



Exploring partnering opportunities in the Spanish project resourcing market – A case study.

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ABSTRACT

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The objective of this thesis was to explore the value-added reseller partnering possibilities of a Tampere-based small company in the Spanish SaaS-market. The Spanish marketing environment was analyzed through a PESTEL-analysis, suggestions were made in terms of the commissioner's export marketing mix with the help of a SWOT-analysis and a list of potential partners and competitors were drawn up. The data was analyzed through a qualitative case study approach.

The results show that the commissioner has the potential in finding suitable partners in the Spanish SaaS-market if the following three challenges are tackled. Firstly, the language barrier both in negotiations and software features limits the possibilities in partnering and sales. Secondly, the prevalence of partner ecosystems in the market makes partnering more difficult for the commissioner as partner networks may already be established and these networks may prove to be financially more stable. Thirdly, due to the second challenge, strong differentiation becomes a key element in establishing a position in the market.

In order to help the commissioner in tackling these challenges, the following suggestions were made. To avoid the language barrier becoming a problem, it is recommended that the Silverbucket tool would be localized to the Spanish market and the website translated to Spanish. Moreover, since the Silverbucket tool's feature of providing real-time project data seems to be a not well-established feature among the competitors yet, it could prove to be a differentiative aspect that could be built on in order to succeed in a market with prevalent partner ecosystems.

Key words: case study, spain, project resources, saas

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ABBREVIATIONS AND TERMS

AI	Artificial Intelligence
CDTI	Centre for the Development of Industrial Technology
CRM	Customer Resource Management
ERP	Enterprise Resource Planning
HR	Human Resources
IaaS	Infrastructure as a Service
ISP	Internet Service Provider
PaaS	Platform as a Service
SaaS	Software as a Service
TTM	Time To Market
VAR	Value-Added Reseller
XaaS	Everything as a Service

1 INTRODUCTION

Companies have been conducting international business activities for a long time, however, since the 1980s internationalization has sped up due to globalization and the advancements in technology, communication and transportation that transformed our society. At first, large corporations were the ones that engaged the most in international business – today, however, any company can go international, regardless of its size. (Cavusgil & Knight 2009, 19)

The term “born global firms”, coined by Rennie (1993), describes these companies well. Rennie noticed that there were two types of exporting firms in Australia at the time: domestic-based and born global firms. The domestic-based firms built a strong foundation in their home market first and started considering internationalization afterwards – achieving this took them 27 years on average and their international sales amounted to only 20%. Born global firms, on the other hand, started exporting only a few years after their launch and achieved a more than 70% international sales ratio, competing successfully with larger companies. (Rennie 1993)

Since then, born global firms have been seen both in advanced economies and emerging markets, and they are widespread throughout industries. Their founders are usually entrepreneurs with strong international mindset who hold international marketing skills in high esteem. Even though these firms usually have limited financial and tangible resources at their disposal, they tend to be highly active in international markets from the very beginning of their operations. Their strategy tends to be based on differentiation as well as on the high quality of their products, and their distributors are usually external and independent. (Cavusgil & Knight 2009, 26-27)

Another important characteristic of born global firms is that they tend to take positive advantage of the available communications and information technology (Cavusgil & Knight 2009, 27). With the emergence and rapid development of services on the Internet, online internationalization has become more and more prevalent in companies - the latest supporting technology of this development is cloud computing. (Ahokangas & Juntunen & Myllykoski 2014)

Cloud computing enables applications to run entirely over the internet, creating new markets and destroying many others on the way. This technology provides the possibility to virtualize and thus easily internationalize business functions and services. It enables a continuous and convenient access to the resources in the cloud and its implementation requires very little intervention from the side of the management. The access is most often provided publicly, as a community network or privately, however, virtual private clouds and hybrid solutions – the combination of public and private networks – are also common. The most typical cloud services provided are SaaS or Software as a Service, PaaS or Platform as a Service and IaaS or Infrastructure as a Service. (Ahokangas & Juntunen & Myllykoski 2014)

Cloud solutions create value through providing for multiple customers at the same time and through their high level of scalability, on-demand availability, pay-per-use functionality and continuous access. This enables smaller companies to have the same resources and tools as large companies, without having to invest in the expensive IT-infrastructure, since the pay-per-use functionality transforms IT costs to operative costs, thus making it cheaper to implement. (Ahokangas & Juntunen & Myllykoski 2014)

The commissioner of the present thesis is a Finnish start-up company providing SaaS-solutions internationally. This company can be characterized as a born global firm because it has only operated for ten years and through its partners, it already sells its product in several European countries. The company plans on expanding to new markets in Europe by finding new partners; one of their possible next destinations is Spain, for which reason the present thesis focuses on providing information on that area.

The company needs information about the marketing environment of the market of their choice, since according to Ahokangas et. al (2014), even though cloud computing helps in entering new markets and makes internationalization possible in an earlier stage of company development than before, businesses still need to put a significant effort into international sales and marketing, since these activities

are not possible through the cloud. The present thesis aims at helping the company in these efforts by gathering information and providing suggestions and recommendations.

In the next subchapter, the company is introduced in more detail, including their product, their business model and their partnering objectives. This is followed by the presentation of the research problem and the research plan.

The second chapter contains the literature review, while the third chapter introduces the methodology that is used in the research. The fourth section relates the data gathered about the Spanish marketing environment in the form of a PESTEL-analysis, gives suggestions about the export marketing mix of the company and analyses its position in the Spanish market through a SWOT-analysis. The fifth chapter presents the company's partnering method in a detailed manner and contains the list of potential partners and competitors along with their comparison. The thesis ends with a discussion where the findings are gathered, and suggestions are provided.

1.1. The commissioner

Silverbucket is a privately held company that was founded in 2010 with the aim of providing a smart project resourcing tool for organizations. The company headquarters is located in the centre of Tampere and currently employs 12 employees. (Silverbucket.com)

Their product, the Silverbucket tool is used to manage project allocations portfolios and to create forecasts. Due to the fact that it functions in a SaaS-platform and requires only a web browser to run, the Silverbucket tool is suitable for any company that operates based on projects with between 50 and 10 000 employees. The organization's management, project managers, team managers and the project members themselves can benefit from using the tool. The Silverbucket tool makes it easy to manage projects by showing clearly the possible problems and providing an easy-to-use interface to see the big picture, which in turn supports decision-making. (Silverbucket n.d. 3.) The ideal customers of the Silverbucket tool are engineering, consulting and IT-companies (Silverbucket n.d. 2.).

Silverbucket uses the SaaS business model in their operations. The company's revenue comes from the monthly fee paid by the customers. When the customer buys the product through a partner, a previously agreed percentage of the fee is paid to the partner. In return for the fee, the customer receives the right to use the product, to have access to support services and to receive the new releases. The exact monthly price depends on the number of people registered to use the platform. (Silverbucket n.d. 2.)

According to the company's data, the Silverbucket tool is already used in 40 different countries and the company has partners in the United Kingdom, Sweden and Switzerland. Thus, Silverbucket is already functioning quite internationally and would like to continue on the path of reaching their goal of building a solid partner network in Europe. (Silverbucket n.d. 2).

Silverbucket's preferred partnering model is a value-added reseller partnership, which means that their product is combined with other software of the partner company before being sold to the customer (Brinkkemper et. al. 2009). The partner is to take care of the sales process, create the customer contracts, provide the customers with first level support as well as trainings and consultation services, if necessary. In return, the partner receives a predefined percentage of the monthly fee paid by the customer. (Silverbucket n.d. 2.).

1.2. The research problem

The present thesis aims at providing Silverbucket Oy with an understanding of the Spanish market, putting special emphasis on the development of the SaaS technology in the area. The data to be gathered provides information about the marketing environment in Spain, based on which it becomes easier to identify potential partners and competitors in the current Spanish SaaS market. This will significantly reduce the risks taken by Silverbucket Oy, thus there is a need for this research.

The research problem constitutes the improvement of the current situation of Silverbucket Oy. The company has already established partnerships in several European countries and would like to expand further. In order to aid them in their efforts, the following research questions were set for this thesis:

1. *What characterizes the Spanish technological sector's marketing environment?*
2. *What strengths and weaknesses Silverbucket has in this environment?*
3. *Which companies are examples for possible partners and competitors in this environment?*

1.3. The research plan

In order to answer the above questions, the present thesis uses the business research process method as recommended by Hair et. al (2016, 29-35), which is described in detail through this subsection.

Hair et. al's process has three phases: formulation, execution and analytical phase; each of these include several smaller steps. Hair et al. emphasizes that the exact steps to be taken in each phase can vary depending on the needs of the research in question – some steps might be taken out of the process; the order might be changed, or some steps might be performed more than once.

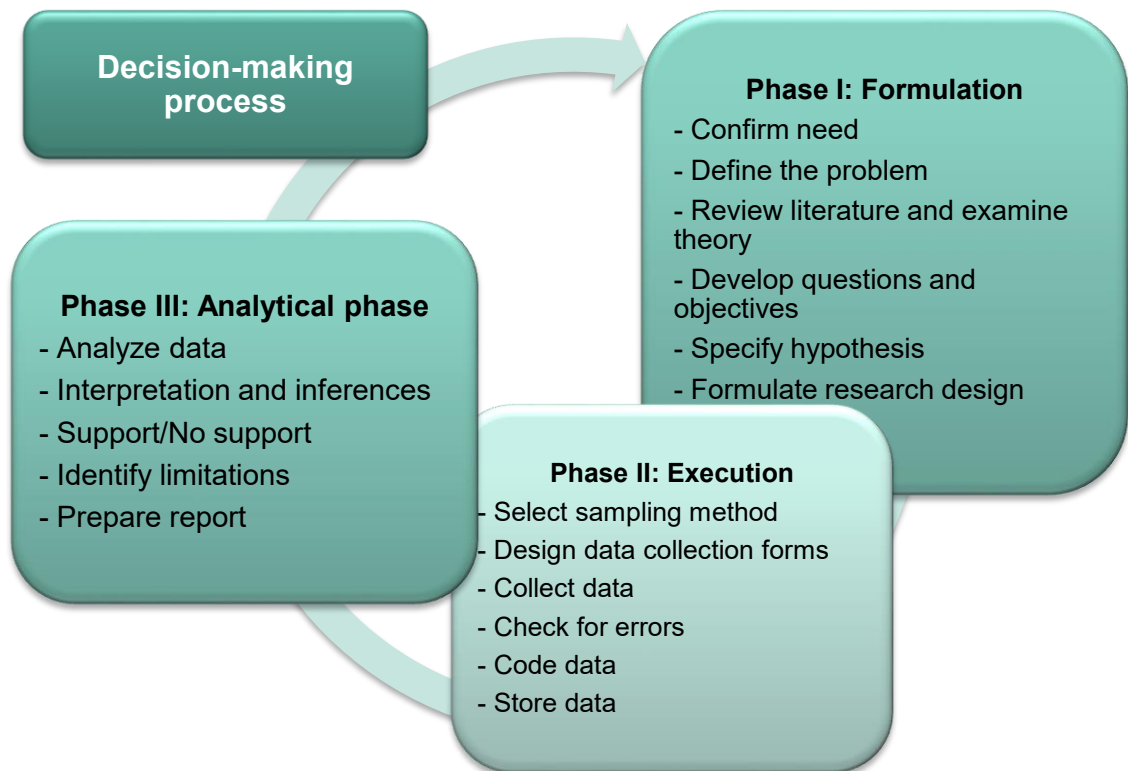


FIGURE 1. - The business research process (Hair et. al. 2016.)

