce by using the method of productization  
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This thesis was commissioned by Tampere Chamber of Commerce in order to study if the current internationalization services are corresponding with the customer needs. The thesis studied the current state of international trade in Finland further focusing on Pirkanmaa region. Secondary data was collected by analyzing the internationalization surveys of Team Finland on the national level and surveys implemented by Tampere Chamber of Commerce to gain insights in the regional level. Based on the findings a qualitative research was executed by interviewing potential and existing customers in order to maintain a customer centric approach.

The main purpose of this thesis was to map and define all the international services offered currently and to find out new opportunities or development proposals how to better meet the members' needs. The intended outcome was a productized service portfolio comprehending all the international services. This was executed by using the method of productization which means systemizing, standardizing and developing the internal processes of an organization but also the part of services visible for the customer.

This thesis was a functional development process by nature and it was built on two main sections. The first part is studying the concept of productization of services, and prior studies about internationalization of Finnish companies nationally as well as in the Pirkanmaa region. First part will work as a theoretical framework for the second part that will productize the international services of Tampere Chamber of Commerce.

As a result of this development task the international breakfast service was further developed based on the recognized customer needs, one new service idea of a mentoring network was suggested and the overall service portfolio was redesigned in order to make it more concrete and efficient. All information collected in this thesis can be utilized when further developing international services in the future.

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Key words: service design, productization, service development, internationalization

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## 1. INTRODUCTION

### 1.1 Background

Since the first wave of globalization in the mid-19<sup>th</sup> century the world has become more and more integrated and international trade has become much of a norm in a daily business life. (World trade report, 2008,15) Foreign trade is especially important for an open market economy like Finland. During the past twenty years the stake of international trade has been growing continuously and in year 2008 the proportion of Finnish exports was approximately four times bigger than in the 1990's. (Kangasniemi, 2015) This is giving a clear signal that globalization is a trend continuing in the future as well.

Every fifth small or medium sized company in Finland is active in the field of export sales. Export sales have a clear impact in the company turnover for many of these companies and for every third small or medium sized (SME) company it has evolved as a very important part of their turnover. Strongly growth oriented export companies are more optimistic of future than other companies. (Simola, 2015) In Pirkanmaa region itself there are more than one thousand companies operating in the field of export sales. (Tulli, 2013A) As the trend of internationalization is expected to continue in the future this number is likely to increase as well.

In year 2013 there were 283 290 active companies operating in Finland. (Yrittäjyys Suomessa, 2015) In year 2002 the number of companies operating in the field of export sales amounted a little more than 7900 companies which was approximately 3, 5 percentage of all companies at that time. (Lith, 2004) According to Johanna Ikäheimo from Elinkeinoelämän keskusliitto in year 2015 Finland has more export companies than ever before in its history, amounting to 20 000 companies nationally. She also states that the internationalization activity has been continuously increasing and especially the number of companies in their early stages of internationalization is currently a significant growth group. (Elinkeinoelämän keskusliitto, 2015)

The domestic markets in Finland do not provide the needed volumes for companies. To increase the profitability in Finnish companies the path of internationalization has often been a necessary part of their operations. Small size of domestic market has been forcing small and medium sized companies to go international in order to maintain the intended

growth rate. Even though the amount of export companies is relatively small when compared to the overall number of Finnish companies they covered more than 60% of the overall turnover in 2004. (Lith, 2004)

## **1.2 Tampere Chamber of Commerce and Industry**

The commissioner for this thesis project is Tampere Chamber of Commerce and Industry, which is a leading business organization in the Tampere region. Tampere CCI was founded in May 1918. A large number of the leading companies in the area are members of the organization. Currently Tampere CCI represents approximately 1700 members from varying fields of private sector and the mission of the organization is to enhance and promote the business interests of the community. (Tampereen kauppakamari, 2015)

The database of Tampere CCI points out that roughly 26 percentages of its members are entitled in exports business. (Tampere Chamber of Commerce and Industry, 2015A) According to the strategy of Tampere CCI one of its focuses is to promote internationalization of local businesses. Other priorities are to promote the general business life, fair competition and market economy in its operating area. Actions taken to improve the local competitiveness are for example offering influencing channels, training on different fields of business and providing contacts and networks. Tampere CCI is also providing useful information and statistics from the region. (Tampereen kauppakamari, 2015)

In addition to promoting the business interests of the community Tampere Chamber of Commerce and Industry has public functions described in the Finnish law as well. The organization is directly linked to international trade through certification and granting of exportation documents and its worldwide ATA Carnet system for temporarily exports. Nationally overseeing and accepting auditors and auditing firms is a duty assigned for Finnish Chambers of Commerce as well. (Tampereen kauppakamari, 2015)

Tampere Chamber of Commerce is one of the 19 regional Chambers of Commerce operating in Finland. Each of them is aiming to improve the business environment in their own area. Regional Chambers altogether own the Finnish Central Chamber of Commerce. Central Chamber of Commerce operates on the national level and it is the main institution representing Finnish Chambers and their interests in the international level. (Tampereen kauppakamari, 2015)

### **1.3 Objectives and aims**

The objective of the thesis is to map and develop the international services offered by Tampere Chamber of Commerce and Industry. This is a topical theme because Finland is getting more and more involved in the international trade. Globalization trend is about to continue which makes international services important in the future as well. Promoting internationalization has been recently raised as a part of the strategy of Tampere Chamber of Commerce and Industry. Due to its place in the strategy international services should have a corresponding share of all services provided by Tampere Chamber of Commerce but also its own indicators for measuring results. To better serve its members Tampere CCI needs to maintain a competitive and future oriented services portfolio that is adjusted to changes in the general business climate.

The main purpose is to map and define all the international services offered currently and to find out new opportunities or development proposals how to better meet the members' needs. The intended outcome is a productized service portfolio comprehending all the international services. This makes it more efficient to sell the offered services and makes it easier for the target customers to find the offering they are interested in. It also helps to standardize the content and the quality of the offered services. Possibly the visibility of international services is likely to increase the interest towards a membership by companies entitled in international trading.

In addition to the own interests of Tampere Chamber of Commerce also the Central Chamber of Commerce aims to standardize and unify the international services offering in the regional chambers to create more consistent national brand. If successful the development proposals in this thesis will be implemented in other regional chambers as well.

The secondary source for information are publications dealing with national data but also the regional surveys implemented by Tampere Chamber of Commerce in years 2012 and 2014. At first the concept of internationalization will be analyzed in the national level and then in the regional level. This gives a broad understanding of Finland nationally and then narrows the focus closer to the actual target segment relevant for Tampere Chamber of Commerce.

The primary source of information will be the interviews implemented during the fall 2015. Interviewed people were strategically selected to represent the key customer groups using the services in order to gain an extensive understanding of the customer needs. This research is qualitative by nature and all together 5 people will be interviewed. The objectives and the research methodology will be further explained in chapter 5.2.

The qualitative method will be used to further understand the customers and to collect in depth information. Also new products created based on quantitative data will be tested in the interviews. Quantitative research was not considered as an appropriate research method because it is not providing any in depth information for questions why people are using a service or what is the actual benefit they are looking for. In addition there were already existing multiple studies concerning the same research question in a national and regional scale. This means that the basic information of internationalization of Finnish companies and the statistically robust data is already existing and it is collected by reliable authorities.

### **1.3 Structure of the thesis**

This thesis consists of two parts: The first part will be studying the concept of productization of services, and prior studies about internationalization of Finnish companies nationally as well as in the Pirkanmaa region. These topics were chosen because they give a good base in analyzing and developing the services from customer centric perspectives. First part will work as a theoretical framework for the second part that will productize the international services of Tampere Chamber of Commerce. Even though the theoretical framework is covering the productization of companywide services this thesis will focus only on international services and other services will not be taken into account.

Chapter one is explaining the objective for this thesis project and opening up the background information of the project. First part of this thesis consisting of chapters two, three and four is a theoretical framework for the second part where these theories and information will be applied in practice. This means that chapters five, six, seven and eight together form the actual outcome of this thesis. Chapter five takes the theory of productization into practice and the current state of services will be analyzed. As suggested in

the theory of productization interviews are implemented after the mapping of current services offering in order to find out development suggestions. Chapter six explains the choice of services further developed in chapter seven. It also describes why certain services are not further developed and some are left out of the overall offering. Chapter seven will give concrete development suggestions based on the analyzed background material.

## **2 SERVICES DEVELOPMENT**

### **2.1 Definition of a service**

A common feature for services is that they are intangible, process type and the customer is in active role when producing the service. (Jaakkola et. al, 2009, 2) Also Grönroos (2007, 4,52-53) states in his book that “1. Services are processes consisting of activities. 2. Services are at least to some extent produced and consumed simultaneously. 3. The customer participates as a co-producer in the service production process at least to some extent.” From the customer perspective they are not purchasing goods or services but only the benefits they are willing to gain. Developing services is common for all businesses across the different industries.

Challenges in managing a services business are often related to quality management, changes in the demand level and internal inefficiencies. (Jaakkola et. al, 2009, 2) According to Grönroos (2007, 224-225) services companies cannot be managed by the same principles as traditional companies selling physical goods. He suggests two main emphasizes to consider. At first the focus should be on processes instead of the structure of the company. Secondly when making organizational decisions the attention should be focused on external consequences affecting the customers instead of the internal consequences for the firm.

### **2.2 Productization as a tool to develop services**

In this thesis productization is considered as a tool to systemize, standardize and define the processes related to producing a service to ensure a more consistent outcome. Productization can be understood as a tool to standardize a service into a product like constant commodity. It can be used in enhancing the processes visible for customer but also inside the company in internal processes not visible for the customer. Productization can be used to create entirely new services but also to further develop the existing ones. Currently the term doesn't have any commonly accepted definition. Services related productization is sometimes described as concepting or standardizing a service as well. (Jaakola et. al, 2009, 2)

When productizing a service the main objective is usually in renewing and developing the services offering into a more qualified and productive direction. Well productized services are a vital part in creating a competitive, creative and productive business. According to studies a well-managed research and development process and innovative customer centric approach are essential to become more competitive and successful. Companies that are efficient in productizing are more likely to have more potential in the international markets as well. Productization is a tool used to meet the operational targets in the services business. Developing new and existing services offering is very important for the competitiveness and the profitability of the company. This makes productization a valuable tool for companies. (Jaakola et. al., 2009, 3-5)

Productization as a process helps to maximize the added value for the customer but also increases the productivity from the company point of view. From other perspective productization adds value for the customer because the service is easier to evaluate and thus easier to purchase. A non-productized service can be recognized by three different deficiencies that are non-specific content of a service and pricing that is not automatically ready. Another typical problem for non-productized service is that there is no responsible person in the company. In a company the services are not likely to be developed if there is no person responsible for developing the service. (Parantainen, 2007, 25-38)

### **2.3 Mapping and evaluation of the current service offering**

The starting point in the productization process is to define the services currently offered by the company. The purpose is to create a clear picture about the services that form the business at that particular moment. Defining the services offering is not always an easy task especially in the companies that operate in a very knowledge intensive sectors. In this type of companies the personnel might not exactly know what services and know how are currently offered. A recommended way to map the services offering is to group services around a certain functions, processes or customer segments to find the existing services. (Jaakola et. al. 2009,7-10)

After the phase of current state analysis is completed the company needs to evaluate the profitability, efficiency and risks in the individual services but also the entity of all services. One way to guide the evaluation process is to create a target oriented futuristic

services pallet in a five years scope and see how to further develop the current services offering to meet the targets. The purpose of the evaluation is to find out if the current services meet the set standards and find the ones that should be further developed. After the evaluation process there might also occur a clear need for a service that is not currently offered. (Jaakola et. al.2009, 7)

When creating the future target oriented services pallet there are many factors to consider. They vary from the very baseline strategic measures to surrounding business environment and internal capabilities of the company. The existing company strategy, its mission and vision create a base for the productization process. The productization processes need to follow the existing strategy targets in order to provide additional value. If a service is not a strategic fit it should not be included in the services pallet or further developed. (Jaakola et. al. 2009, 7)