The Formulation phase includes the drawing up of the elements and the process of the research. This forms a guide of step-by-step instructions for the researcher through which the desired results can be achieved.

The first step is to confirm the need for the research; in order to do this, the research has to fulfil three aspects: the possibility to gather enough information fast and gather it within the company's budget, as well as reducing significantly the risk of making company decisions in the matter. The second step is to determine the research problem, which can be the solving of an existing problem or an improvement to the current situation. The third step is to review the correspondent literature and learn from already conducted research.

Based on the obtained information, the researcher formulates scientific questions and objectives in order to solve the research problem. These questions were presented in the previous chapter.

Once the questions and objectives are defined, they enable the researcher to make a research plan. The research plan needs to be constructed in a way that

enables obtaining relevant information to answer the research questions and ensures the completion of the process in the most efficient manner.

In *the Execution phase*, the researcher actively gathers information and stores it in a way that it facilitates analysis in the next phase. The first step in this phase is to determine if a sample is necessary, which sampling method to use and the size of the sample. Next, the data collection method needs to be decided on; the method depends on the questions and objectives formulated in the previous phase.

In the case of the present thesis, qualitative research is going to be conducted in order to explore the topic through a case study.

In *qualitative research*, data is gathered in textual, visual or in audio form. The qualitative approach enables the researcher to analyse and describe a few characteristics in depth. Qualitative research usually works with small samples and the interpretation of data as well as the results are relatively subjective. (Hair et. al 2016) In this thesis, inductive reasoning is used in qualitative research, in other words, the reasoning is based on the observations made by the researcher (Eriksson & Kovalainen 2008).

The type of research design used in this research is *exploratory*. According to Hair et al. (2016), exploratory research allows a better understanding of a business problem or opportunity. In the case of this thesis, the business opportunity is the possible expansion to Spain, for which the company needs to gain better understanding of the market. For this reason, exploratory research is suitable for this topic.

Case study research involves the understanding and solving of a specific case; in business research, this usually means providing a solution for a real-life business problem. The advantage of case study research is that it provides a more easily understandable, individual perspective to an otherwise complex business problem, and that its practicality and normativity makes it suitable for solving company-specific research problems. (Eriksson & Kovalainen 2008) This is the

case in the present thesis since the results are applicable only to the company in question and may not be generalized to other firms.

Stoecker (1991) differentiates between intensive and extensive case study research. An intensive case study focuses on only one case and strives to understand it from the inside by describing it holistically and in context. The aim of an extensive approach, on the other hand, is to create or rethink theoretical generalizations by comparing multiple cases. (Stoecker 1991) Based on this categorization, the present thesis is an intensive case study.

Eriksson and Kovalainen (2008) describe intensive case study research as a continuous interaction between theory and empirical data. For this reason, they warn researchers to refrain from jumping to conclusions fast and continue instead with the comparison of theory and the data acquired. (Eriksson & Kovalainen 2008)

Continuing with Hair et. al's approach, once the data is collected in the chosen method, it needs to be checked for errors, to be coded and then to be stored. The process differs according to the nature of the research. Quantitative data is often pre-coded, while qualitative data is analysed both during and after the data collection.

During *the Analytical phase*, the previously collected data is analysed. The information is examined and interpreted in order to answer the research questions. The data analysis method will depend on the characteristics and needs of the research. In a qualitative study, data is categorized and relationships between categories are pinpointed. Once all the questions are answered and relationships are identified, the report is prepared.

2 THEORETICAL FRAMEWORK

2.1. Domestic and international marketing

Marketing is one of the most customer-focused business functions. According to Kotler and Armstrong (2016, 29), “marketing is a process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return”. In order to be successful in this endeavour, marketing aims at identifying and satisfying customer needs. (Kotler & Armstrong 2016, 30)

To reach this goal, the company must develop and adopt a marketing strategy. Marketing strategy encompasses the approach and marketing logic that the company is planning to use to create customer value and build customer relationships (Kotler & Armstrong 2016, 74). The marketing strategy is executed by using the marketing mix, which includes the tools that the company can use to influence its product’s position in the market (Kotler & Armstrong 2016, 78).

The marketing mix is made up of four variables, the four Ps: product, price, place and promotion. *Product* means the products and services that the company brings to the market. *Price* is the money that the company requires from the customers in exchange of the product or service. *Place* means in this context the steps the company takes to make the product or service available for customers; this variable can include dealers or resellers, for example. The last P, *promotion* refers to the communication activities of the company that aim at persuading customers to buy the product or service. In order to achieve a successful marketing strategy, the company needs to blend together these four variables to draw up an integrated marketing program, which creates value to the customers and helps the company achieve its objectives. (Kotler & Armstrong 2016, 78)

In 1981, an extended model of 7Ps was introduced. These three additional Ps are more applicable to services marketing. The fifth P is *people*, which refers to the human factor in marketing; this includes not just the company’s personnel, but the interactions with the customers as well. *Process* is the sixth P, which consists of the procedures and activities involved in services marketing. Lastly, the

seventh P is *physical evidence*, which refers to the place where the service occurs or where the employees meet the customers, including every aspect that can have an effect on the customer. (Booms & Bitner 1981)

The basic concept of marketing described above can be used both in the domestic and the international market. They both include the same elements: “planning, promoting, distributing, pricing and support of the goods, services and information to be provided to intermediate and ultimate customers” (Albaum & Duerr 2011, 21). Domestic marketing focuses on the home country of the company, while international marketing aims at creating customer value over political boundaries. (Albaum & Duerr 2011, 21)

However, international marketing differs from its domestic counterpart in that it takes into consideration the differences between countries. The home country’s environment will differ from the host country’s; these differences can be present on all levels, such as “culture, consumer needs and wants, economic levels and structures, market structures and channels available, ways of doing business, laws and regulations (...)”. (Albaum & Duerr 2011, 21)

In order to adapt to these differing environments, the company needs to develop an international marketing strategy. This process has two stages. Firstly, the company chooses the target market, and secondly, it needs to manage its marketing, which means the changing of the marketing mix to fit the needs and wants of the customers of the target market. (Czinkota 2006, 18)

Another goal of an international marketing strategy is to ensure comparative advantage in the target market on the long-term (Czinkota 2006, 18). Comparative advantage is the advantage gained by providing greater value to customers than the competitors do, and is perceived by customers as customer advantage, thus giving an incentive to favour the company over others (Kotler & Armstrong 2016, 568).

The task of selecting the target market involves researching and analysing the characteristics of intended target markets. These characteristics can be researched by using the method of the eight Os: occupants, objects, occasions, objectives, outlets, organization, operations and opposition. (Czinkota 2006, 18) However, in the case of this thesis, the target market was decided beforehand, thus this step can be skipped and will not be discussed in further detail.

In terms of the second task of managing the marketing mix, the company's strategy will depend on many variables. Marketing literature differentiates between controllable and uncontrollable variables – where marketing activities are controllable, but economic, geographic, cultural, political and sociological variables are uncontrollable by the company. (Albaum & Duerr 2011, 28-29) The marketing situation created by both controllable and uncontrollable variables is the environment to which the marketing mix needs to be adapted to. (Gilligan & Hird 2012, 35.; Albaum & Duerr 2011, 29.)

2.2. The international marketing environment

2.2.1 PESTEL-analysis

The PESTEL-analysis is a widely used tool for analysing the business environment. Its creation is credited to a Harvard Business School professor, Francis J. Agilar, who outlined the foundations of the method in his 1967 book, 'Scanning the Business Environment'. The method initially incorporated only four elements – economic, technical, political and social aspects – and, as a result, was called ETPS-analysis. Later the name was changed to STEP, and with the addition of the legal and environmental aspects, it has held several names: STEEPLE, PESTEL, PESTLE and PEST; the latter being the most commonly used. (Frue 2017)

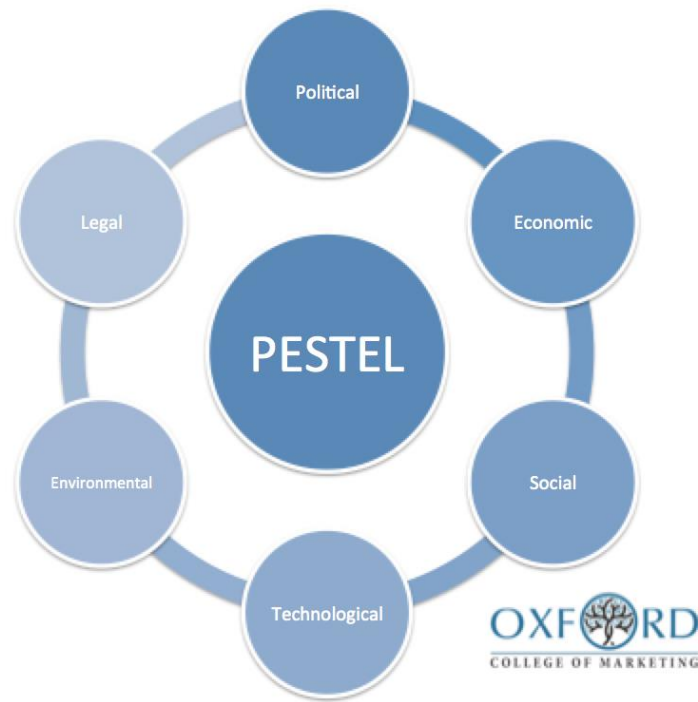


FIGURE 2. - PESTEL-analysis (What is PESTEL analysis? 2016.)

The PESTEL-analysis provides a method for companies to analyse the macro-environment before launching or making changes to their marketing strategy, thus facilitating faster adaption to circumstances. It is recommended to repeat the analysis regularly to ensure that the information is up to date. (What is PESTEL analysis? 2016) The following subchapters look at the variables included in the PESTEL-analysis and the possible methods to gain information about them.

2.2.2 Political variables

Political variables refer to the target country's government policy and the general attitude towards international business. The rules and regulations that affect businesses that export to the target country are of essential importance to the exporting company as these aspects might require changes in the marketing mix. Example of these include corruption, taxes and the possible helping measures for foreign companies. (Kotler & Armstrong 2016, 599)

The political stability and monetary situation of the target country need to be taken into consideration as well (Kotler & Armstrong 2016, 599). When it comes to political stability, it is important to note that a country's political climate is in constant

change and for this reason, the company needs to monitor these changes frequently. (Gilligan & Hird 2012, 54-55)

2.2.3 Economic variables

The analysis of economic variables is important for the exporting company because of the way they affect the market potential and the market actualization (Albaum & Duerr 2011, 194). These variables can be looked at from the macroeconomic and the microeconomic point of view (Gilligan & Hird 2012, 35-42).

The variables of the macroeconomic level give information on the population, as well as the target country's economic policy and the level of development it is at, economically. These could influence the export marketing mix of the company and thus are important to analyse. (Gilligan & Hird 2012, 35-42).

Other variables included in this category are the economic system of the country, the trade agreements it is part of, as well as the international market lifecycle. The latter refers to the forecast of the way the country's economy is going to change in the near future. (Gilligan & Hird 2012, 35-42) Czinkota (2006, 93) includes here the consumption patterns of the population and the level of integration, referring with the latter to the European Union and the customs union.

The microeconomic level includes the variables that affect how the company is able to meet the wants and needs of the target country's population, and the information about the size and characteristics of the competition. The competition does not only include local companies, but other foreign companies that have already entered the target market. (Gilligan & Hird 2012, 35-42)

2.2.4 Socio-cultural variables

Socio-cultural variables refer to those characteristics that are unique in the target market due to "the set of values and patterns of learned behaviour that develop as a result of living within a particular society" (Gilligan & Hird 2012, 46). These variables have a direct effect on the company because they influence the way of thinking and customs of people, thus their business norms and behaviour as well

(Kotler & Armstrong 2016, 600). Moreover, these variables include patterns of social behaviour towards women and social classes, for example, as well as the role of religion, language, ethics, symbols and prejudices, among other aspects. (Gilligan & Hird 2012, 47)

If the company has sufficient knowledge of the social and cultural differences between its home country and the target country, it has the chance to predict when to adapt the marketing mix to the specific target market and when it is possible to use a common strategy with another country. Seeing cultural diversity as a benefit rather than a problem can be of advantage to the company: if the new environment forces the company to look for new solutions, those solutions might be used in other markets as well, thus creating an opportunity (Kotler & Armstrong 2016, 601). It is important to note, however, that adjustments will most probably have to be made as the successful basic idea might need to be adapted to the local environment. (Czinkota 2006, 53)

In order to gain an understanding of the socio-cultural environment of the target market, the company can use the following five dimensions, developed by Geert Hofstede (Hofstede 2011). Firstly, the target market can be placed on a scale between individualistic and collectivistic cultures. In individualistic cultures people are assumed to take care of their own and their families' issues by themselves and having personal opinions is expected; however, in collectivistic cultures people are looked at primarily as members of a group and opinions are determined by the community. The second dimension is that of power distance, which refers to the level of inequality in the country and the solutions related to it. The third dimension is the way people see uncertainty; do they need clear rules and regulations, or do they like to find solutions to problems by themselves. Fourthly, the scale of masculinity and femininity which refers to the roles of men and women, and the attitude towards achievements. And lastly, long-term or short-term orientation, which category makes a distinction between future-oriented societies and those that concentrate more on the present and the past. (Czinkota 2006, 72; Hofstede 2011)

A sixth dimension is also possible to analyse, which was added to Hofstede's theory in 2007. This dimension moves on the scale of Indulgence and Restraint,

and refers to the degree to which people in the country let themselves be happy; do they indulge their desires or control them? (Hofstede 2011)

These dimensions allow a thorough analysis of the target country's culture and society. The information gained can be used to give answers to the issues related in the beginning of this chapter and to provide a basis for the drawing up of the export marketing mix.

2.2.5 Technological variables

This category includes the factors of technological development and innovations that could have an impact on the exporting company. These variables should include not only the digital factors, but other technological innovations, if applicable. (What is PESTEL analysis? 2016)

Kotler and Armstrong (2016, 108-111) warn about the rapid changeability of the technological environment. Since new technology creates new markets and opportunities, they suggest that companies monitor these changes regularly and closely as lagging behind can have devastating effects on the business.

The analysis of technological variables is especially important when the company in question is a virtual one. Virtual companies have little physical infrastructure and mostly operate online; many business functions are outsourced to contracted companies or individuals. (Albaum & Duerr 2011, 48)

The commissioner expressed a specific interest in the technological variables; moreover, the commissioner's business is virtual. For these reasons, technological variables will receive special attention in this thesis.

2.2.6 Environmental variables

Kotler and Armstrong (2016, 107) call these variables the company's natural environment. These variables include not just the physical environment and the natural resources available at the target country, but also concerns of environmental sustainability.

When it comes to the natural environment, Kotler and Armstrong (2016, 107) list trends that companies need to be aware of: the availability of raw materials, the pollution the company is causing and government interventions in the management of natural resources. Environmental sustainability variables, on the other hand, include ecological aspects, such as the impact on climate and carbon footprint; as well as corporate sustainability responsibility (What is PESTEL analysis? 2016).

2.2.7 Legal variables

A company needs to take into consideration the laws of the target country they are planning to operate in. Changes in the law and their implications need to be monitored constantly. Legal variables can include consumer laws, health and safety, international regulations, trade regulations and employment legislation. (What is PESTEL analysis? 2016)

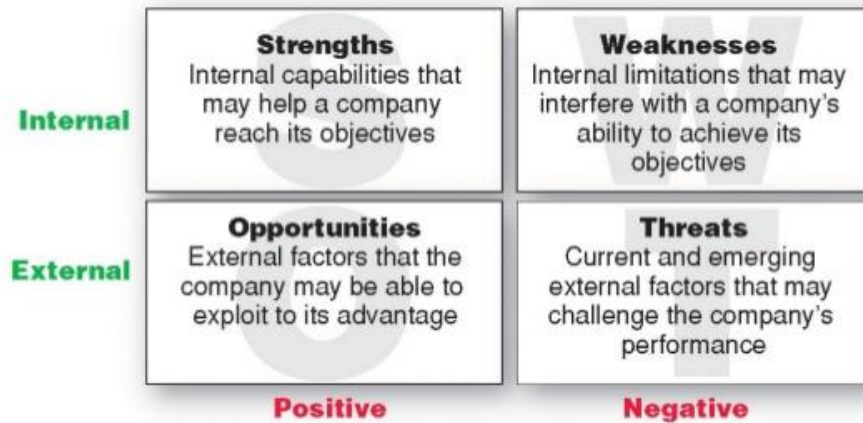
Ethical issues are another aspect that is included in the legal variables. Ethics of companies is becoming more and more important in today's modern society thus firms have an increasing number of ethical responsibilities. These include corporate governance, corporate responsibility, intellectual property rights and corruption. (Czinkota 2006, 147)

2.3. The SWOT-analysis and the export marketing mix

After analysing the business environment of the target country, the exporting company needs to conduct a marketing analysis, in order to manage and adapt its marketing functions to the new market's needs. A suitable technique is the SWOT-analysis, which provides information on the company's strengths (S), weaknesses (W), opportunities (O) and threats (T). (Kotler & Armstrong 2016, 79)

Managing the Marketing Effort

Swot Analysis



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Chapter 2- slide 28

PRINCIPLES OF
Marketing

FIGURE 3. - SWOT-analysis (Kotler & Armstrong. 2016.)

The aim of the exporting company should be to seize the opportunities of the environment in the target country by making use of the company strengths, and – at the same time – to overcome the weaknesses and to avoid the threats. (Kotler & Armstrong 2016, 80) For this reason, a thorough SWOT-analysis is an important part of the international marketing strategy.

As mentioned, the export marketing mix includes those aspects that the company can and should control, based on the business environment and the marketing analysis. Czinkota (2006) uses the previously mentioned 4Ps as a basis for the export marketing mix: product, price, place and promotion.

2.3.1 Product

The product is the most important element of a company looking to export. In order to gain market share, the company needs to differentiate the product from the competitors' offerings; this can happen on several levels. The company might stand out with their core product only, however, if this is not possible, differentiation needs to be achieved by tangible or intangible advantages, or by augmenting

the product. Tangible advantages could include packaging, quality, aesthetics or leading with the brand's name; while product positioning and the country of origin are examples of intangible advantages. An augmented product is one that comes with additional services, such as installation, after-sale service, delivery and credit or warranty. (Czinkota 2006, 327)

Moreover, it is important that the product provides value to the local customer. According to Czinkota (2006), the customers' perception of the value of the product is determined by how well it solves their problem or meets their needs. This perception is based not only on the technical characteristics of the product, but on intangible features as well. For this reason, a good understanding of the target country's customer behaviour is essential. (Czinkota 2006, 327-328)

The exporting company can choose from two approaches: standardizing the product or adapting it to the target market. *Standardization* is a cost-effective approach that works well in economies of scale and is enhanced by the increasing trend of global economic integration. Product standardization is a suitable strategy in the industrial and the technological sectors. *Adaptation*, on the other hand, is suited for companies with a culturally grounded product, such as food products, where the differences in consumer behaviour as well as local regulations and competition play an important role. (Czinkota 2006, 328-329)

2.3.2 Price

Price is an important marketing element in exporting situations because it is the only one that generates revenue for the company. Price serves as an important tool for communication between the company and the customer and for competing with other players in the market. For this reason, pricing decisions should be made carefully and in unison with other marketing mix elements. (Czinkota 2006, 354)

In international context, an exporting company can be faced with three types of pricing situations: first-time pricing, changing pricing and multiple-product pricing. (Czinkota 2006, 354)

First-time pricing, or determining the price on entering the market, offers three alternatives to the company: skimming, market pricing and penetration pricing. Skimming aims at selling as much as possible in a short period of time; this approach requires the product to be unique and market segments to be willing to pay a higher price for the product. Market pricing is a reactive approach where the company meets the competitors' prices and sets production and marketing costs accordingly; this is a suitable strategy when similar products already exist in the target market. In penetration pricing, the company sets a low price on entering market in order to generate market share and sales volume; for this strategy to succeed, customers need to be price-sensitive and the production and marketing costs need to be forecasted for a decrease. (Czinkota 2006, 354-355)

Changing pricing is used when the company introduces a new product, the market changes significantly or the company's situation changes. If the company decides to change the price, other marketing mix elements and related costs need to be adapted accordingly. Moreover, the product's lifecycle should be taken into consideration as well. (Czinkota 2006, 355)

Multiple-product pricing is suitable if the company has different versions of the same product on the market. The pricing of the different versions is adapted to the goals, such as gaining more market share or beating the competitors. (Czinkota 2006, 355)