Customer centric view should be carried out from the very beginning of the productization process. To support the evaluation process all of the services should be described from the customer perspective as well. It is a helpful tool to see if the services do fit with the recognized customer needs. Sometimes it happens that the demand starts to rise only after there is a clear product to be offered. When the services are described from the customer centric approach they are easier for the customer to understand but the customer may recognize a hidden need as well. Sometimes the customer needs are different to the ones the company is expecting. Another common problem is that employees are focusing in internal processes or technologies that are not valued by the customer. (Parantainen 2007, 27-28)

Due to the fast changing environment the services offering should always have a future oriented approach. In practice this means that the company should always have products in their different life cycle phases. Every company should have innovative new services in the beginning of their life cycle in addition to the already stable existing ones. It is difficult to exactly forecast the length of a lifecycle but it is important to be prepared for the changing needs in the markets. The services offering should be evolved at the same phase as customer needs change. In now a day's environment it is crucial to respond for customer needs but also see the latent needs that exist in the markets but are not utilized yet. (Jaakola et. al. 2009, 8)

## 2.4 Defining key components of a service

After the evaluation of the services offering the productization process continues by taking each of the chosen services under development individually. This means that every new or renewable service will be operated separately through the same productization process. The productization process starts with clarifying the actual intangible benefits that the customers are looking for. (Jaakola et. al. 2009,11) Traditionally a service packaging model that is used to describe a bundle of different services suggests that the package should be divided into two different categories that are the core service and the auxiliary services. For managerial reasons it is more efficient to distinguish three different categories that are core service, enabling service and enhancing service. (Grönroos, 2007, 185-186)

A core function is the most essential function why the customer purchases a service and the reason why the company exists in the market. The whole service will be built around the benefit that a customer is looking for. Supportive functions that allow the core function to be utilized are called enabling services. The necessary supportive functions should be recognized in order to become clear about all the related phases in the process. (Grönroos, 2007, 186)

Additional services are valuable services for the customer and they provide more choices for the customer. They are often called enhancing services as well. (Grönroos, 2007, 186) From the company perspective additional services might provide a way to create competitive advantage against competitors. In case the additional services create more demand for the service they are not necessarily designed to create any additional profits. Often additional services are seen as a tool to broaden the customer base instead of increasing profits. Sometimes productization only increases the efficiency in the back office running the supportive operations. (Jaakola et. al. 2009,11)

Packaging the related core, supportive and additional functions as a service package helps especially in the case of intangible utilities like services. It makes the marketing and selling of the service a lot easier. When the customer has a clear picture of the content of the service, the risk related to purchasing the service feels smaller. Selling abstract services gets easier when the customer has a possibility to see the parts forming the service and he might have the change to pick up the additional services. (Jaakola et. al. 2009,13)

In addition to the content of the service in the services process needs to be defined as well. In this thesis the services process is considered to include the functions visible for the customer as well as the internal processes of the company. When creating or renewing the services process a recommended way is to start by describing all the stages of implementation as carefully as possible. This helps to clarify the employees related to the important functions as well as the needed resources and the allocation of time. This allows to analyze the costs and cost efficiency related to the service. The intended outcome is in increased knowledge of all the needed stages and resources. To better serve the customer it is useful to mark the stages where the customer will be involved in the process. Third parties involved in the production of the process should be included in the process description as well in order to enhance the scheduling, cooperation and planning. (Boughnim & Yannou, 2005, 6-9)

Blueprinting method is a tool designed especially for mapping out the services process and to visualize the entire service process. In the blueprinting method all the stages of implementation will be placed in the chart describing their role in the process. (Figure 1) According to Boughnim and Yannou “It depicts the process of service delivery, roles of customers, roles of service employees, and visible components of service.” Blueprinting method is a valuable tool for managers due to its objectivity. It also focuses in the most critical parts of the process from the analyzing, development and quality point of view. (2005, 8)

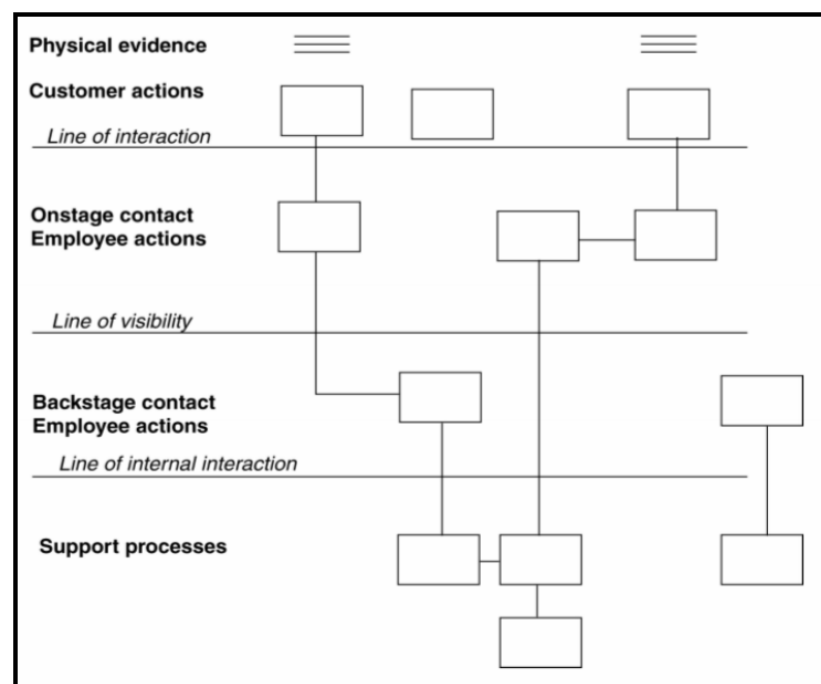


FIGURE 1. The Blueprinting method. (Boughnim & Yannou, 2005, 7-8)

## 2.5 Standardizing a service

Standardization is one very essential part of productization. In practice it means fully or partially standardizing the service package into a repeatable concept by using a certain method. It can be the content of the service, the production or the consumption phase that is standardized. Standardized parts can be duplicated to many different customers which increases the efficiency and the profitability of the company significantly. Due to standardization employees have no need to start from the scratch every time and from the customer perspective there will be less distribution in the quality of the service. (Jaakola et. al. 2009, 19)

The relationship between the standardized and customized parts of the service is directly linked to strategy. It depends from the overall strategy which degree of productization is the most valuable for the company. There are two extremities when it comes to productization; A fully customized, unique type of a service that includes no standardized elements. This could be a consultant project solving a problem where no existing systematic methods can be used. The other extremity is a fully standardized service that will remain exactly the same with every customer. Many IT based services are examples of very standardized services model. (Jaakola et. al. 2009,19)

Many companies from the services business are somewhere in between the two extremities. If the service is completely systematized it leaves very little possibilities in regard to the unique customer needs. On the other hand it is very unprofitable to start designing every project from the beginning. Customizing can be a significant competitive advantage if competitors have a very standardized services offering. Here it is possible to make a conclusion that standardization is worthwhile when the customer needs are similar among all of the customers. (Jaakola et. al. 2009,19)

In the past years the “mass customization” has been increasing its importance in many different fields. When dividing separate parts of the services package into modules the company is able to deliver a customized service that is still fully standardized. The customer can build a solution fitting his unique needs but delivery times are shorter and producing the service is more efficient because the entity is formed from the standardized

modules. As shown in figure 2 this provides the customer a feeling of a customized service and the seller the opportunity to use his expertise in building a suitable solution. (Parantainen, 2007, 92)

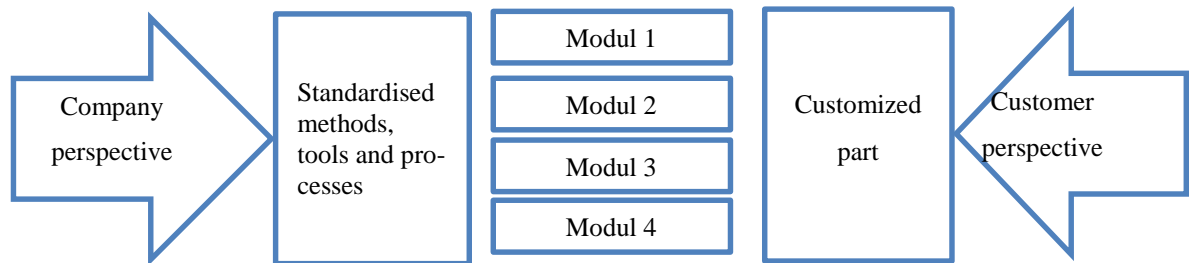


FIGURE 2. Example of the structure of a modular service, Translated (Jaakola et. al. 2009, 20)

Standardizing methods and actions can be an internal project as well. The objective is to model the processes to be implemented in the same way with every customer. Different methods can be based on the Code of Conduct, information system, communication and standardized tools for example. Again, this improves efficiency and quality but also decreases person specific linkages. A clear format is always thought to be property of a company and not the employee involved. (Parantainen, 2007, 125) Customer data base will ensure that the knowledge about the customer and his earlier requests is easily reachable, even if the contact person inside the company will change. (Jaakola et. al. 2009, 19-22)

Systematic collection of data changes the knowhow of the company into more transferable and replicable form. In the beginning collecting data requires additional work but later it may result new analyzing methods or tools. The collected data should be transferred into documented information that is easy to analyze. Standardization can be related to the form of the data, its content or processing methods for example. (Jaakola et. al. 2009, 19-22)

Standardizing processes enhances the internal distribution of work. This is vital especially in the knowledge intensive companies because the work of experts should be focused in the specialist tasks. Systemizing the code of conduct will help in forecasting the results as well. When the service is produced by following a certain standard it is possible to provide a relatively reliable estimate about the final outcome for the customer but also

estimate the time frame for the delivery. This will decrease the risk from customer perspective and increase the quality of the service. (Parantainen, 2007, 123-127)

## **2.6 Pricing a service**

When productizing, determining the content and standardization of the service will create the base for efficient pricing. Basically an hourly rated cost should be avoided and pricing should move towards a stagnant pricing. The module type of an approach is useful from the pricing perspective as well. A company should price the basic version and additional modules separately. All in all a stagnant pricing is easier for the customer to understand but it requires a careful determination of the actual content of the service. Productization will allow a stagnant pricing for services and every service can be priced beforehand. (Parantainen, 2007, 85-91)

The price of a service is very essential signal about the quality of a service. Services are often priced with a cost based method but it is not necessarily the best practice. In practice the related costs define the lowest price level but the upper level should be defined by markets and demand. If the benefits gained from purchasing the service are great, it allows a higher price as well. The more unique the service is the more freedom the company has with its pricing policy. Anyway, the price level should be always proportionate to other operators in the field. (Parantainen, 2007, 85-91)

According to Parantainen (2007, 85-91) pricing is a valuable tool to guide customers. In his book Parantainen states that when arranging a seminar for customers the seminar should always have a price. More expensive the seminar more qualified and valuable the event is from the customer perspective. Then the company can provide the invited people a free entry voucher to the seminar but people still value the seminar much higher. Pricing is a tool to guide customers but pricing has multiple psychological effects as well when it comes to determining quality for example.