2.3.3 Place

The distribution system of a company is essential to its international operations. This system consists of organizations and other entities that take care of certain functions in the distribution of the product. Distribution channels are important because they constitute the most long-term decision that the company needs to take when it comes to the marketing mix. Czinkota (2006) differentiates three distribution systems that are generally used by companies. The first is selling to customers directly through its own sales force or by using e-commerce channels; the second is to cooperate with independent, local intermediaries; and the third possibility is an external distribution system. Whichever option the company

chooses, it is essential that the distribution system functions as one entity: as a team that strives for a common goal. (Czinkota 2006, 414)

The export company's channel design is influenced by eleven factors that Czinkota (2006) calls the 11 Cs. The 11 Cs should be used not only when a distribution system is developed but also when the existing system needs changes. The first three Cs are external factors, which the company needs to adapt to; these include customer characteristics, culture and competition. The remaining eight Cs are the internal factors that are controllable to some extent; these include the company objectives, the character of the product, the capital or financial requirements of the distribution channel, the costs, the coverage or the area covered by the company, the continuity of the system and communication. (Czinkota 2006, 416-425)

2.3.4 Promotion

In order to promote the export product effectively, the company must draw up a suitable marketing communications strategy. This process consists of five steps that need to be taken consecutively. (Czinkota 2006, 392)

The first step is to assess the company's marketing communications opportunities. The marketing manager needs to determine which characteristics and benefits of the product and the company should be emphasized in marketing activities. Analysing the marketing resources available is the second step; the resources depend on the rules of the foreign market and the general promotion costs among competitors. It is recommended that the export company concentrates its promotion on the most important market segments. (Czinkota 2006, 393)

Setting an objective based on the marketing opportunities and on the resources available constitutes the third step. This might be aided by the intermediaries that the company has in the target country, however, the company should not give full control to the intermediary in promotion. (Czinkota 2006, 393-394)

The fourth step is to develop alternative strategies to combining the company's resources and the opportunities in the market. The promotional mix of the export company consists of the following tools: advertising, personal selling, publicity, sales promotion and sponsorship. The company will choose from these tools depending on the strategy it plans to adopt. A push strategy requires an emphasis on personal selling, while a pull strategy is focused more on communication tools, such as advertising. (Czinkota 2006, 394)

The fifth and last step is to set specific marketing communication tasks. The company needs to decide which tasks are to be done by foreign intermediaries or if to use cooperative communication efforts with other exporters, which allows the company to ask distribution partners to financially contribute to marketing activities. (Czinkota 2006, 396)

2.4. Software-as-a-service (SaaS) business model

Liao (2010) and Sääksjärvi and Lassila (2005) use the following definition for this business model: "Software as a Service is time and location independent online access to a remotely managed server application". The software suppliers provide the online application, the software's offline operations and local data storage, thus the customers do not have to invest in hardware, software and personnel (Liao 2010).

The buyers of SaaS software applications usually pay for the number of rented software or for the used time in the software (Liao 2010). According to Liao (2010), SaaS enjoys the interest of small and medium-sized companies.

In the SaaS software service, two categories can be differentiated, enterprise-oriented and customer-oriented service. Enterprise-oriented service refers to large customized business solutions provided to companies; software of this type is usually leased, and the customer is charged a monthly fee. (Liao 2010) Silverbucket's service belongs to this category.

SaaS software can also be categorized from the point of view of service patterns. The first pattern is providing a service platform. The SaaS platform can provide

companies with flexibility through customization, with immediate deployment, with fast integration and with development tools. The second pattern type is when the supplier company provides full services. The company manages the whole process: the team, the sales process and the business partners; moreover, the end-users form a virtual community through exchanging information and integrating applications. (Liao 2010)

When it comes to the matter of pricing, Liao (2010) states that with the emergence of the SaaS model, the traditional software licensing fees were abolished. The customers are charged based on how long they use the software and on how many computers. This is advantageous for the software suppliers because it provides them with more stable revenue sources and more predictable cash flow. (Liao 2010)

2.5. Distribution channels in the software industry

Brinkkemper et al. (2009) created a classification for the distribution channels used in the software industry. This classification includes three types of channels: direct, indirect and the combination of the two. However, in the case of a direct distribution channel, the customer buys the software directly from the vendor. If the company uses an indirect distribution channel, the product is purchased through an intermediary and the customer does not have direct contact with the vendor. (Brinkkemper et al. 2009) In this case, the channel constitutes of three members: the supplier, the intermediary and the buyer (Siira 2012).

According to Brinkkemper et al. (2009), indirect channels have three sub-types: reseller, agent and reseller, and value-added reseller or VAR. If the company uses the first two types, the product sold through the intermediary remains the same and the intermediaries receive their share of the price. However, in the case of a VAR arrangement, the intermediary combines the supplier's product with other products and the newly created combined product is sold to customers. (Brinkkemper et al. 2009)

A combination of direct and indirect distribution channels is a suitable solution if the company plans on selling more than one product through the same intermediary. The intermediary sells some of the products directly, while uses the indirect method with others. (Brinkkemper et al. 2009)

2.6. Value-added reseller (VAR) partnering model

As Brinkkemper et al. (2009) showed, a value-added reseller combines several suppliers' products and then sells it to the customer. It is important that the whole product should be combined; if the intermediary only adds new features to the product, the relationship is a value-added partnership. (Brinkkemper et al. 2009)

Using the services of resellers is beneficial since they already have the market knowledge, the sales expertise and the distribution network in the target market, thus they can bring the product more effectively to the new market than the supplier company would alone (McQuiston 2001). The main advantages to a supplier when using the VAR-model come from supply chain management, from aspects such as customer contacts and low costs (Niu 2009) as well as the already mentioned market and sales expertise.

According to Niu (2009), suppliers might have concerns about VARs. They might feel that they lose control over their product or that the reseller might not add the expected value (Niu 2009). For this reason, it is important to build functioning partnerships and maintain them. As McQuiston (2001) showed, there are six core values that are important in this process. McQuiston emphasizes that these values are of an interlocked nature, thus all six are equally important for a successful relationship. These core values need to be present between the two organizations rather than on a personal level. (McQuiston 2001)

Shared goals and objectives are important because internalizing these goals and acting in the interest of both parties contributes greatly to a successful business relationship. McQuiston found that many companies used a pre-screening process to determine if the goals are a match. (McQuiston 2001)

Mutual dependence occurs when the abovementioned goals can only be reached by the two companies together. Such dependence requires a balanced power relationship between the two parties and the readiness to see the other party's point of view. (McQuiston 2001)

Organizational communication needs to be open between the companies, which means that the communication needs to be continuous and free in order to improve trust and connection. The needs for communication of both companies need to be taken into consideration, in terms of frequency and communication method. Such communication leads to solving conflicts more easily. (McQuiston 2001)

Mutual commitment to customer satisfaction is also a crucial factor. In order to ensure a successful relationship, both companies need to understand the needs of the final customer and work as hard as they can to meet these needs. (McQuiston 2001)

Since both companies risk their invested time and money in the partnership, *mutual concern in the other's profitability* is of utmost importance. The foreign company assumes that the local partner will work towards achieving the local market's potential, while the local partner expects that the future profits will pay back the time and money spent on finding the customers. Both parties need to look out for these assumptions to ensure a successful relationship. (McQuiston 2001)

Trust is the glue of all of the above. Both companies need to become vulnerable to a certain degree for the partnership to work – trust is achieved by not taking advantage of the other company's vulnerability. Moreover, keeping promises and communicating openly also contribute largely to building trust. (McQuiston 2001)

McQuiston notes that a business relationship needs to be functional on the personal level as well and draws up four supporting factors. These include investment of effort by the top management to implement the core values, continuous improvement of the relationship over time, professional respect between the companies and developing a personal relationship. (McQuiston 2001)

3 METHODOLOGY

The primary data for this thesis is gathered through an interview. Interviews are recorded conversations that are organized into questions and answers, with the interviewer asking the questions and the interviewee or interviewees providing their insight on the topic introduced. It is possible to conduct interviews with the participation of one interviewee or with a focus group, in which case there are two or more interviewees involved. The most common setting is a face-to-face interview; however, it is also possible to record it as a telephone conversation or using online, computer-based methods. (Eriksson & Kovalainen 2008, 78)

As explained by Saunders (2009, 320-325), a different typology of interviews differentiates between structured, semi-structured and unstructured interviews, from which the last two are considered suitable for qualitative data collection. In the case of semi-structured interviews, the interviewer usually arrives with a set of questions, and might add further questions when necessary. These interviews are most applicable to explanatory research as they shed light on the relationships between variables. On the other hand, when conducting an unstructured interview, the interviewer has a clear view on which aspects are to be discussed, however, there are no questions set up: the interviewee is free to relate their experiences. Unstructured interviews are best used in exploratory research because it enables the researcher to have an insight into what is happening and to gain new information. (Saunders 2009)

In the case of the present thesis, a semi-structured interview was conducted with the CEO of Silverbucket Oy. The interview was conducted on the 27th of January 2020 at the Silverbucket office in a face-to-face manner and its length was 39 minutes.

The primary objective of the interview was to get a clear picture of the partnering strategy and requirements of Silverbucket in order to provide the most suitable information in the research. Due to the straightforward nature of the objective, setting up questions in advance was suitable in this case, however, it was also necessary to provide flexibility in terms of questions in order to ensure that all the

necessary information is gathered. For these reasons, a semi-structured interview was deemed the most suitable in this case.

The interview questions focused on how the value-added reseller model works in the case of Silverbucket. The first two questions mapped out the reasons why the company chose this partnering method and what are they looking for in a partner. The next question cluster gathered information about the already existing partners: Silverbucket's strategy to find them, the way the two companies keep in touch during the different phases of the partnership as well as the length of the partnering contracts. The interview ended with the discussion of the encountered challenges in these partnerships. The exact questions can be found in appendix at the end of the thesis (Appendix 1).

Further interviews would have been beneficial in the case of this research, however, there were limitations encountered when attempting to find interviewees. The Spanish organizations DigitalES and Fundación Telefónica were contacted at the end of February through their website and e-mail address, respectively. The goal was to acquire more information from the Spanish cloud computing and, if possible, SaaS market by interviewing representatives from one or both of these organizations. Unfortunately, the contact attempts remained unanswered, thus the information was to be gathered through secondary sources.

In terms of secondary data, Albaum and Duerr (2011) differentiate between internal and external sources of data. Internal data sources refer to the information acquired from within the company and includes sources such as sales and personnel records, while external sources include any published information that furthers the research. The present thesis is going to use both.