## **2.7 Concretizing a service**

Concretizing is the final touch in the productization process. The main objective is to harmonize the communication in the customer interface. At this point the service should have a name and a unique character. To clarify the communication with customers the service pledge should be clear as well. The employees need to answer the question how do we produce and deliver the customer the benefit he needs? (Jaakola et. al, 2009, 11, 27)

To create a strong brand the communication with customers' needs to be always consistent. Concretizing a service helps to strengthen the brand image as well. The intended message can be supported and harmonized by adding physical elements as a part of the service. It is easier to communicate about the content and quality when the intangible services can be described through physical elements. (Valminen & Toivonen 2010, 12)

There are multiple ways to add physical elements to support the service. Brochures, references and guarantee are ways to add some physical elements for example. From the customer perspective physical elements help in forming images and expectations from the service. Reducing the sense of risk related to the purchase is one of the main objectives behind the tangible elements and they are designed to help the customer to make purchase decisions. (Parantainen, 2007, 48-61)

## **2.8 Tracking, measurement and continuous development**

After the productization process it is very essential to have a proper system to track and measure the success. Tracking is important in developing services in the long run. Every productization process should have clear objectives but also clear measurement system to analyze the success. The monitored areas should be defined through the set objectives and they might be different in every process. Internally the success of productization can be measured by productivity, profitability or quality variations. From the customer perspective things like quality and customer satisfaction are often measured. (Jaakola et. al. 2009, 33-34)

Due to its intangible nature quality of a service is a complex concept to measure. The quality of a service is easier to measure when the actual outcome and the production processes are separated. The outcome is the benefits that the customer actually gains and the process is evaluated as the interaction between the customer and the company. (Jaakola et. al. 2009, 33-34) Customer satisfaction can be measured by using customer satisfaction surveys. By using surveys it is possible to monitor if the idea of customers' needs and expectations is on the right level. Customer satisfaction surveys are great tools in measuring the success but they are rarely telling if something is missing nor how things need to be changed. The value that surveys provide is in mapping the relative changes rather than in the absolute outcome. (Parantainen 2007, 253-257)

Another source for feedback is reclamations. According to Parantainen (2007, 253-257) there are only a few companies actually taking the advantage of utilizing reclamations in order to enhance operations. Usually reclamations are signing problems in the services process or the training of the employees. Reclamations should be handled accordingly in order to enhance future operations but often the reclamations never get further from the employees receiving the complaints. (Parantainen 2007, 253-257)

Measuring productivity is one example of the internal measures. Productivity means the internal capability to produce a service. After productization productivity is easier to measure when the needed resources are clear. Productivity can be monitored by metrics like time consumption or efficiency. Technology is often playing an important part in the productization process. Metrics used for performance measurement can also lead the company into unwelcome direction as well. It is important to design the monitored metrics to lead the operations into beneficial direction and guide employees to focus into the most important functions. (Jaakola et. al. 2009, 36)

### 3 INTERNATIONAL TRADE IN FINLAND

#### 3.1 Finnish companies trading internationally

Internationalization as a concept means a process where a company is extending its operational and financial functions beyond its domestic borders. In practice internationalization means a company starting or extending its operations in the import or export business, or bringing up cooperation with foreign companies. Usually companies are defined as international operators when they are regularly trading abroad and the foreign trade counts a decent percentage of the income. Currently in Finland the number of direct export companies is very small when compared to other European countries. (Mayer-Pirttijärvi, 2010, 11)

According to the statistics produced by Finnish customs in 2014 three biggest trading partners for Finland were Germany, Sweden and Russia. Together these three countries count approximately 30% of Finnish exports. Other significant trading partners in 2014 were Netherlands, the United States, Great Britain and China. When compared to the corresponding statistics two years earlier the order remains very similar with only smallish changes. The amount of exports into Germany were increasing whereas the trade with Russia was diminishing slightly. European Union still counts more than half of the Finnish export activities. (Suomen tullit, 2013B, 2015B)

A study prepared by Team Finland operators was exploring the export market interests of Finnish companies. It seems that the market interests are quite clearly reflected to the countries that Finland is already actively trading with. Finnish companies find Russia, Sweden, China and the U.S.A as the most interesting exportation countries. According to the study Japan and India are countries that companies are more interested in than the actual export statistic are signaling. A new group rising from the study is the born global companies that are targeting to all target markets around the world. (Nieminen et. al. 2013, 11-12)

Finnish companies are mainly exporting industrial products. Four biggest categories of Finnish exports are chemicals, forestry goods, metal and machinery industry products and electronics industry products. These four groups are currently covering almost ninety percentage of Finnish exports. (Finnish customs statistics, 2015A) Here it is possible to make a conclusion that goods exported from Finland are of industrial type and Finnish exports

heavily rely on only a few sectors. Industrial companies are evaluated to count more than 80 percentage of the full value of Finnish exports. (Mayer-Pirttijärvi, 2010, 12)

Especially in the field of services sector exports Finland is behind of other EU countries. The recent development of technology has allowed Finnish companies to better utilize exportation of services. In the past the very distant location of Finland has been much of a problem. Currently the exports in services count approximately one fifth of the value of all exports. The amount of services exports has tripled in the past ten years and there are great expectations that services industry will replace the declining export trade in goods. (Mayer-Pirttijärvi, 2010, 12)

### **3.2 Paths of internationalization and recognized success factors**

According to studies small and medium sized businesses operating abroad have at least three different types of background of internationalization. This means that there are three recognized measures how SME's are expanding beyond their domestic borders. There are the born global companies, gradually internationalized and the companies internationalized through mergers and acquisitions. In the case of mergers and acquisition buyers are often foreigners or internationally oriented and they want to expand operations abroad. (Graves & Thomas, 2008)

Traditionally small and medium sized companies tend to internationalize relatively slowly. Often companies are aiming in a steady significant position in their domestic markets before going international. This means that internationalization is topical only after a successful growth in domestic markets. This is an example of a gradually internationalizing company that is looking for growth abroad after a stabile position in the domestic markets is already reached. Sometimes the saturation of domestic markets might be a driver for internationalization as well. (Mayer-Pirttijärvi, 2010, 13) Especially in the family owned companies' internationalization is often financed by operating profits and no external money is utilized. This means that the phase of internationalization is tied to the accumulated profits. (Graves and Thomas, 2008)

There are also companies that need to be international from the very beginning to be successful. These born global companies have products that have international potential and they operate often in a niche markets. Due to the niche market segment they need to

be international in order to maintain the needed volume in their operations. It is typical that they are accessing many markets at once and their operations are spread globally. Born global companies are often high tech or ITC companies for example. (Graves and Thomas, 2008)

Even though there are multiple access strategies to enter new markets small and medium sized companies often choose the direct export entry mode. Mainly this is explained by smaller business risk and the smaller capital required. (Graves and Thomas, 2008) It is recognized that the importance of direct exports is diminishing as the size of the company grows. In a study 60 % of the Finnish SME's stated direct exports as their primary form of international business where the corresponding number in large companies was only 24 %. (Mayer-Pirttijärvi, 2010, 15)

Small and medium sized companies operating abroad are recognized to have three different focuses that they report to be the success factor behind their operations; market specialists, production experts and networking experts. Companies tend to think one of these focuses as their greatest asset and thus an important driving force in their internationalization. (Mayer-Pirttijärvi, 2010, 22)

Market experts are heavily relying on customer relationship management, target market knowledge and communications expertise. Production specialists are more focused on the production site in the form of technology, assortment and research and development areas. Networking focused companies emphasized the importance of distribution channel management, brand and contacts. All these three focus areas were also recognized from the material collected regarding growth companies especially. Among growth companies one more focus area was recognized. That is the group of strategic specialists. They tend to look at things more comprehensively from each of the three focuses of marketing, production and networks. (Mayer-Pirttijärvi, 2010, 22-24)

When a company is internationalizing it is often a very knowledge intensive project and requires a lot of input in knowledge and the management of other intangible capabilities in the company. The continuously changing environment is increasing the demand of knowledge, resources and networking as a source of competitive advantage. In order to be successful internationally a very open- minded and strategic approach is necessary. According to an OECD study growth targets, individual networking and the intellectual capital are often behind internationalization decision. Companies employing people that

have been working or studying abroad are more likely to internationalize. (Mayer-Pirttijärvi, 2010, 14)

Many companies are operating as a part in a network formed companies and these companies tend to go international by following other companies in their network. One typical example is a company operating in an industrial subcontracting network. This networked operational model gives small and medium sized companies that are delivering components to the final commodity a possibility to be part of the delivery of larger entities. This networked operational model gives companies an access to unique resources that is a competitive advantage when it comes to supply chain and production factors optimization for example. (Mayer-Pirttijärvi, 2010, 5-6)

### **3.3 Challenges Finnish companies face in international trade**

A study prepared by EK states that there are some common challenges among Finnish companies that are going international. Many small and medium sized companies struggle in recognizing the opportunities, possible customers and right distribution channels. In addition finding relevant target market information and experience is creating challenges. (Mayer-Pirttijärvi, 2010,14) One example of such a problem is that recently Finnish companies have reported that they have had challenges in finding accurate market information concerning the customs union between Russia, Kazakhstan and Belarus. (Nieminen et. al. 2013, 29)

Often internationalization is more probable if a company has personnel that has been either studying or staying abroad. (Mayer-Pirttijärvi, 2010,14) The problem might be even further increased when the movement of persons across borders is reported to be more of a challenge than earlier. A report published in 2013 suggests that movement of personnel is the sixth biggest barrier to trade that Finnish companies have been facing. These problems are often related to the services business and especially to the movement of specialists with valuable knowledge. (Nieminen et. al. 2013, 22, 25)

Small and medium sized companies are known to struggle with financial resources when they are planning to go international. The most significant factor between large and small companies is that small and medium sized companies have less resources to be used in their international operations. Large companies are already dealing with bigger volumes

but in smaller companies the principal procedures related to delivery, standard fulfillment etc. are creating much more of a problem in the case of international trade. When crossing borders differentiating standard- and ruling environment require significant resources as well. (Mayer-Pirttijärvi, 2010,14, 25)

Here it is possible to make a conclusion that the obstacles for trade can be knowledge intensive and these problems may be tackled by increasing the internal capabilities and knowledge of the company. Some of the barriers to trade are more related to target market legislation and government level choices. These barriers to trade cannot be changed or tackled by increasing internal capabilities but recognizing them and increasing the related knowledge is inevitable if a company is aiming in cross border operations successfully. Among the most common barriers to trade reported in a study of Team Finland are product regulations, problems related to customs procedures, taxation and IPR-problems. (Nieminen et. al. 2013, 22)

### **3.4 How are internationalizing companies supported currently?**

Team Finland is collecting together all the publicly financed organizations that are operating in order to promote internationalization. Team Finland has a large variety of services supporting the internationalization processes of Finnish companies. Services supporting the internationalization can be roughly divided into three different categories that are financial services, advisory services and training. (Team Finland, 2014)

In a study implemented by Team Finland companies were asked what kind of services they are willing to have. According to the study the most important services for companies are networking services. Supportive organizations are expected to enable contacts with companies and officials in the target markets but in the domestic field as well. They were also wished to help to find cooperation partners in the local business field. When facing problems in the target markets local business departments of Finnish organizations are expected to provide supportive measures. (Nieminen et. al. 2013, 14)

Secondly important focus point was the production of accurate information about the target markets. They were also wishing active approach so that the changes in business information would be recognized as soon as possible. Especially upcoming legislative changes and overall legislative business environment knowledge were ranked high.

(Nieminen et. al. 2013, 14) This supports the statement of EK in their study that one of the main challenges for Finnish companies is finding accurate and reliable target market information. (Mayer-Pirttijärvi, 2010, 14)

Thirdly companies were very eager to attend promotional events to get visibility for their products. Companies were asking for help in organizing such events but they were also looking forward to meeting key decision makers, potential customers and local media for example. This means that supportive organizations are expected to bring in valuable contact persons. Companies also stated that Team Finland premises abroad should better represent Finnish products and design. (Nieminen et. al. 2013, 14)

These results support the statement that in Finland the technological and business expertise are in a good level but seeing the customer perspective and creating networks are the weaknesses for Finnish operators. In the future more attention should be paid for customer needs and go close to customer. (Mayer-Pirttijärvi, 2010, 25)

Export Promotion tours were seen as a good way to explore new markets and enhance networks in the existing markets. In 2013 companies were the most interested in attending such trips in Russia, China, U.S.A, India and Japan. More sector specific trips were important for respondents and they considered them to be more fruitful for their business than journeys including companies from different business sectors. Some also stated that these trips are too expensive for smaller companies and they were only serving the interests of large corporations. (Nieminen et. al. 2013, 17-18)

Especially small and medium sized companies find the offered internationalization services too complicated and fragmented. From the segment of small and medium sized companies three out of four respondents considered these services not easy to use. Some SME companies did not use these services because they expected the benefits to be inadequate. One of the conclusions was that more customized services are needed and one standardized service is not comprehensive enough to meet different needs. Companies also find the internationalization services difficult to find. (Mayer-Pirttijärvi, 2010, 18)

## **4 INTERNATIONAL TRADE IN PIRKANMAA REGION**

This section will research the international trade activities in Pirkanmaa region and internationalization surveys that Tampere Chamber of Commerce and Industry has implemented earlier. Chamber of Commerce is regularly implementing an internationalization survey for its members to analyze the changes in the local business environment. Currently approximately one fourth out of the 1700 members are active in international trade in the form of export sales. (Tampere Chamber of Commerce and Industry, 2015A) Many of the internationalization trends among the member companies have been remaining the same over the past five years but some clear development directions can be recognized as well. In general the international business in Pirkanmaa region is very similar to national figures.

### **4.1 Export business and market interests in Pirkanmaa**

According to the statistics of Finnish customs there are approximately one thousand companies active in the export business in Pirkanmaa region. The problem with this statistic is that the data is recognized by the postal locations of offices dealing directly with customs. This means that the numbers are more beneficial for the Uusimaa area located in southern Finland. (Tulli, 2013A) According to other statistics there were almost 1600 companies doing export business in Pirkanmaa region in year 2013. (Tilastokeskus, 2013) When comparing Pirkanmaa region to other regions in Finland only Uusimaa and Varsinais-Suomi are seen as more attractive locations to place import or export business. (Tulli, 2013A)

Industrial sector accounts a significant share of exports in Pirkanmaa region. More than ninety percentage of exports is carried out by industrial companies. When it comes to imports the significance of industry is still remarkable as the share of import is a bit more than fifty percentage. (Tulli, 2013A) According to Economy in the Tampere region 2015 publication the export of industry sector was 5634 million euros in Pirkanmaa in 2014. Technology industry and forestry were the most significant sectors in export sales in 2014. (2,2015) Wholesale and retail sale count a major part of exports in Pirkanmaa region. Approximately 40 % of exporters in the area were either retailers or wholesalers.

(Tilastokeskus, 2013) European Union is an important target market for the companies operating in the region as approximately half of the goods were exported to other EU countries. (Tulli, 2013A)

In Pirkanmaa region the companies are expecting the exportation business to be increasing in Sweden, Russia, Germany, Norway, China and U.S.A. According to the study companies are interested in gaining additional knowledge of these countries as well. The only exception is that even though Norway is believed to increase its imports from Finland it is less popular a country to get more information about. These are very similar to the national figures as well. In Pirkanmaa Japan was also listed in the exportation growth countries but it was not a country that companies notified they are willing to hear more about. (Tampereen kauppakamari, 2014)

One good indicator of exportation business in Pirkanmaa are the statistics concerning the certificates of origins. Certificate of origins are used in trade between the European Community and third countries by which EU has no free trade agreements. Between January and June in 2015 almost three thousand certificates of origin were granted and they went in 84 different countries. Tampere Chamber of Commerce is granting approximately 10 % out of all Certificates of Origins nationally. Because certificate of origin is not needed in community trading it is likely that companies from Pirkanmaa are exporting into more than 140 countries. Clearly the most significant destination countries requiring these certificates are Arabic countries, China and Russia. (Sjölund, 2015)

## **4.2 Topical issues in internationalization**

In an internationalization survey executed in 2014 the member companies of Tampere Chamber of Commerce and industry were asked about topical issues related to internationalization. The average answers are expectedly in line with national trends and no significant differences were not noticed. As shown in figure 3 also the answers of larger and smaller size of companies were very similar and the differences in answers were relatively small. This means that the topical focus points in international trade are similar no matter the size of a company. Clearly the most topical issue is the identification and selection of a cooperation partner. More than 70% of all replicates reported this to be topical within one year term. (Tampereen kauppakamari, 2014)

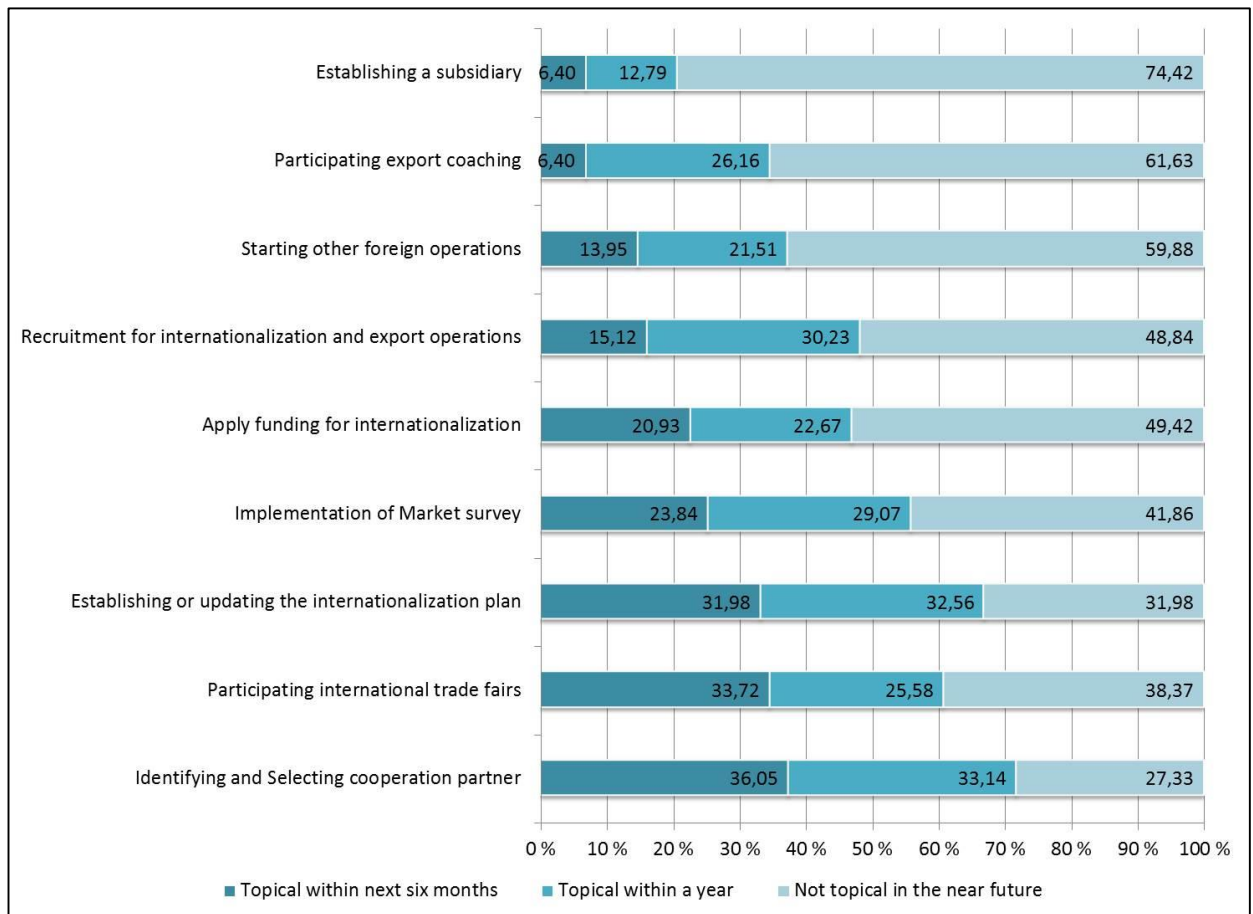


FIGURE 3. Topical issues in internationalization (Tampereen kauppakamari, 2014)

Almost as important is updating the internationalization plan. Approximately two thirds of all companies reported that they will upgrade or create their plan for internationalization during the year 2015. This means that the number of such companies has doubled in four years. (Tampereen kauppakamari, 2014) Strategic planning seems to be increasing its importance at a steady pace and the amount of companies utilizing internationalization strategy has been increasing during the past years. In year 2010 only 36 % of respondents had a strategy already existing and two years later in 2012 more than half of the respondents had a internationalization strategy existing. (Tampereen kauppakamari, 2012)

International fairs are also seen as an attractive way to do international business. From Pirkanmaa region approximately 60 % of respondents are going to attend international trade shows within one year period. It is possible that trade shows are used as an easy

access tools to see the business climate of possible target markets. (Tampereen kauppakamari, 2014)

Also target market expertise and general knowledge of international business are seen as important competitive factors when it comes to international business. Approximately half of the companies are planning to implement a target market mapping and recruit more employees in international trade related positions. (Tampereen kauppakamari, 2014) In year 2012 almost 70 % percentage of companies had its Chief executive officer responsible for international operations. In sixth of the companies there were a separate position for export manager existing. Here it is possible to make a conclusion that the direction of international operations is heavily linked to Chief executive officers. (Tampereen kauppakamari, 2012)

Companies employing more than 50 people were slightly standing out from the average when compared to smaller companies. Bigger companies are more likely to update their internationalization plan than smaller companies and they are also more eager to attend international trade shows. Another remark is that companies employing more than fifty employees don't find external funding for international processes topical or concerning whereas more than half of the small companies find external funding topical. (Tampereen kauppakamari, 2014)

### **4.3 Evaluation of capabilities in executing the topical issues**

In its internationalization survey Tampere Chamber of Commerce also asked companies about their capabilities in the different fields of international business. (Figure 4) Even though the topical issues between different sizes of companies are very similar the capabilities in the execution side are more differentiated between large and small companies. Many different procedures are likely to take place in the field of international business and there are clearly some weak spots existing. It is a possible consequence that approximately one third of respondents are willing to enhance their skills in an export coaching program within one year period. (Tampereen kauppakamari, 2014) A significant change has happened in three years as in 2012 only 6 % of companies replied that they are interested in taking part into such training covering areas related in international trade. (Tampereen kauppakamari, 2012)

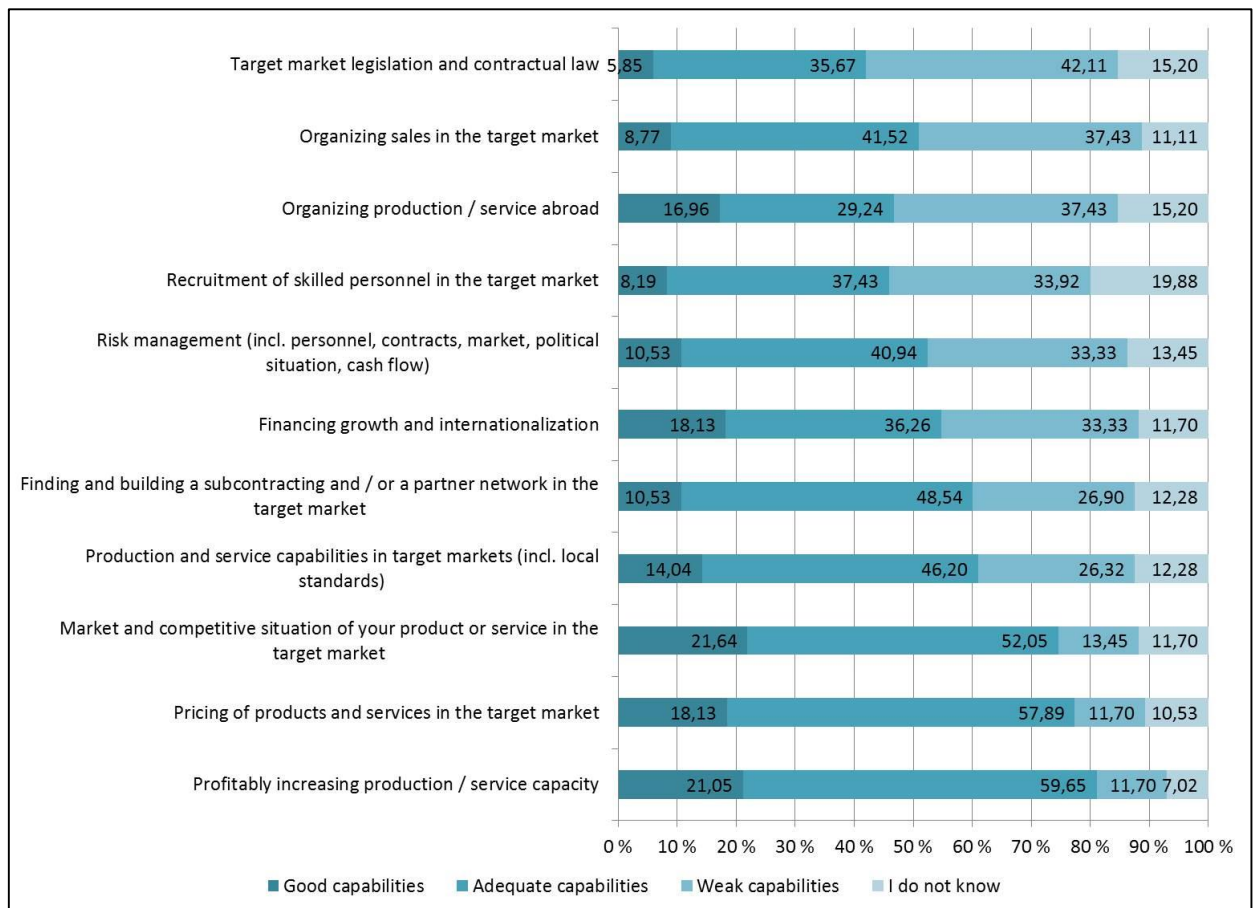


FIGURE 4. Capabilities regarding topical issues in internationalization (Tampereen kauppakamari, 2014)