The previously mentioned published information can be acquired from many sources. International bodies, such as the United Nations or the Organization for Economic Cooperation and Development are suitable for this purpose. According to Albaum and Duerr (2011), data from these institutions is beneficial because they not only provide data on the past years but also include forecasts and trends. Moreover, national governmental agencies also keep data that can be useful in business research, such as country-specific indicators and studies conducted on

the target market. Non-governmental agencies, such as investment houses and commercial banks can also provide useful information for the researcher as their international departments often offer statistics. (Albaum & Duerr 2011)

Czinkota (2006, 249-252) expands this list by mentioning trade associations, such as chambers of commerce, and other firms operating in the same market. Moreover, they put emphasis on the importance of the European Union websites as a centralized data source. (Czinkota 2006)

The present research used several kinds of secondary sources to gather information about the Spanish marketing environment. One of these source types was reports drawn up by organizations and companies specialized in cloud computing and operating or based in Spain. The reports of Quint Wellington Redwood (2017, 2018, 2019) provided very detailed information about the cloud computing sector of Spain and due to their annual nature, the identification of trends was also possible. The organization DigitalES' website (n.d.) was a valuable resource with its articles and general information and the report on digital society in Spain by the Fundación Telefónica España (2018) provided useful information as well. Additional sources were the data provided by the Spanish Institute for Foreign Trade (ICEX) and the Spanish Statistical Office (INE). The document by Business Finland in Spain (n.d.) provided essential information on the business culture and etiquette in Spain.

Additional sources included the new Spanish government's programme for the next few years (PSOE 2019) as well as several online newspaper articles, theses, doctoral dissertations and websites.

As Czinkota (2006) mentioned, reports published by the European Union are reliable and centralized sources. In this thesis, data gathered by the OECD (2018 1; 2018 2) and the European Commission (2018, 2019) served as valuable sources on national and regionally grouped economic data about Spain, as well as on the characteristics and classification of Spanish companies. Moreover, the sustainability report of the Institute for European Environmental Policy (IEEP 2019) provided valuable information on the ranking of Spain in terms of the Sustainable Development Goals.

4 THE SPANISH MARKETING ENVIRONMENT

In the following chapter, the above described theory will be applied to the exact case of the Spanish market, with special attention to its technological sector. The PESTEL-analysis describes the uncontrollable variables, while the SWOT-analysis provides insight into the controllable variables of the Spanish marketing environment. The 4Ps of marketing (Kotler & Armstrong 2016, 78) are used to give suggestions about possible changes to Silverbucket's export marketing mix, as used by Czinkota (2006).

4.1. PESTEL-analysis

4.1.1 Political variables

Spain is a constitutional monarchy based on parliamentary democracy. Although the Spanish parliament is the main executive and legislative body, the 17 autonomous communities and 2 autonomous cities have a high level of independence when it comes to legislative, executive and fiscal decisions. For this reason, rules and regulations may vary from one community to another. (Santander Trade 2020)

After the corruption scandal of Mariano Rajoy and the People's Party (Partido Popular or PP) and a long period without government (Edward 2019), the elections in November 2019 led to the formation of Spain's first coalition government in January 2020 by PSOE and Unidas Podemos, a joint party of several left-wing parties (Casqueiro & Pérez 2020). The coalition government's most important promises are higher taxes on the wealthy and on big corporations as well as an increase in the national minimum wage (Gallardo 2019).

The new government's programme is an ambitious one in terms of technological development as well, one of their main aims being a strengthened position of SMEs. In the framework of the Strategy for an Entrepreneurial Nation (Estrategia España Nación Emprendedora), the government plans on encouraging innovation in the sector by enhancing the role of the Centre for the Development of Industrial Technology (CDTI), which provides financial support to companies

planning on engaging in R&D projects; the government plans on encouraging cooperation between SMEs and technological centres as well. (PSOE 2019, 27)

In order to ensure that SMEs are able to implement the new innovative technology, the government is going to provide financial and technological support to these companies. Moreover, a tax incentive is going to be introduced with the aim of improving efficiency, legal safety and the access to technology of SMEs. This is going to be achieved by launching exclusive public programs for SMEs. (PSOE 2019, 27)

In addition to the above, the government is planning on making the life of SMEs easier by reviewing the VAT-regulations with the aim of making the percentage more attractive and by restraining large multinational companies from abusing their dominant position at the expense of local SMEs. (PSOE 2019, 28)

By helping SMEs not only to access new innovations but also to implement them, the Spanish government can achieve a more rapid technological improvement in the next few years. From the point of view of Silverbucket, this is a positive development since innovating SMEs could make better partners.

Moreover, the Spanish government is going to launch an action plan to incentivize internationalization in 2020 and 2021. The main objective of the action plan is to diversify the geographical and sectorial destinations of export of Spanish products and services, with a special attention to the sustainability of these activities. (PSOE 2019, 28) Even though this goal focuses on exports, a higher level of internationalization among Spanish companies will inadvertently lead to foreign connections which will most likely have a positive impact on the interest of foreign companies in partnering and imports.

4.1.2 Economic variables

The Spanish economy suffered a great deal during the economic crisis that started in 2008, and while many countries recovered in a few years, the crisis lengthened until 2014 in Spain. This was due to the burst of Spain's own bubble

in the real estate sector. The consequences of the economic crisis still affect the Spanish economy. (Caballo-Cruz 2011)

Spain was in continuous economic growth since the 1990s, with a focus on domestic demand. The real estate sector was growing too fast and with the banking sector expanding in order to finance the growth, a bubble was created. The growth started to slow down in 2007, and when the financial crisis hit Spain in the beginning of 2008, the bubble burst. The unemployment rate rose to double (appr. 20%) by 2010 while domestic demand fell significantly, especially in the real estate sector, and led to household debts. The public debt also saw a strong increase by 2010. (Caballo-Cruz 2011)

After 2011, the Spanish economy's situation started to slowly improve, due to the financial, fiscal and labour market reforms introduced. These reforms drove an export-based recovery model, which improved the numbers of the Spanish economy. (Wagner 2014) 2014 is considered the year when the Spanish economy started its recovery. Since then, the growth of the GDP, the unemployment rate and exports have seen an increase. (Maqueda 2020)

The GDP has been growing for the last five consecutive years. In 2018, 66% of the GDP was generated by the service sector, 16.1% by the industrial sector, 9.5% was collected from net taxes on products, while construction generated 5.8% and agriculture and livestock 2.6%. (Spain in figures 2019, 28) In 2019, the GDP grew by 2%, which is, even though, lower than the experts' estimations and a decrease compared to the 2.4% of 2018, it still signifies the growth of the economy (Maqueda 2020).

Economical differences among the 17 autonomous communities of Spain are relatively low. The region that generates the highest GDP is the Community of Madrid, contributing to 52% of the overall GDP growth, while the region of Extremadura generates the lowest GDP in the country. The Basque country is the most productive region of Spain, with Navarra catching up quickly. (Regions and cities at a glance – Spain 2018)

According to the Economic Survey conducted by the OECD (2018, 20), there are some risks that might affect negatively the growth of the Spanish economy in the next years. These factors include changes in the growth rate of the European Union, which is the principal export partner of Spain, as well as the changes in the exchange rates of the euro. Moreover, a sudden increase in interest rates implemented by the European Central Bank, conflicts in the international markets or an increase in oil prices could also make the situation worse. (OECD 2018, 20)

In addition to these, there are some major internal and external issues to look out for. Firstly, if the uncertain situation of Catalonia continues for a long time, the tourism sector and the general confidence towards Spain could suffer. Secondly, if the past tensions affecting the euro area start again, the internal confidence could lower which hurts domestic demand. And thirdly, the wave of protectionism worldwide could have a negative impact on productivity and growth through falling export numbers and a decrease in the number of functioning companies. (OECD 2018, 21)

Companies in Spain

The general corporate tax in Spain is 25%, which applies to companies of all sizes. Start-ups receive a tax reduction, however: they are required to pay 15% in the first two years of gaining profit, after which the rate increases to the normal 25%. Foreign companies that have a permanent establishment in Spain must pay non-resident income tax of 25%. Permanent establishment in this case means that the company owns established or short-term facilities in Spain or is operating through an agent that has the authority to make agreements in the name and on behalf of the foreign company. (Worldwide Tax Summaries – Spain 2019)

SMEs contribute to a relatively high number of all companies in Spain. In 2018, SMEs amounted to more than 2.7 million, compared to the 2.8 million companies operating in Spain overall. 2.6 million of all SMEs are microenterprises. (SBA Fact Sheet Spain 2019, 2) A microenterprise is one with fewer than 10 employees and that does not exceed an annual turnover of € 2 million (OJ L 124, 20.5.2003, 36–41)

Spanish SMEs contribute to 62.2% of the overall value added and, according to the forecasts of the European Commission, their value added was expected to grow by 8.2% in 2019. In 2015, 11.9% of all firms with at least 10 employees was able to become a high-growth company, from which 15.7% operated in the ICT sector. (SBA Fact Sheet Spain 2018, 1) The fastest growth in value added of SMEs between 2014 and 2018 was reached by the construction sector (SBA Fact Sheet Spain 2019, 3)

The technology sector

DigitalES (short for Asociación Española para la Digitalización¹) is an association of companies, incorporating forty technological leaders of Spain. Formed in 2017, the association aims at tackling the challenges posed by the ongoing technological transformation and at advancing the digital transformation of the Spanish society and public administration. (DigitalES n.d.) As such, the data published by DigitalES serves as an important data source on the economic challenges of Spain related to digital transformation.

According to the general director of DigitalES, digital transformation will affect the gross value added of the most important economic sectors of Spain by an increase between 120000 and 200000 million euros in 2025, which amounts to a 1.3-1.8% increase in the GDP. In 2019, the Spanish digital economy contributed to the 5.6% of the GDP. (Quint Wellington Redwood 2019)

The general director notes that the level of digitalization in Spain does not yet reach the level of Central and Western European countries; for which reason, she expresses a need for companies to update their business models and take advantage of the potential that lies in data processing, artificial intelligence, machine learning and cloud computing. (Quint Wellington Redwood 2019) The projection is that the hundred biggest Spanish companies' investments in the cloud technology will increase significantly from 280 million euros in 2017 to 1.600 million euros by 2020; the fastest growing industries being the banking sector, utilities and energy sector, the logistics sector and telecommunications (Fernández 2018).

¹ *The Spanish Association for Digitalization*

As a result of the economic crisis, Spanish companies are used to accelerating productivity by managing costs, increasing the workload and decreasing salaries. The time for change has arrived, however, and productivity needs to be accelerated by investments in cloud solutions to speed up operations. (Fernández 2018)

The encouragement to use cloud computing in company operations as well as its increasing prevalence in larger companies are advantageous for Silverbucket. However, the industries where the company's customers usually operate are not included in the list of fastest growing industries in cloud computing, which might mean a smaller potential customer base compared to the fast-growing industries.