According to the study companies evaluate that they have the weakest capabilities when it comes to target market legislation and juridical procedures. All in all 42% of companies feel that they don't have enough capabilities or knowledge when it comes to international law. This was seen as an obstacle in all size of a companies. From the small and medium sized companies the ones employing less than fifty people were significantly more concerned about the juridical things when compared to the companies employing more than fifty people. (Tampereen kauppakamari, 2014)

Organizing the production in the target market was also seen as a challenge as 37 % of respondents reported their skills inadequate in this area of operations. Companies employing more than 250 people explored organizing the production abroad as their main weakness. Among SME companies more challenges were faced in organizing the sales abroad. SME's in all sizes had the sales organization abroad listed as their primary weakness. This was even more emphasized the smaller the company. (Tampereen kauppakamari, 2014)

Even though risk management is seen in the top five of the weakest capabilities when looking for the sampling of all companies it seems that it is actually more serious of a weakness for smaller companies and the capabilities are seen more sufficient as the size of the company grows. More than two thirds of companies employing more than fifty people find that they have enough capabilities in risk management. (Tampereen kauppakamari, 2014)

Out of all companies one third considers having weak capabilities when it comes to financing international operations. Here it is possible to notice a clear trend that the capabilities for acquiring external finance gets better when the size of the company grows. The capabilities are getting better the same phase as the company grows. For micro companies employing less than nine people capabilities related to acquiring finance is seen the most problematic as almost half of the companies state acquiring finance as a challenge. On the other edge in the large companies only 8 % state that they have weaknesses in getting financing for international trade. (Tampereen kauppakamari, 2014)

All of the companies in each size categories find that they have good or adequate capabilities with their products, production capability and pricing related issues. It is seen as the traditional distribution in Finnish business that the production side is in good order but the capabilities in sales could be enhanced significantly. From the competition side companies also think that they have very good products or services when it comes to competition and they think they have adequate capabilities in the terms of competition in international markets. (Tampereen kauppakamari, 2014)

The topical activities in the field of internationalization are very similar between different sizes of companies and in general the size of the company is not a significant factor but size has a clear effect in the capabilities side in in all operation areas. The most topical tasks are strongly related to networking to find cooperation partners and customers. Also strategic planning and investing in knowledge are business areas that companies prioritize on the top. It was also recognized from the fact that companies are more willing to attend training to strengthen their capabilities. It is notable that as the size of the company grows also the self-confidence related to capabilities is much higher. Legislative issues were seen as a challenge in all size of companies. Otherwise all segments had their own weaknesses. Large companies find organizing their production or a service abroad challenging, SME's were more concerned of organizing their sales in the target countries. Smallest companies find finance topical but challenging issue. (Tampereen kauppakamari, 2014)

## 5 ANALYZING AND STRUCTURING THE CURRENT SERVICES OFFERING

### 5.1 Mapping current services offering

When comparing internationalization services to the entire services offering of Tampere Chamber of Commerce approximately 10 -15 % of yearly budget consists of international services. Out of all events approximately one third is related to international business. When it comes to training the share of international training is approximately one fourth of all training. As one fourth of all members are active in export trade currently the share of international services is well aligned with the entity of entire services package. (Tampere Chamber of Commerce and Industry, 2015A)

None of the twelve employees is currently fully employed by international duties but currently seven employees are partly operating with international services. Basically this means that every team in Tampere Chamber of Commerce is responsible for one part of the internationalization services and currently the entity of international services is not focused for a specific team. At the moment export documentation and training tie up the most working hours. On the other hand they are the most profitable when valued by the direct income. Secondly different events are also engaging significant amount of working hours. They are not generating direct income but they are such services people expect to have in exchange for their member fees. This means that also the internal workload is aligned with the volumes related to these services. (Tampere Chamber of Commerce and Industry, 2015A)



FIGURE 5. Current internationalization services in Tampere Chamber of Commerce and Industry

The process of productization starts by defining all the current international services offered by Tampere Chamber of Commerce and Industry. This thesis is focused on productizing the services supporting the internationalization of local companies. These services are not previously grouped by any method which means that they have all been treated as a separate independent units. (Figure 5)

## 5.2 Structuring international services offering

As suggested in the theoretical framework in chapter 2.3 a recommended way to map the services offering is to group services around a certain functions, processes or customer segments to find the existing services and discover the current distribution of internal capacity. At first all the international services were defined under the internationalization theme. Other services and operations in Tampere Chamber of Commerce are already grouped and they already have their own titles to be used in all related contexts. In this thesis a new visual heading is created to be used with all international services. (Figure 6) No similar heading has been used before in the context of international services. The layer is unified with other already existing ones and the layout is following the communication manual of Tampere Chamber of Commerce. This way international services can be tied together and separated from other services offering.



FIGURE 6. New heading for internationalization services

Following the theory in chapter 2.3. this thesis suggests that after grouping all the related services under the heading of internationalization services they would be further grouped under four main groups based on the recognized customer segments. (Figure 7) These segments are people looking for global networks, people who need to increase their knowledge, people who are most likely interested in networking with colleagues and updates of recent trends. These segments were also recognized in the background material

in chapter 3.2 where these focus points were considered as an important aspects of international operations. Fourth target segment are companies who necessarily need the services for everyday trading based on legislative or contractual demands.

This thesis suggest that in order to maintain a customer centric approach these segments should be defined from the customer perspective. From customer centric approach these segments could be defined based on a central customer need such as formal documents, global networks, knowledge strengthening services and events. This division is based on the current state of the service offering. Thus, further development suggestion will be given in chapter 7.3.



FIGURE 7. Grouping the services offering into four subheadings

*Formal documents and services* was selected as one subheading because functions under this title are all related to legislative duties and often the customer need is based on an urgent need. These services are targeted for the group of people who necessarily need the services for everyday trading based on contractual or legislative issues. Goods inspection is also categorized here. Both the export documentation service and ATA Carnet service are considered as legislative functions. A vast majority of all documents are handled through web-based systems and the related processes have been developed during the past years. Central Chamber of Commerce is developing these services at the moment which means that this section of services will be not further developed by this thesis.

*Global networks* was selected as one subheading because part of the current services offering is clearly related to utilizing networks. Services under this subheading are the

Global Chamber Network and Delegations. The common factor for these services is that together they are utilizing the worldwide network of Chambers to bring people together. These services are mainly for a target group looking for global networks and connections.

*Knowledge intensive services* are based on a need to gain additional knowledge of a specific issue. This group includes services like internationalization surveys and newsletter. On the other hand internationalization survey is currently utilized for internal services development more than external information production. For this reason it can't be understood as an actual service yet. Also international training is clearly a part of knowledge intensive services. The division between events and knowledge services is not clearcut because also events offer information.

*Events* was selected as one element in the division because people attending events like seminars and international breakfasts are not only looking for an update to topical issues but also looking forward to meeting local networks. The category of events is for the target segment that are people who are most likely interested in networking with colleagues and updates of recent trends. These section can't be considered as a part of knowledge intensive services because they more focused on current trends and phenomena but also very strongly linked to networking with local people.

*Team Tampere* started as a joint venture between the city of Tampere and Tampere Chamber of Commerce. The city of Tampere will no further finance the operations of Team Tampere in year 2016 and the joint venture will be finished. After the joint venture is finished Team Tampere will be linked to the services offering of Tampere Chamber of Commerce. Tampere Chamber of Commerce is looking to maintain Team Tampere as a part of its services offering. At the moment Team Tampere is a very independent entity and it is not very strongly linked to Tampere Chamber of Commerce. This thesis will give a suggestion of integrating Team Tampere into the services portfolio in chapter 7.3.1.

The current services offering of Team Tampere is partly overlapping with the services offering of Tampere Chamber of Commerce. Currently Team Tampere consists of a network with 21 companies in it. In addition there are seminars and Round table discussions that are free of charge for companies in the network but others may join events by paying a single entrance fee. Team Tampere concept also includes KasvuCamps that

are two day camps based on mentor learning and highly tailored lectures. Currently seminars and round table events are offered under the brand of Tampere Chamber of Commerce for free and by Team Tampere usually against a fee but sometimes for free as well.

### **5.3 Research methodology**

As suggested in the theoretical framework in order to maintain a customer centric approach already existing customers and potential customers will be interviewed. Based on the findings from the interviews and other background material this thesis chapter 7 will give suggestions how to develop the international services of Tampere Chamber of Commerce. The main purpose is to map and define all the international services offered currently and to find out new opportunities or development proposals how to better meet the members' needs. This means that the purpose is to disclose unexpected aspects and allow the viewpoints of target group to be discovered. Also findings from the internationalization survey will be deepened. Thus, the study will be qualitative by nature. In order to find out what the target customers actually think interviewing was seen as an appropriate method and the primary data for this thesis will be collected through interviews. (Hirsjärvi et. al. 2009, 164, 204)

The type of the interview was determined to be semi-structured. This means that the topics will be chosen beforehand but the exact form and order of the interview may vary. Interviewer had a form including the topics to be discussed but the themes were handled by discussion and the form was only for the personal usage of the interviewer. (Appendix 1) This type of an interview was chosen to allow free speech with interviewees and a possibility to share development ideas freely. This was considered to be the most informative and beneficial method to collect the needed data. Having clear key topics to talk about makes the final evaluation of data easier than in the case of a non-structured interview. On the other hand the other extremity of fully structured interview was seen as a very restrictive option and some fruitful conversations might be bypassed. (Hirsjärvi et. al. 2009, 208-209)

The interviews were implemented as individual interviews and the target group was selected by purposive sampling, not randomly. Interviewed people were chosen a way that they represented the target customers from as wide perspective as possible. All together five companies were interviewed. In every interview the CEO was interviewed but in case

of company five also the export coordinator was attending the discussion. All the interviewed companies are already members of Tampere Chamber of Commerce and they were all strategically selected from the customer database of Tampere Chamber of Commerce. (Table 1) The companies selected are all operating in different industries and they are from many different stages of internationalization. One principle for selection was to choose companies who have recently joined Chamber of Commerce but also older members as well. All companies are active in export and have future growth targets especially in export trade.

TABLE 1. Basic background information of interviewed companies.