4.1.3 Socio-cultural variables

With a population of almost 47 million, Spain is the fifth biggest country of the European continent (Worldometer 2020). About 10% of the population is of foreign origin, thus Spain can be considered a relatively homogenous country in terms of culture (Spain in figures 2019, 8). Spain was ranked as the 10th most open country to foreign investment by the OECD in 2017 (ICEX 2017).

Characteristics of the Spanish society

According to Hofstede, the Spanish society is characterized by a strong power distance, thus it is a hierarchical society which also translates into hierarchical company structures. Individuals expect to be told what to do at the workplace and inequalities are accepted. A good leader is autocratic, but also benevolent. (Hofstede Insights n.d.)

When compared to other European cultures, the Spanish society is collectivist. Individuals see themselves as part of a group, to which they are loyal. For this reason, teamwork comes quite naturally at a Spanish workplace. (Hofstede Insights n.d.)

When it comes to the masculinity-femininity scale, Spain is neither; rather, it is consensus that becomes the key element. Too strong competitiveness and polarization are not looked at with a friendly eye. In company context, the employees' opinions are frequently asked for by management, and the changes in the company are made accordingly. Involving everyone in the decision-making process is essential in Spanish society. (Hofstede Insights n.d.)

One of the most important characteristics of Spanish society is uncertainty avoidance. People find rules important, but those rules that make life more complicated are sometimes avoided. Moreover, the Spanish try to steer clear of the stress that is brought on by change, uncertain situations or ambiguity, as well as confrontation. (Hofstede Insights n.d.)

When it comes to short-term and long-term orientation, Spain is normative. People do not tend to get concerned about the future and prefer living in the present moment. Quick results are appreciated. However, they like to have clear rules and structure to their lives, in order to avoid uncertainty in the long-term. (Hofstede Insights n.d.)

Lastly, Spanish society is more a restrained than an indulgent one. People tend to feel restrained by society and try to control their impulses and desires. (Hofstede Insights n.d.)

Business relationships

When it comes to business life in Spain, there are some unwritten rules that need to be taken into consideration. Spanish people are generally quite social and prefer personal meetings to exchanging e-mails or negotiating on the phone. (Business Finland in Spain n.d.) It is common that business partners are invited out to discuss business matters over breakfast, lunch, dinner or tapas. Meals are eaten late in Spain, compared to the Finnish lifestyle: the Spanish eat breakfast around 8 a.m., have lunch between 13 and 15 p.m. and dinner between 21 and 23 p.m. (World Travel Guide n.d.)

When invited to a business meeting, wearing business attire and bringing business cards are important to remember. As English is not frequently spoken in Spain, it is beneficial to involve someone who speaks Spanish, such as an interpreter. (World Travel Guide n.d.) Moreover, it is considered normal to start a meeting 10 minutes after the agreed time, a small delay is not considered rude (Business Finland in Spain n.d.).

It is also important to remember that Spain has more than one culture. In Catalonia, Catalan is more frequently spoken than Spanish; the business partners might insist on not using Spanish, as this is a matter of regional pride to many Catalonians. (World Travel Guide n.d.)

When it comes to the Basque business culture, it is quite different from the Spanish. Basques do not consider themselves Spanish and they are more likely to speak good English, due to their school system that prefers English over Spanish. Basques are also punctual and like to have exact plans for a business meeting. Moreover, it is important to take into consideration that discussing business over a meal is uncommon in the Basque country as they like to keep business and pleasure apart. (Howard 2011)

In conclusion, the most important aspects to take into consideration when entering into a business relationship with a Spanish company are the importance of personal contact, the language barrier that might, however, vary depending on the region and the avoidance of invoking uncertainty in the Spanish party during negotiations.

4.1.4 Technological variables

As mentioned earlier, using cloud computing in company operations is encouraged, thus Spanish companies are slowly but steadily adopting cloud solutions. According to reports on the Spanish cloud computing sector, published yearly by the consulting company, Quint Wellington Redwood, 70% of companies participating in the survey believed in 2017 that cloud solutions are strategically im-

portant for the future of their business, indicating as main reasons improved efficiency and flexibility as well as a decrease in Time to Market (TTM). (Quint Wellington Redwood 2017)

The implementation process started in small companies (with less than 100 million euros of turnover), where 55% invested more than 15% of their budget in cloud solutions in 2017. The most important reasons for investing were the need for flexibility and manageability, as well as the possibility for cost reduction, especially when it comes to depreciation costs. (Quint Wellington Redwood 2017)

Middle-sized and large companies did not invest much in cloud technology in 2017, the main reasons being that these companies had already had their own equipment or had outsourced their infrastructure. However, 36% predicted that they would increase their investments, especially in IaaS and PaaS, because cloud solutions contribute to consolidating their technological infrastructure. (Quint Wellington Redwood 2017)

SaaS-solutions were less common in 2017 but became more recognised in 2018. About 22% of all companies participating in the survey set their investments in SaaS to over 15% of their yearly budget, and about 33% invested between 5 and 15%. The majority of companies (82%) predicted that the investments would increase further in the coming years, especially when it comes to vertical market solutions. (Quint Wellington Redwood 2018)

The investments in SaaS experienced a jump from 2018 to 2019, which is due to the fact that Spanish companies adopted a gradual approach to implementing cloud solutions: by 2019, 75% of companies invested more than 15% of their budget into SaaS solutions. The positive tendency is bound to continue in the future as about fourth of the survey participants indicated their investments increasing by more than 20% in 2020. (Quint Wellington Redwood 2019)

When it comes to the most used cloud services, there is a clear tendency of the focus shifting from technical solutions to data and information services (Quint Wellington Redwood 2019). In 2017, the focus was mostly on e-mail and mes-

saging and front-end infrastructure, however, companies already professed predictions about a future of XaaS, or everything as a service, where almost all IT-components will function in the cloud, and many company functions will be automated. (Quint Wellington Redwood 2017)

Services that focus on data analysis and business intelligence started to become more and more frequent in 2018, and companies set goals of reaching a higher level of technological maturity in the future, where data and information are in the spotlight and more technical services are becoming business as usual (Quint report, 2018). The same tendency continued in 2019, with business applications rising to the group of most important services. The sheer amount of data to be managed, analysed and used for improving the business created an increasing need for data storage services as well. (Quint Wellington Redwood 2019)

When it comes to the difficulties in adopting cloud solutions, the biggest concern of companies is security and regulations. (Quint Wellington Redwood 2017) Hybrid cloud seems to be the future in Spain as this is the most widely used solution by companies; even though private cloud has been getting more secure with the recent developments in cybersecurity solutions, its popularity has only been growing a little (Quint Wellington Redwood 2019). Concerns about regulations are usually related to the General Data Protection Regulation or GDPR, implemented by the European Union in 2018. Spanish companies are concerned about the security of uploading data to cloud and its repercussions related to the GDPR. Other difficulties included the process of integration with the company's previous system as well as the insufficient capacity of providers. (Quint Wellington Redwood 2017)

The most important selection criteria for choosing providers of cloud solutions included not only the expected aspects of quality-price ratio, flexibility, the service provided and the length of experience in the sector, but also the importance of familiarity: Spanish companies also look at the potential provider's presence in their area and previous experiences with the provider. (Quint Wellington Redwood 2018) Although these reasons were not mentioned on top of the list, it is still important to take them into consideration since they might make a difference when Silverbucket's future partner looks for customers in Spain.

The 2019 report shows a significant change in the Spanish service providers' behaviour. Strategic alliances between service providers and service integrators have become more and more common, and thus the value of networks has grown. Partner ecosystems are becoming a characteristic of the Spanish cloud sector and thus, they need to be taken into consideration when entering the market. (Quint Wellington Redwood 2019)

Partner ecosystems in cloud computing are built around established brands on the market. The successful company opens its programming interface to smaller players and offers them the possibility to build their own software on the same interface. This is beneficial for the smaller players because they can enter the market quickly: the programming becomes easier and faster and they are able to use the already established customer base of the host company. Moreover, this method allows for easy integration as well, which is a benefit for the customer. Force.com, the ecosystem of Salesforce is an example of this kind of ecosystem. (Hurwitz, Bloor, Kaufman & Halper n.d.)

Such partner ecosystems in Spain are built around Odoo (former OpenERP), SAP and Microsoft Azure, as well as Ahora Freeware as many companies list these platforms on their website as partners. These partnerships are beneficial for Spanish companies because they facilitate the fulfilment of the most important criteria set by the clients: flexibility, the ratio of price and functions offered, and SLA configuration (Quint Wellington Redwood 2017).

As a result of these observations, it is possible to profile the typical Spanish company that has experience in cloud solutions. The company dedicates 25% of the budget to IaaS and PaaS solutions, and 5-15% to SaaS solutions. It forecasts future investments to stay more than 20% in IaaS and PaaS, and to rise to just under 20% in SaaS. The company uses cloud mainly in messaging services and office automation, but computing, data services and web services are also used intensely. The principal advantages such companies seek are flexibility and scalability, IT transformation on an organizational level and an improved TTO. (Quint Wellington Redwood 2019)

Technological tendencies for the future

According to the annual report of Telefónica (Sociedad Digital en España 2018), encouraging digital entrepreneurship remains important both in the short and the long-term. Moreover, the digitalization of small and medium enterprises needs to be endorsed as well because this ensures improved productivity and continuous refinement of the digital services offered by Spanish companies. The adoption of new tools in company processes, including those run by artificial intelligence, is one of the most important steps in this direction. (Sociedad Digital en España 2018, 314)

Another strategy that aims at improving the digitalization of the Spanish economy is *Industria Conectada 4.0* (Connected Industry 4.0). The goal of this strategy is to promote leadership and to introduce the small industrial sectors of Spain to digitalization. (Sociedad Digital en España 2018, 315)

The report emphasizes that in order to improve the digital ecosystem of the country, Spain needs to change some regulations and promote growth and the implementation of new technologies and digital processes in companies. (Sociedad Digital en España 2018, 88-89) These changes in regulations are already being implemented by the coalition government as mentioned before (Coalición Progresiva 2019, 27-28).

Thus, there is some space for improvement in Spain when it comes to technological development. The tendency is, however, positive and the regulations of the new government will most probably contribute to a faster improvement. Smaller companies are adopting more and more cloud-based solutions and their innovation and improvement is promoted by the upcoming changes in government policy. Moreover, the growing importance of cloud-based business applications is also a positive aspect. These improvements are advantageous from the point of view of Silverbucket's partnering efforts.

4.1.5 Environmental variables

According to the Europe Sustainable Development Report (IEEP 2019), Spain has a lot to improve when it comes to the Sustainable Development Goals. Most of these goals are rated as “significant challenges remain”, among them the goals of Affordable and Clean Energy as well as Industry, Innovation and Infrastructure.

The Spanish government’s programme involves a detailed plan on the changes that Spain is going to implement in the near future. One of the goals is to transition into a 100% renewable electricity production by 2050 and making the usage of renewable energy worthwhile for companies and individuals as well. The government sets 2050 as deadline for becoming a “zero waste” economy as well. Moreover, the plan includes the transition to a more sustainable transportation and mobility along with the reduction of car usage, the strategy to save more water and improve the sustainability of its usage as well as action plans to improve the conservation of oceans and coasts and the well-being of animals. (PSOE 2019) As mentioned before, according to the projections (Fernández 2018), Spanish companies are to increase their use of cloud solutions. According to Kumar (2017), cloud computing is known to be one of the most environmentally sustainable IT-solutions. When a company stores data in the cloud, it shares the cloud provider’s hardware with many other companies, thus it does not need to invest in its own infrastructure. This way cloud computing reduces energy consumption and waste as well. (Kumar 2017) Moreover, cloud computing saves money for companies as well since it enables employees to work remotely, thus there is less need to invest in resources (Comino 2017).

The Spanish Club de Excelencia en Sostenibilidad (Club of Excellence in Sustainability), an association of large companies that aims at promoting sustainable growth in the economy, in society and in the environment, calculated in its 2017 study that if all Spanish companies adopted cloud computing by 2020, it would mean a 52-million-ton reduction in carbon dioxide emissions and more than 200 000 million euros of savings to the companies. (Spain 20.20 2017) Thus, the growing trend of implementing cloud solutions in company operations is beneficial for the environmental goals of Spain.

Even though the government has not yet implemented any exact strategies to increase the usage of cloud computing, Spanish companies have already started

investing in these solutions (Quint Wellington Redwood 2019). This trend will probably have a positive impact on Spain's carbon dioxide emissions, which may improve further the favouring of cloud technology.

4.1.6 Legal variables

As mentioned earlier, the GDPR regulation is a cause for concern to Spanish companies implementing or planning to implement cloud solutions into their operations (Quint Wellington Redwood 2017). There are some general challenges related to cloud solutions as well as specific ones related to the GDPR (Tolsma n.d.).

There are three general challenges that companies need to be aware of when uploading data to cloud. Firstly, storing sensitive data in the cloud makes it more vulnerable to leakage to third parties, especially if data processing or the place of storage are shared. Secondly, in the EU, the physical location of the data determines which laws apply to it. Since it is possible that data is stored in another country or in more than one place, or it is moved from time to time, companies may have difficulties in pinpointing what are the regulations that apply. Lastly, the cloud service provider's data protection policies might not match that of the company which may lead to misunderstandings or problems. (Tolsma n.d.)

Some of the GDPR-related challenges also arise from this last point: the difference between the company's and the service provider's policies. Data retention and deletion policies as well as reacting to and managing a potential breach are topics that the partners need a strategy for. Moreover, if there is data stored outside the European Economic Area, data protection might become challenging from the legal perspective thus making a multi-country strategy necessary. (Tolsma n.d.)

Data subjects have the right to data portability under the GDPR. Thus, the company and the service provider need to agree on the practical and technical details of downloading the data from the cloud. In this topic, it is also important to establish that the data, even though transferred to the cloud, is owned by the company, thus it is their responsibility to provide the data to data subjects. (Tolsma n.d.)

Risk management and privacy are also important topics to keep in mind. The company needs to understand the service provider's cloud architecture and the security measures that are included in its design. Moreover, the metadata that is potentially collected by the service provider should also be considered: the company needs to know who owns the metadata, what it is used for and if it is possible not to share it. Compatibility of the IT Security requirements of the company and the cloud provider is also an important factor – this can be determined by risk management assessment done by a third party and by comparing the certifications and security measures of the two parties. (Tolsma n.d.)

This situation is complicated further by the additional restrictions that the Spanish authorities enacted into law at the end of 2018 (Recio 2019).

The Spanish regulation declares not just the fundamental right of natural persons to data protection, but also ensures several digital rights, some of which apply to companies and their employees. These include the right to privacy and use of digital devices in the workplace, the right to digital disconnection in the workplace, the right to privacy against the use of video surveillance devices and sound recording in the workplace, the right of privacy against the use of geolocation systems in the workplace as well as the digital rights in collective bargaining. (Recio 2019)

4.2. Silverbucket's export marketing mix

4.2.1 Product

Silverbucket Oy's product is a project resource management tool of the same name. The tool is web-based and works on a SaaS-platform, thus there is no need to install the software or an add-on separately on the computer. This makes the Silverbucket tool easy and fast to roll out. (Silverbucket n.d. 3)

The ideal Silverbucket customer is a company that works in projects and employs more than 50 employees. The tool is most suitable for companies operating in engineering, consulting and IT fields. (Silverbucket n.d. 2)

The Silverbucket tool helps organizations see the big picture of their resourcing thus allowing them to react in time to both overload and underload situations in their ongoing projects. Another advantage of the tool is that it allows for a fast and effective maintenance of the resourcing plan by making spreadsheets unnecessary. In addition to this, the tool provides estimates for the future based on the current data. All three of these advantages contribute to cost reduction in the customer company. The cost saved depends on the maturity of the company, however, on an average maturity level, Silverbucket estimates a 15% decrease in project costs, 50% in recourse planning costs and 100% in the maintenance of home-made spreadsheets since the tool makes them unnecessary. (Silverbucket n.d. 1)

Moreover, using the tool improves the transparency and productivity of the project, while making forecasting easier. It also gives live estimates on the project situation in hours, costs and revenue, as well as feedback on how accurate the estimates are. (Silverbucket n.d. 2)

Silverbucket's product may be able to differentiate by adaptation. Adaptation would be reached either by combining the Silverbucket tool with the partner's product and creating a unique combination in the Spanish market or by adding an additional feature to the Silverbucket tool that other similar products do not have.

4.2.2 Price

The Silverbucket tool is available in exchange for a monthly fee. The exact price depends on the number of employees using the tool and includes the usage of the tool, the support service and the new releases. If the customer is provided with the tool through a reseller, the reseller receives a certain, previously agreed percentage of the monthly fee. (Silverbucket n.d. 2)

Since there are similar products on the market already, Silverbucket should use first-time pricing and within that market pricing. However, since Silverbucket can

differentiate itself with real-time projections, skimming would be a viable approach as well. Moreover, if Silverbucket decides to focus on their uniqueness among application-based solutions that need to be installed, penetration pricing can be used as well.

4.2.3 Place

Silverbucket is using the VAR-model to penetrate the market, thus they use an indirect distribution channel. The intermediary is the value-added reseller partner that takes care of the sales, marketing, rollout and account management activities in the target country.

4.2.4 Promotion

Silverbucket uses promotional activities to attract potential partners in Spain. Promotions are placed in the form of short advertisements in Spanish, and their aim is to give Silverbucket an idea about the interest in their company among Spanish micro-organizations. (Ikonen 2020)

Once a partnership is formed, promotion in the target country is taken care of by the value-added reseller partner as they are familiar with the local marketing culture thus are able to make the best decisions in the matter.

4.3. SWOT-analysis

Based on the findings of the PESTEL-analysis and the analysis of the export marketing mix, the SWOT-analysis can be drawn up. Figure 4., at the end of the chapter, shows the summary of the results.

The Silverbucket tool has several features that give the company strong points when entering the Spanish market. Spanish companies are looking for flexibility and integrability in their cloud solutions, which, combined with fast implementation could lead to a strong interest in Silverbucket. Moreover, the fact that the Silverbucket tool aims at boosting effectivity while reducing costs may also be a

strong point of interest to Spanish companies still affected by the impact of the economic crisis.

The main feature with which Silverbucket can differentiate in the market is the real-time projections that the tool provides. Although there is some software that offer real-time data, they do not constitute the majority of the market, thus this feature is most definitely a strength for Silverbucket.

In addition to the above, the precision and clarity of the Finnish business culture would probably be appreciated by Spanish potential partners, since these characteristics correspond with their preferred form of doing business.

The weaknesses of Silverbucket are mostly related to language. English is not as widely spoken in Spain as it is in Finland, for which reason, Spanish partners are likely to prefer communication in Spanish, thus Silverbucket may need to hire an interpreter at the beginning of the business relationship. Moreover, the Silverbucket software is only available in English, which might lead to limitations when looking for partners and customers, thus localization is strongly recommended.

As the technological variables show, Spanish companies tend to prefer those service providers that they have heard of or another company in their network is already using. For this reason, Silverbucket might encounter difficulties in sales at first.

Spain, however, seems to offer many opportunities to Silverbucket. SaaS has been becoming more and more preferred in the last few years and the tendency is expected to continue as companies plan to invest more in SaaS in the future. Another opportunity for Silverbucket is that business applications have been enjoying a growing importance in the last few years, and in 2019, it became the most looked out for cloud service in Spain.

Moreover, the new political programme favouring SMEs in many respects will most likely have a positive impact on the growth and innovation of smaller companies. This, along with the incentive to internationalize, might increase the interest of Spanish companies in partnering with foreign companies.

The new government of Spain is planning on increasing taxes levied on large companies which will inevitably affect the rest of the market as well. Whether the impact of this decision will be positive or negative on smaller companies will become clear later, thus this change can be an opportunity, but a threat too.

According to Quint Wellington Redwood (2019), partner ecosystems in the cloud computing sector of Spain have become more prevalent. Already established partner ecosystems might pose a threat to Silverbucket since joining these ecosystems might require the right network which the company might not yet have in the beginning. Moreover, there are straight competitors in the Spanish market, thus Silverbucket will need to strongly differentiate from them and this might pose a threat in the first phase of the partnership when establishing the customer base is crucial.