Company number	Length of the membership	Stage of internationalization	Size
1	More than ten years	Exports to more than 50 different countries. Internationally very experienced company.	More than 200 employees
2	Five years or less	Most of the turnover comes from exports.	5-50 employees.
3	More than five years but less than ten years.	Active markets in 15 different countries. Company has a stabilized footstep in international markets.	50-100 employees
4	Five years or less	Currently in the beginning of internationalization.	Less than 5 employees
5	More than ten years	60% of turnover is from exports. Internationally very experienced company.	100-200 employees

## **5.4 Interviewing potential and existing customers for better understanding**

### **5.4.1 Theme 1: Knowledge and former usage of internationalization services**

In general the institutions offering internationalization services in Pirkanmaa region are well known among the interviewees and every company has used some of these services in the past. All of the interviewees stated that they are not very familiar with the internationalization services offered by Tampere Chamber of Commerce and they described themselves quite passive when it comes to utilizing internationalization services. Everyone interviewed knew the export documentation services and only company number three had never utilized these services. Most of the interviewees had also attended trainings or seminars arranged by Tampere Chamber of Commerce and company number four was the only one never utilized any other international services but document services. One of the interviewees is rising up the importance of lobbying work of Tampere CCI.

### **5.4.2 Theme 2: Is Tampere Chamber of Commerce and Industry the right institution to offer internationalization services?**

All of the interviewees find the role of Tampere Chamber of Commerce quite natural when it comes to offering internationalization services. A common opinion is also the overlapping of current offering between different institutions and large amount of operators in the field. Interviewee from company three finds the commercial perspective of Tampere CCI very welcome when compared to the very bureaucratic approach of governmental institutions. Interviewee from company five states that all services that are not free do already compete with other operators and at that point it is the price-quality relationship that matters the most. Interviewee from company one reminds that companies needs to internationalize themselves and they can be supported only to limited extends.

### **5.4.3 Theme 3: Deepening findings from the internationalization survey**

All the interviewees state that there is not much that Tampere Chamber of Commerce can do in order to support their internationalization strategy. One viewpoint shared by interviewees from company five is that increasing knowledge and training is one way to help companies. At this point all interviewees start talking about the importance of target market information when forming the internationalization strategy. Each of the interviewees

think the general economic knowledge is useful but they all very strongly highlight the importance of industry specific knowledge. The person sharing target market information has had to live in the target market in order to be credible. “Because the internet is offering endlessly information for free it is not likely that people would pay for market information events”, the CEO of company five states. When it comes to target market information the opinions were very consistent between all interviewees. At this point target market networks jumped as the topic of discussion but they will be further discussed in chapter 5.4.7.

When asked reasons for increased interest towards export coaching all interviewees named limited capacity and weak growth of domestic markets as the main reason for increased interest. Going in the export business is a way to fulfill the growth pressures. Interviewees three and four also think that presence of internet is one factor driving companies going international. Interviewees from companies five and two also find the recent public discussion as a possible factor behind the trend. The general bottlenecks and possible topics for training also get very similar opinions between interviewees. “In Finnish SME’s the technological knowhow is in a good level but the finalizing touch from market oriented perspective is missing” the CEO from company one states. Also interviewees three and two are emphasizing weak abilities in market driven, commercially focused finalizing in the product development. Interviewees also state that business ideas and technological knowhow is often good and none of the interviewees claims quality or technical knowhow to be a bottleneck for Finnish companies. Interviewees three and four find also legislative issues and contractual training important and topical. Interviewees four and two also state that Finnish companies have weak skills in international selling.

Other individual opinions that were raised up during the discussion were for example needs for online visibility and online marketing according to interviewee four. Interviewee from company two finds models of internationalization and strategic examples very useful. Interviewee three also states that skilled and competent employees in the international operations are rare and relatively difficult to find.

#### 5.4.4 Theme 4: Mapping content of services

At first the interviewees were asked which three Finnish people they would be ready to come to listen at any given point of time. These answers can be clearly divided into two different categories. First one consists of nationally very successful business people who have been recently visible in the media. The other group was successful businesspeople who are influencing in Pirkanmaa region especially. In general all these people are from business life and they have already created a long career and have a lot of expertise gained from the years of work experience. In discussion of this topic most of the interviewees also stated that in general they would be interested in listening people from Pirkanmaa region who have managed to create internationally very successful businesses. CEO from company five says that speakers from large corporations attract big masses for sure but the overall benefit applicable in daily working life often remains very small.

All interviewees agree that they are very interested in hearing the stories presented by other companies e.g. so called case companies. “It is useful to hear what others have done and then realize that you can do things this way as well”, the CEO of company four states. Also other interviewees find the benefit is in reflecting the stories to own company and gaining new ideas and insights. One problem with case companies that interviewee five is raising is that these people are often not very skilled speakers in front of an audience.

Company visits are dividing opinions among interviewees. Interviewees one and three find them very fruitful and they have also attended such visits earlier. They are also welcoming other people to visit their company. Also interviewees from company five are welcoming all visitors in their company but attending visits to other companies doesn't appear very essential for them. Interviewees from company two and four don't see company visits important at all. All interviewees see the allocation of time as the biggest challenge for arranging or attending company visits.

Weekly information that all the interviewees are following is Kauppalehti, general news in mainstream and industry specific information from various sources. Internet is used generally to find very specific information or deepen knowledge of specific issues.

#### **5.4.5 Theme 5: Discussing the networking aspect**

All interviewees agree that an event can't be purely marketed as a networking event and there should be always a valuable and interesting information included but not too heavily. Generally all interviewees are interested in meeting other companies and colleagues positioned in similar level. These people should have something interesting to say, similar challenges and people with whom it is fruitful to change thoughts. Interviewee from company one is interested in meeting colleagues from various industries whereas the CEO of company five finds the industry linkage very important. Company four has been operating only for short period of time and the CEO of the company states that currently he is only interested in investors and potential retailers or possible cooperation partners and customers. Later when the company is more stabilized he is interested in meeting colleagues as well.

When it comes to foreign delegations interviewees are not very interested in meeting governmental representatives but similar companies are clearly more important. Here the industry specific approach was also strongly highlighted by all interviewees.

#### **5.4.6 Theme 6: Technical implementation of events**

When talking about committing for longer periods of time like a year the readiness to commit is varying between interviewees. Two of the interviewees would rather have individual events than a series of predefined events. On the other hand later when discussing the concept of mentoring network none of the interviewees saw committing as a problem. Four out of five interviewees find that people are ready to commit for a year for example if the gained benefit is great enough.

From the technical implementation point of view all interviewees see traditional seminars a little old fashioned. All interviewees find possibility for open discussion very important and the roundtable concept is seen to enhance networking significantly. Interviewee from company five also thinks that group works are good additions to events.

All but one interviewee were familiar with the KasvuCamp concept and it was seen as a very useful concept. All interviewees thought it should remain in the offering in the future as well.

#### 5.4.7 Theme 7: Ideas and suggestions for future

A common thought between interviewees is that the basic concept of mentoring network is very valuable. When combining the aspect of personal coaching and the gained experience of the mentor the final outcome is much more concrete than in other methods of training. This concept is seen suitable for companies in their very early stages of internationalization. A common opinion is that such concepts should take place during the working hours, they should be long lasting and quite light by nature. One problem the interviewees rise is the partially overlapping role with the board of directors. Interviewees one and five added that they have already advised some companies in their early stages of internationalization.

International newsletter wasn't seen as a very valuable thing. Most of the interviewees would be interested in reading articles and case stories of other companies. Interviewee four thinks that the webpage of Tampere Chamber and Commerce should showcase member companies and give visibility for their releases. He would be eager to read what is happening in the local business field.

Many suggestions were strongly related to networks. Interviewees suggested for example that Tampere Chamber of Commerce should have a network of reliable and qualified lawyers and market specialists in target countries and member companies could search for professionals through a database. Many of the interviewees also wished Tampere CCI to have its own lawyer who is expert in international trade whom members could utilize in lower prices.

On the other hand many of the suggestions were based on utilizing the network of members. In many of the suggestions Tampere CCI was seen as a middlemen collecting together companies interested in the same topic. Interviewees suggested that they could then jointly purchase training or target market information for lower price per company. Network based thinking was used also when interviewee three suggested that Tampere CCI could help companies to attend trade shows abroad and to gain visibility in international trade shows by themed stands for example.

After analyzing the interviews it seems that no matter the size of a company or the current degree of internationalization the answers between different companies are very similar. Also the ideas and suggestions are very similar across different industries. On the other hand the length of the membership doesn't affect the fact how familiar the interviewees are with the internationalization services of Tampere Chamber of Commerce. In the beginning of each interview the interviewees stated that they are not very familiar with these internationalization services of Tampere Chamber of Commerce even though many of them had participated some of these internationalization activities in the past.

## **6 DEVELOPMENT OF INTERNATIONAL SERVICES OFFERED BY TAMPERE CHAMBER OF COMMERCE**

This chapter will explain which services of Tampere Chamber of Commerce will be taken under developed and why some services are not further developed in this thesis. Based on the theory explained in chapter 2.3 this chapter will first form an idea of the present and future customer needs by collecting together all the customer needs and typical customer segments recognized in this thesis. This analysis of customer needs is based on the internationalization survey of Team Finland represented in section 3.4, internationalization surveys of Tampere Chamber of Commerce represented and analyzed in section 4 and interviews designed and implemented purely for this thesis project presented in section 5.3. In addition the most likely customer group will be outlined based on the theoretical framework.

Recent trends and phenomena were discussed in more detail in chapters 3 and 4. As over ninety percentage of all exports in Pirkanmaa region is from the industrial sector it is possible to make a conclusion that most of the demand will be derived from the industrial sector. From the target segment of SME's most of the companies are doing direct export into other EU countries or Russia. This means that information needed is almost certainly related to this business strategy and these specific target markets.

One very clear need is an operator effectively enhancing networking. The background material of this thesis indicates that the interests towards networking are very multi-dimensional. The study of Team Finland names networking with possible customers and cooperation partners a top priority. Also the internationalization survey in Pirkanmaa states that finding cooperation partner is the most topical procedure related to international trade. All of the interviewees did find networking important and interesting as well. It is very much likely that the importance of wide networks is likely to increase in the future as well. In addition to networking also utilizing the networks was strongly highlighted in the interviews. Examples were varying from jointly acquiring training to target market studies.

Target market information is also seen very essential according to all background materials collected. This means that the target market information is very clearly needed and according to interviewees it is important when formulating strategy. All interviewees very

strongly highlighted the importance of industry specific knowledge. So all in all topical, accurate and industry specific information is seen very important. In addition to the information itself also networks in target markets are seen valuable among interviewees. When the target market operators are recommended by a Chamber of Commerce they are seen more reliable. Also with networks in target markets the industry specific knowledge was highlighted in addition to reliability.

The increased interest towards export coaching indicates that the need for different training is clearly increasing its importance. The weakest capabilities among companies in Pirkanmaa hint that potential needed topics are related to legislation, risk management, finance and organizing sales or production / service abroad. Based on the interviews training is needed for international selling, market driven, commercially focused finalizing in product development, legislative issues and contractual training. On the other hand chapter 3.3. suggests that training is needed in organizing the distribution channels. As conclusion it is possible to say that interviewees had very similar thoughts about the biggest problems but otherwise different sources have very different viewpoints.

In order to attend an event a very interesting topic and attractive speakers are needed. People want events including interesting speakers who are successful business people who have been recently visible in media or successful businesspeople who are influencing especially in Pirkanmaa region. In addition case companies are an important part of events as well. Traditional seminars are not so popular anymore and concepts enhancing networking and free speech are seen important. Industry specific knowledge is highly appreciated.

Based on these indicates from the background studies some key customer needs can be identified. As suggested in the theory of productization the current services offering was compared to the recognized customer needs and based on these findings it is decided which services are about to be developed. Based on this analysis it was decided which services are corresponding to customer needs, services that need partial enhances and services close to the end of their lifecycle. In addition new services concepts were identified to meet customer needs or to utilize a latent need in the markets.

*Services close to the end of their lifecycle* are services that in this thesis are considered not topical anymore or non-corresponding with customer needs. Based on the interviews

international newsletter is not very valued by the customers so its existence should be further considered in the near future.

*Services corresponding to customer needs* are services that currently are competent and no changes are needed at this specific point of time. So they are somewhere in the middle of their lifecycle and they still have satisfying demand. Seminars, internationalization surveys, international trainings, delegations and Team Tampere concept are all meeting the customer needs perceived from the background information. This means that they will not be further developed in this thesis.

*Services that need partial enhances* are based on concepts that in principle meet the recognized customer needs but some partial enhancements based on survey results will further increase the correspondence. A service taken under development in this category is the international breakfast concept. Based on the background studies and interviews some clear development points were recognized. They will be presented in detail in chapter 7.1.

*New services ideas* were also recognized. A new more in depth concept of mentoring for internationalization was discussed in the interviews and the feedback was very positive. This new services proposal will be further discussed in chapter seven. Based on the interviews a need for effective target market network of lawyers and experts was recognized but a new service fulfilling this need is currently developed by the central Chamber of Commerce. It was also recognized that people are not very well aware of the services offered by Tampere Chamber of Commerce. To tackle this problem an idea of mobile app was turned out. Anyway, it was seen too much of a distant idea when compared to the initial purpose of this thesis. Due to these facts the target market network and the mobile app are not further developed.

## **7 DEVELOPMENT SUGGESTIONS**

### **7.1 Further developing the International breakfast**

As suggested in chapter six in this part of the thesis the concept of International breakfast will be further developed to better correspond to the customer needs recognized in the interviews and background studies. Here the theory of productization will be applied in practice. The purpose of international breakfast is to gather together people operating in international positions to network together and provide interesting and topical information of different aspects in international trade. International breakfast lasts two to three hours and it takes place once a month.

International breakfast is positioned in the events module due to its nature combining information of recent trends and networking together. International breakfasts are accessible for all members but the targeted audience is especially the key decision makers in international operations. When they are attending the breakfast also the member companies will be further committed to Chamber of Commerce because they are close to the membership decision makers. On the other hand they are the employees who will benefit the most of the content of international services.

The event will take place if ten people will attend. It can be considered successful if more than twenty people join the breakfast. On the other hand more than thirty people can be too big a mass because then the networking and discussion aspects get more difficult to arrange if more than thirty people participate.

#### **7.1.1 Defining key components of international breakfast**

At first the content and the structure of the international breakfast will be defined. The core service is the information that customer is looking for in order to gain knowledge of a specific topic or recent trends. In this case additional features customers are expecting are opportunity to network with colleagues and the breakfast offered. These additional features are enhancing the overall impression from the customer point of view and a way to stand out from other service providers. As most of such services are free customers make decisions based on image and quality assumption. Enabling services are communication, marketing and organizing the premises and speakers.

This services package will be partly based on a network-type of an operation because the speakers are outside of Tampere Chamber of Commerce. The cooperation partner can't be constant due to the changing themes in the breakfast. One very important aspect to consider is the image of cooperation partner and the reflection to the image of Tampere Chamber of Commerce. International breakfast service will be part of the free of charge services that are included into the membership and they are supportive services to the membership. As pricing is very strongly influencing the quality image of a service the membership viewpoint should be heavily addressed.

### **7.1.2 Defining services process by using the blueprinting method**

This chapter will apply the blueprinting method presented in chapter 2.4 in practice to showcase the process of organizing an international breakfast. The process starts by defining the date, topic for the international breakfast and finding suitable speakers. Based on the background information the topic needs to be strictly linked to business life and it should be applicable in daily business life. Based on the background studies the speaker should be a successful business professional with strong knowledge and experience in international trade. In addition a case company should be always introduced as well. It will give a more practical viewpoint and based on the interviews it will significantly increase the common interest towards the event.

After the content of the breakfast is defined the back office practicalities will take place. The enrollment system needs to be activated and premises need to be reserved. To attract more people the breakfast could take place in different locations that would give additional value. The interviewees suggested that only some people find company visits valuable but the breakfast could take place in internationally successful companies or in buildings that offer interesting history as such.

The very first customer action is the enrollment into the breakfast. Onstage employee contact will happen when the customer receives the confirmation that the enrollment was received successfully. Then the enrollment information will be automatically saved in the system. One suggestion proposal is that when enrolling participant could sent questions for the speakers beforehand. This way the informative content could be better customized

and participant would gain information important for them for sure. This increases the opportunity that they will join the breakfast again in the future.

One week before the breakfast the needed catering will be ordered. The handout program is distributed for all attendants. This handouts could be utilized more efficiently that currently by advertising the upcoming breakfasts in the brochures for example. To further enhance networking nametags and attendance lists will be prepared beforehand as well. This time the possible questions received could be sent for the speakers so that they time to prepare their answers.

Second onstage employee contact will take place when reminder e-mail is sent for participants including all the practical details related to the event. This way last minute cancellations are more likely to be recognized and the breakfast and premises can still be adjusted to increase efficiency. In the interviews it was suggested that the attendance list could be sent by email before the event. One option is that this would further decrease the no show level but on the other hand some people might not show up if they don't find the attendance list interesting enough.

The international breakfast itself takes place approximately one month after the planning was started. Here some enhancement suggestions will be introduced to modify the structure and the content of the breakfast in order to better meet customers' expectations. Suggested frame for the breakfast goes as follows.

08:00 Enrollment begins

08:30 Welcome speech and introduction of attendants

08:45 Speaker

09:15 Discussion and questions

09:30 Speaker

10:00 Discussion and questions

10:15 Case company

10:30 Discussion and questions

As networking with other people is very important it should be further encouraged by Tampere Chamber of Commerce. There are three suggestions how networking could be enhanced. At first the traditional seating order should be left out and people should be

around one table or in round tables. This opinion was clearly noticed in the interviews especially. Secondly all attendants could give a short introduction of themselves before the speaker starts. This is a good way to encourage people to start talking from the very beginning. Here people could also tell why they are participating or what kind of expectations they have. The interactive approach should be carried on from the very beginning. Thirdly the host of the event could introduce people with each other before the event expecting the host has met some attendance before.

Discussion is also seen very important and people are willing to change ideas and hear comments from colleagues. Discussion between speeches could be enhanced by at least two different methods. When finishing the presentation the speaker could ask a question from the audience. If the discussion is not staying active the host could give a topic that people can discuss and propose that it will be further discussed in the beginning of next speech. In the interviews group works were seen valuable tools to raise discussion. Here a group work sort of an approach could be utilized as well. Groups could for example discuss how they have solved an existing problem in international trade etc.

After the breakfast a feedback survey will be sent for the attendants. This is a good way to follow if the events are qualified enough and if the topics are corresponding with the demand. Other ways to track the success is to follow the number of people joining the events and the number of people coming to the breakfasts again.

The process of organizing the international breakfast can be standardized to very large extend. The basic concept of organizing a breakfast is very similar. This means that same tools and methods in organizing the breakfast can be utilized with very breakfast organized. Also the handout program can be created on a constant layout. When the layout of related material is always consistent it concretizes the service to feel a product like consistent element. It will also strengthen the brand image as the same message will delivered every time again and again. A suggestion for layout is presented in appendix two. This gives an example how the concretization of a service can be executed by using physical elements as suggested in chapter 2.7.

## 7.2 Suggesting a new concept of internationalization mentoring

Based on a research of international trade in Finland, internationalization surveys and competitive analysis of the markets a new services idea was defined. The basic idea of the concept was tested in the interviews and the common opinion was very positive. In general a very good feedback was gained. Because of the positive feedback the concept was further developed and here a suggestion of a new services idea will be presented.

The basic services idea is to create of network of business mentors who have already created a long and successful careers in international business. They have strong expertise and knowledge in different areas of international business. This mentors will be then matched with a company in its early stage of internationalization. When combining the aspect of personal coaching and the gained experience of the mentor the final outcome is much more concrete than in other forms of training. In order to have concrete results the program should continue for at least one year.

Similar concepts already exist in domestic bases but no similar concepts were found in Pirkanmaa area that would be focusing purely for internationalization. Mentoring is based on good will and no remuneration will be paid for the mentors. The network will be free of charge for companies applying a mentor. Tampere Chamber of Commerce only acts as a match maker and it will have no further role in the process after the match is made. One problem that was raised in the interviews is the partially overlapping role with the board of directors. Thus, this concept is seen suitable for companies in their very early stages of internationalization. This way the overlapping with the role of Board of Directors can be at least partially avoided.

Based on the statistics in chapter four only a part of companies active in international trade are members of Tampere Chamber of Commerce than the existing members. This means that there are still a lot more possible customers existing. In addition the internationalization survey clearly indicated that there is an increased interest towards export coaching. As shown in chapter 3.3 internationalization is a very knowledge intensive project. This further support the assumption that mentoring is a great way of supporting internationalization. Companies that have a lot of knowledge intensive capital are more likely internationalize.

As represented in chapter 4 in Pirkanmaa industrial companies count more than ninety percentage of export. This means that most probably industrial companies will create the biggest demand for this mentoring service. It is suggested that this mentoring network is first launched for industrial sector and then further expanded as the service is stabilized. Chapter 3.1 presents that biggest trading partners for Finnish companies are Russia, Germany and Sweden. Also European Union is an important trade area as a whole. As the target market information is very valuable for companies the mentors should be professionals especially within these markets. Because direct export is the most important path of internationalization for SME's it is also considered as a key point of knowledge. This makes the matching work easier because both the actors and mentors are most likely to find a counterpart.

When utilizing the product lifecycle thinking this internationalization mentoring program can be seen as a natural follow up for the KasvuCamp where companies are often making the decisions whether to go international or not. If the companies seem potential they could be further guided to apply for the mentoring network. Due to this reason internationalization mentoring should be positioned under center of knowledge module and as a part of Team Tampere concept. When the company has a steady foothold in international markets it should be further guided to other services providers like Finpro and ELY.

The main benefit the customer is looking for is the knowledge gained through experience and access to this information that can't be studied from the books. This means that the core service is mediating the expertise of a mentor for the companies in the beginning of internationalization. The expertise that Tampere Chamber of Commerce brings in is the expertise in matching suitable mentors and actors and the suitable base for this network. On the other hand this is a great way for Tampere CCI to utilize its vast network of members and stakeholders in a very cost efficient way.

As recognized earlier in this thesis there is a lot of overlapping in the services offering between different operators. Based on the interviews Tampere Chamber of Commerce is seen as a natural organization to offer internationalization services. Based on this fact the internationalization services should be further developed. As the networks are one of the main reason to be a member in Tampere Chamber of Commerce offering services based on utilizing networks seems like a natural move.

When the network of business mentors is existing the actors (companies beginning their internationalization) can apply to the program by filling in an application. When Tampere Chamber of Commerce has matched a mentor and an actor they will meet and sign an agreement about the confidentiality and practical parts. The frequency of appointments is approximately once a month but otherwise the counterparts can define the frequency of communication as they wish. The process should be evaluated by certain metrics like effectiveness.

If the companies participating the internationalization mentoring need to be further committed to Tampere Chamber of Commerce common events can be organized for the members belonging in the network. This would also offer an opportunity for both mentors and actors to meet other people in the network and change thoughts related to this network. This event could take place four times per year for example.

The application process can be fully automatized and it can be fully standardized. The matching part needs a high level of customization due to the company specific nature but here sort of a checklist could be created in order to make the matching phase more efficient.

### **7.3 Further simplifying the entity of international services**

Third enhancement suggestion in this thesis aims at more structured entity of international services. This chapter will focus in representing further development suggestions to the grouping of international services based on the collected background information. This will make the services offering more easily understandable for the customer and thus easier to consume the services. On the other hand chapter 7.4 will focus on internal perspective of services from process centric point of view.

#### **7.3.1 Entity from the client perspective**

Figure 7 in chapter 5.2 is showcasing the current situation of international services. This chapter will give suggestion how to better use the grouping of services in order to better represent the services offering for a customer. (Figure 8) This chapter aims at removing duplicate characteristic of services offering which increases the internal efficiency and clarifies the role of employees responsible for each group of services. In this chapter it is

further considered how Team Tampere concept could be more strongly linked to Tampere Chamber of Commerce and integrated into the services offering as the joint venture is finishing by the end of 2015. Other services categories were seen very competent as they were presented in chapter 5.2 and the group of knowledge intensive services is the only group that should be further developed as a lot overlapping is existing.

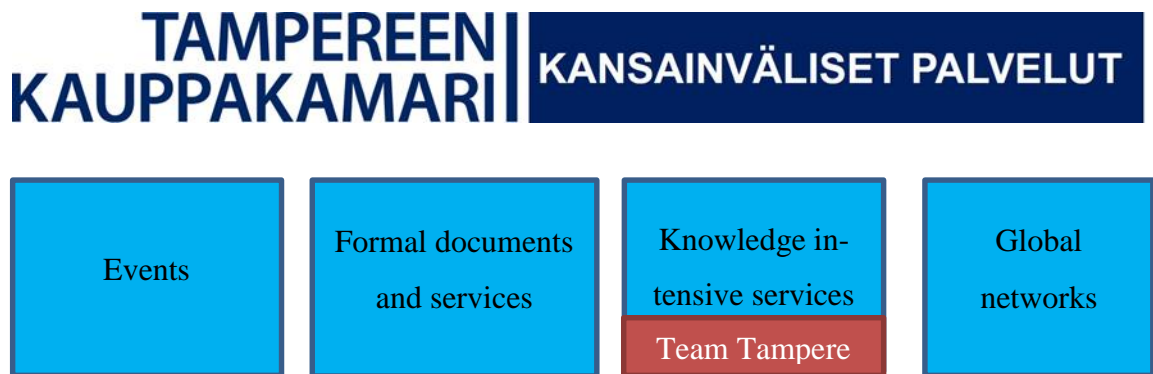


FIGURE 8. Service offering from client perspective

*Knowledge intensive services* consists of services that are focused around the need for additional knowledge and training. As suggested in chapter 6.1.2 the international newsletter as such should be excluded from the services offering as the interview results indicated that it is already old fashioned. Internationalization surveys are important and they should be part of the services offering in future as well. To appear more consistent from customer perspective all international training should be positioned under Team Tampere brand. To better integrate Team Tampere into the international services offering of Tampere Chamber of Commerce it should be positioned under knowledge intensive section. This means that the separate webpage is no longer needed either.

All knowledge intensive services that are not free of charge should be positioned under Team Tampere brand. The very basic distinction could be that services that are free of charge are only under Tampere Chamber of Commerce brand because they are seen as a services included in the member fee. Team Tampere could be branded as an exclusive concept offering more tailored approach. This way Team Tampere services would be considered as additional services and thus not free of charge.

### 7.3.2 Entity from a company perspective

This chapter is utilizing in practice the theory of a module based approach to standardization presented in chapter 2.5. The customer can build a solution fitting his unique needs but producing the services is more efficient because the entity is formed from the standardized modules. (Figure 9) On the other hand this is an effective tool for categorizing customers as it easily points out the level of commitment of the member.

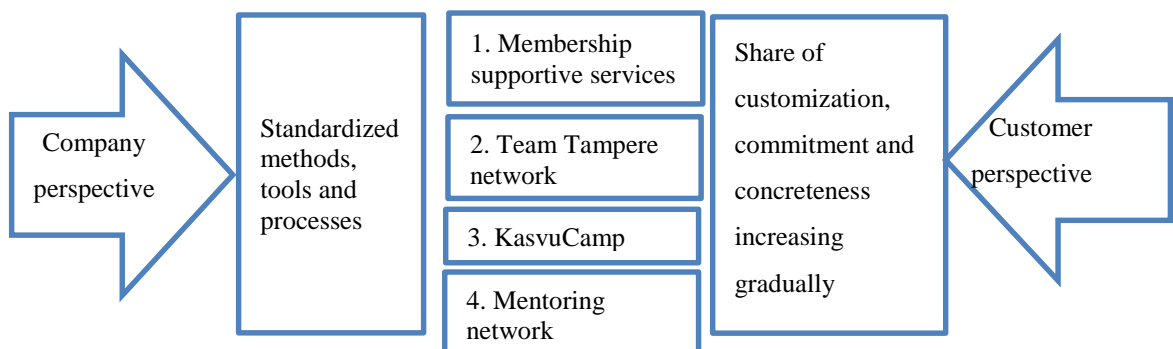


FIGURE 9. Utilizing the module approach.

First module of *membership supportive services* represents the services either free of charge for members or official services that are formal documents and services. They are so called low-threshold services. These are services supporting the membership. These services are not very tailored and they are designed to attract bigger masses or they are mandatory processes by nature. Companies using the services only in the first module are not necessarily very strongly committed in using the international services offered and probably they are not very well aware of the current offering.

Modules from two to four are increasing the commitment gradually. (Figure 9) These services are mainly targeted for companies in their early stages of internationalization. The general services offering in the markets is so highly competed that focusing on companies in the beginning of their internationalization path is seen as an attractive option. In this model also very experienced operators in the field can be linked to Tampere Chamber of Commerce in the form of mentoring.

Second level module consists of Team Tampere network including the events where charges do apply. All training that is not free of charge should be positioned here. Otherwise the positioning of services is not clear-cut for customers. This module gives well focused and concrete training and knowledge related to internationalization. Because these services are not free it further increases the image of better quality and more tailored service.

Module three includes the KasvuCamp concept. Here companies who are seriously considering internationalization can have very tailored approach to the needs of their own industry. From Tampere CCI perspective organizing these camps follows a very standardized process but the mentors and speakers in the camp create the tailored approach participants are looking for.

Module four is the continuum for KasvuCamp. This internationalization mentoring is especially attractive for companies who have participated KasvuCamp and after decided to internationalize. In the internationalization mentoring concept a company can apply for a mentor for a year to support them in their early stages of internationalization.

The basic idea is that by adding modules the member company can increase the concreteness of services by moving from module one to module four step by step. On the other hand also the commitment of company increases as they add on more modules from the services offering. This gives the customer a sense of tailored services offering even though from Chamber perspective all services are independent modules that are always implemented in a very consistent way.

## 8 CONCLUSIONS

The main purpose of this thesis was to map and define all of the international services offered by Tampere Chamber and Commerce currently and to find out new opportunities or development proposals how to better meet the members' needs. The intended outcome is a productized service portfolio comprehending all the international services. Based on the background information collected by analyzing secondary data and by executing interviews a few development proposals were represented.

At first this thesis defined the current state of services by using the grouping method. Finally a development suggestion to enhance the entity of international services portfolio was suggested in order to appear more clearly for the customers and thus easier to approach. Small improvement suggestions were made in order to make the international breakfast more interactive and to redefine the content of the breakfasts in order to attract more audience. Also a new service concept of internationalization mentoring was suggested and a possible structure for the new service was proposed. On the other hand removing the services close to the end of their lifecycle and removing duplicate content of different services increases the efficiency of internal processes and thus increases profitability.

One conclusion to be made is that currently the basic services ideas are competent but due to the overlapping between internationalization services offering it is difficult for the customer to recognize which services give the biggest additional value. Only one of the services was concluded to be outdated which means that other services are currently corresponding to customer expectations. Most of the customer needs recognized in this thesis which currently are not having a counterpart in the services offering are already being developed by the Central Chamber of Commerce. This thesis project was accomplished within the defined timeframe and the initial purpose and objectives were reached. This thesis also managed to answer the initial research question. All in all the thesis project was successful and the collected background information can be further utilized in the future as well. Secondary data analyzed was high quality and produced by reliable sources. Biggest challenge faced during the process was the limited data available concerning the internationalization of Finnish companies and especially the data concerning Pirkanmaa region.

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## APPENDICES

### Appendix 1. Topics to be discussed in the interview

Haastateltavan nimi ja yritys: \_\_\_\_\_

PVM: \_\_\_\_\_

Haastattelija: \_\_\_\_\_

#### Taustatietoa:

1. Yrityksen koko ja toimiala:
2. Millaista kansainvälistä kauppaa yritys käy tällä hetkellä?
3. Hakeeko yrityksenne kansainvälistä kasvua lähitulevaisuudessa? Kasvuhaikuisuuden kartoittaminen.
4. Tausta kauppakamarin kansainvälistymispalveluiden käyttäjänä?
5. Mitä muiden toimijoiden kansainvälistymispalveluita on käytetty?
6. Kuuluuko kauppakamarin tarjota kansainvälistymistä edistäviä palveluja? Millaisena näet kauppamarin roolin?

**TEEMA 1 Kansainvälistymiskartoitukseen linkittyen:** (Tässä osiossa tarkoituksena syventää kansainvälistymiskartoituksessa esiin nousseita trendejä)

1. Kansainvälistymisstrategian merkitys ja käytäntö. Voiko kauppakamari tarjota tueksi palveluja?
2. Millainen maakohtainen tieto on tarpeellista? Mitä tietoa haluaisit kauppakamarin tarjoavan?
3. Kasvanut halukkuus osallistua vientivalmennukseen. (Tässä tarkennetaan mitkä ovat tekijöitä trendin taustalla, vientikaupan suurimpia haasteita, sekä konkreettisia ehdotuksia valmennuksen teemoiksi)

#### TEEMA 2 Aiheet:

1. Kolme Suomalaista kansainvälisen kaupan osaajaa, joita olisit valmis tulemaan kuuntelemaan?

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

2. Kiinnostavatko case yritykset? Millaisia niiden pitäisi olla?
3. Oletko kiinnostunut yritysvierailuista? Ottaisitko itse vieraita tutustumaan yritykseenne?
4. Mitä tietoa seuraat viikoittain? Mistä lähteestä?

### **TEEMA 3 Verkostoituminen**

1. Millaisia ihmisiä olisit kiinnostunut tapaamaan kauppakamarin kautta? (esimerkiksi Tilaisuuksien ja delegaatioiden yhteydessä)
2. Sopiiko tilaisuus puhtaasti verkostoitumiseen vai pitääkö sen aina olla informatiivinen?

### **TEEMA 4 Tilaisuuksien tekninen toteutus:**

1. Onko halua sitoutua esim. vuoden kestävään kokonaisuuteen vai onko parempi että on sarja yksittäisiä tilaisuuksia?
2. Mielenpide erilaisista konsepteista ja kehitysehdotuksia. (Esim. Seminaarit, KasvuCamp, RoundTable)

### **TEEMA 5 Palvelukonseptien testausta:**

1. Tuleeko mieleen jotain mitä puuttuu tarjonnasta?
2. KV-Newsletter, millaista tietoa siinä voisi olla?
3. Konkariverkosto, joka sparraa vientiä aloittavia yrityksiä.
  - ovatko yrityksenne ammattilaiset valmiita mentorointiin tai antamaan neuvoja vientiä aloittaville pk-yrityksille, jotka eivät ole kilpailijoita?
  - Millainen toteutustapa?
  - Muita ehdotuksia?

Appendix 2. Suggestion for a handout program in International Breakfast

# TAMPEREEN KAUPPAKAMARI | KANSAINVÄLISET PALVELUT

## XXXXXXKUUN KV-AAMIAINEN dd.mm.yyyy

Tähän kohtaan tulee lyhyt ingressiteksti, jossa kuvataan päivän sisältö ja tavoitteita, sekä esitellään aamiaisen puhujat. Tämä on maksimissaan neljä tai viisi riviä. Alas tulevat tilaisuuden järjestäjien logot.

### Ohjelma

**08:00** Ilmoittautuminen ja aamukahvi

**08:30** Tervetuloa ja osallistujien esittelykierros

**08:45** Esiintyjä 1

**09:15** Keskustelua ja kysymyksiä

**09:30** Esiintyjä 2

**10:00** Keskustelua ja kysymyksiä

**10:15** Case yritys

**10:30** Keskustelua ja kysymyksiä



Save the date!

Tähän mainos jostain tulevasta tilaisuudesta.  
Esim. seuraava KV-aamiainen.

KV-Aamiaisen yhteistyössä sinulle tarjoavat:

Yhteistyökumppanin

logo tähän