<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • Real-time projections • Finnish business culture • Flexibility and integrability • Fast implementation • Boosting effectivity while reducing costs 	<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • Language barrier • Software is only in English • No connections in Spain yet
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Many potential partners • SaaS is getting more and more popular • Business applications are the most needed cloud applications • New government incentives • Using cloud computing is encouraged 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • New government regulations on large companies • Already established partner ecosystems • Straight competitors in the market

FIGURE 4. - SWOT-analysis

5 SILVERBUCKET'S PARTNERING METHOD

As mentioned earlier, Silverbucket's preferred partnering method is the value-added reseller model. According to CEO, Tuomas Mikkola, the company chose the VAR-model because it allows them an easier way to establish customer relationships in foreign countries. The VAR partner is familiar with the local language, culture and business environment – this is a more effective and easier method to find customers and persuade them to use the product. The partners of Silverbucket take care of the whole customer journey: from the first contact with the customer, through local marketing activities and the closing of the deal, to account management activities once the customer relationship is established. (Mikkola 2020)

Silverbucket has not yet established an exact strategy to find such partners in foreign countries. One of the suitable partners was found through a local consultant, however, the same strategy did not work in other countries. Another successful way was to look for foreign connections in the company's network in Finland, whereas the third partner arrived through a chance encounter during a trade show. (Mikkola 2020)

The requirements for a partner, however, are clear. The most important criterion is that the partner would already have the right network in place, with project businesses and professional service providers or similar companies on their customer list. The field where the partner company operates can move on a wide scale, however: Silverbucket's already established partners are, for example, in financial consulting, third-party software consulting and software production. Moreover, the suitable partner should be as close to the size of Silverbucket as possible, with around 10-20 employees being the sweet spot. (Mikkola 2020)

Once the partner is found and the agreement is made, Silverbucket usually starts out the partnership with a face-to-face meeting at the new partner's site. The purpose of this meeting is to get to know each other and to go through the necessary information about the Silverbucket tool: the technical details, how to use it and how to present it to the customers. The agreement models, marketing details and

pricing method are also discussed. After the initial workshop, the first few customers are managed together with the partner. This phase usually lasts for anywhere from a few months to about half a year, after which the partner starts handling the sales themselves, and the communication between them and Silverbucket turns into online meetings twice a month where the current situation and any possible problems are discussed. A once-a-year face-to-face meeting is usually held as well. (Mikkola 2020)

The agreement with the partner is made for a half year period in the first phase so that the market could be evaluated and the future to be decided. The biggest threat in this first phase is that there are not enough customers in the first half year of the agreement, and the partner might lose enthusiasm and might not feel that the partnership is worthwhile. However, if this first phase is successful, the agreement becomes permanent and is automatically renewed unless one of the parties decide not to renew it. (Mikkola 2020)

5.1. Already existing partners

Silverbucket already has three partners in different countries. As mentioned earlier, these partners were found in different ways and operate in different industries. In the following paragraphs, these partners are introduced and analysed.

Parm Ltd. is Silverbucket's reseller in Germany, Austria and Switzerland. Parm has a quite large market share in Finland as well, and the idea of a partnership was introduced through existing connections between management members of Parm and Silverbucket. Parm provides a project ERP system to its customers, thus the Silverbucket tool is a suitable addition to their software when the customer needs a project resourcing solution as well. However, the fact that Parm sells the Silverbucket tool only with its own product limits the market for Silverbucket. (Mikkola 2020)

Silverbucket found their Swedish partner, Sundbom & Partners through a chance encounter in an exhibition in Stockholm. Sundbom & Partners is a financial consulting company for project businesses in Sweden, for which reason they have

the right connections to find suitable customers for the Silverbucket tool. (Mikkola 2020)

The third partner is Primo Milestone Ltd. from the UK. Silverbucket found Primo Milestone through a project, set up with the help of Business Finland. They hired a local consultant who drew up a list of potential partners, called the companies through and agreed on meetings with the interested ones. The representatives of Silverbucket travelled to London for the face-to-face meetings and came to a mutual understanding with Primo Milestone. The partner's service is to resell third-party software; Silverbucket is one of the four companies in their portfolio (Mikkola 2020)

Tuomas Mikkola (2020) emphasizes that the decisive factor in all three cases was the recognition on the part of the potential partner that the Silverbucket tool is exactly what its customers need. Similar common understanding may be the best way for finding new partners in the future as well.

6 POTENTIAL PARTNERS AND COMPETITORS IN THE MARKET

The following company lists includes ten potentially suitable partners and ten competitors of Silverbucket. The lists were made with the help of SoftDoit, an online tool that helps businesses find suitable business management software in Spain (SoftDoit n.d.). SoftDoit was a suitable choice since a simple online search quickly showed that many Spanish companies do not have their own websites – however, since SoftDoit is an entirely online service and it reconnects the user to company websites, the SoftDoit lists were more useful.

On the SoftDoit website, a simple questionnaire maps the needs of the company, based on which the search platform generates a personalized list of software that fit the company's requirements. Software companies can list their products on SoftDoit's platform for free, once they passed a quality inspection. (SoftDoit n.d.)

The search criteria were set to find companies that provide project management solutions in Spain and are suitable to manage an unlimited number of projects, are cloud-based, can be integrated with other software and run on a Windows operating system. The search returned 75 companies in total.

Since the official company registry of Spain, the Registro Mercantil Central provides financial statements in exchange for a fee (Registro Mercantil Central n.d.), the obtainable information about companies was limited. For this reason, the present thesis uses data gathered from the company websites and the company pages on LinkedIn.

Based on this information and the criteria set by Silverbucket, described above, two lists were drawn up. In the case of potential partners, the most important information about a company was their product, since it determines their customer base and network as well as their potential interest in partnering with Silverbucket. Moreover, the product should not include the same or very similar features to those that the Silverbucket tool provides – if this was the case, the company in question was considered as a potential addition to the competitors' list.

Since knowing the exact number of employees was not possible due to the fee-based services of the company registry, the companies' LinkedIn profiles were used to determine their approximate size. Some of the companies on the SoftDoit list did not have profiles on LinkedIn and those were excluded since there was not enough information online to determine their potential as partners.

For the above reasons, the companies listed below have both a website and a LinkedIn-profile, which ensures the possibility of initiating contact with them. In the case of both lists, the companies are introduced shortly, and a table of comparison helps in determining those companies showing the most potential.

6.1. Potential partners in Spain

Aner Vitoria

Aner Vitoria is an IT company that installs, maintains and repairs computers, networks and software. They take care of the whole process from the initial planning and designing phase to selling and aftersales IT support. Moreover, Aner Vitoria provides externalization and integration services for software and infrastructure. The most important values of the company are professionalism, business-like attitude, great customer service and high quality of their products and services. (Aner Vitoria n.d.)

The company has two software products of their own: a labour management software and two different ERP systems. Their reselling portfolio includes a management software for the culinary industry, a payroll and social security management software, a CRM software and an accounting programme. (Aner Vitoria n.d.)

Since many of the features in their ERP solutions are integrated with MS Office applications (Aner Vitoria n.d.), Silverbucket's solution that makes the usage of MS Office unnecessary might be a good addition to Aner Vitoria's portfolio. However, since all the software are in Spanish, the translation of the Silverbucket tool to Spanish could be a prerequisite for this potential partnership.

Década Soft

Década Soft is a Madrid-based software company which set as a mission to take every IT-related problem from their customers' shoulders and make it possible for them to concentrate fully on their business. The company builds web pages, develops cloud-based web applications and offers their own ERP solution. In addition to these, they provide maintenance, consulting and software installation services to their customers. (Década Soft n.d.)

Década Soft emphasizes that their ERP software is adaptable to any company, it does not, however, include a project resourcing feature. The Silverbucket tool as an additional software could promote further their adaptability and bring new customers from the project-based engineering market.

Hibox

Hibox is a small company of around 10 employees, based in Barcelona. The goals of their software of the same name is aiding communication within project teams. However, the solution also includes some project management features as well, such as task management. The tool gives real-time information about projects and tasks to be done. Moreover, the solution also includes an AI bot that gives suggestions as well as monitors tasks and deadlines. (Hibox n.d.)

Even though Hibox is more of a communication software than a project management one, combined with Silverbucket's project resourcing tool it could make a difference in the Spanish market. Monitoring and managing project data in real time while being able to communicate with the project team members any time could create a unique product, thus helping to differentiate both companies.

Grupo Apuyen

Valencia-based Grupo Apuyen started out as an internet service provider (ISP) in 2005 and slowly expanded their portfolio. In addition to their ISP activities, Grupo Apuyen offers web page creation services as well as a claim management

software for multi-service companies and freelancers working on home renovations. The same software is integrated with a business management solution. Other solutions include management software for equity and real estate. (Grupo Apuyen n.d.)

The latest additions to the portfolio are ERP systems. One of them is intended for manufacturing and product distribution, while the other is for consulting companies. (Grupo Apuyen n.d.) Since the portfolio shows that Grupo Apuyen is ready to move to new markets with a dedicated software, Silverbucket's tool could be another opportunity for expansion to new markets.

G2Software

Based in Barcelona, G2Software is a small company with their own ERP solution. G2Tiris covers many processes: commercial and administrative management, cost and budget management, business intelligence, ecommerce as well as inventory management, product tracking and working hour tracking. G2Software has made a point of finetuning their solutions to many different industries. (G2Software n.d.)

The company's product portfolio, however, does not include project management or project resource management solutions, which potentially gives Silverbucket a chance in merging their tool with G2Software's G2Tiris. Moreover, G2Software has experience in partnering: their portfolio includes two software of A3 Software (G2Software n.d.), thus they might be open to new partnerships as well.

Olinet

Olinet is a software company that resells the Ahora Freeware ERP and CRM systems as well as the FlexyGo solution of the same company. They also operate as a reseller for Sage: their business management software and ERP solution. Olinet's own software concentrate on the pharmaceutical industry and fruit retailers. The company also runs a remote IT support service and takes care of backups and data recuperation services. (Olinet n.d.)

Olinet is based in Málaga, thus it is a potential gateway to whole Andalusia. Moreover, as reseller of Ahora Freeware and Sage, Olinet is a valuable connection to two important partner ecosystems. The company's network could be a valuable asset when entering the Spanish market.

Softmatic Consultores

Softmatic is a small company specialized in consulting. Their mission is to find the most suitable solution to any customer, may it be a microenterprise, an SME or a large company. They achieve this by developing their products further every time a new customer arrives. (Softmatic Consultores n.d.)

Softmatic is also a reseller to the ERP and CRM systems as well as the dashboard application of Ahora Freeware. Their own products include a business management for retail and an inventory management software. They also offer integrated mobile applications to these solutions. (Softmatic Consultores n.d.)

Softmatic has two reselling partners, Ahora Freeware and Intermec, and six technological partners of their own. The latter group consists of resellers in certain areas of Spain, and developers of different technological solutions. (Softmatic Consultores n.d.)

Softmatic is experienced in both reselling and partnering, thus they have the necessary networks in Spain. They are also part of the partner ecosystem of Ahora Freeware which could mean a possibility for Silverbucket to become part of the same ecosystem. For these reasons, Softmatic could be a good starting point in the Spanish market.

X-Net Software Solutions

X-Net Software is a small company based in the Canary Islands. The company operates in several fields: it develops cloud-based ERP solutions and custom applications as well as integrates web pages and electronic commerce. One of their products, mifactura.eu is a business management solution that includes

platforms for billing, accounting, CRM, cash-flow and cloud storage. (X-Net Software Solution n.d.) According to the company's LinkedIn page, they are looking to internationalize and are in the process of concluding trade agreements in Europe (LinkedIn – X-net Software Solutions n.d.).

Silverbucket's tool could be a good addition to X-Net's already existing software, and cooperation with this rapidly internationalizing company could be a suitable way for finding customers not only from Spain, but from all over the world.

Xtratic Consultoría Tecnológica

Xtratic Consultoría was born from the merger of two companies, Redex from Alicante and Midasoft from Xátiva (Valencia). The two headquarters share the same administrative office, sales department and IT support team. Their most important goal is to tailor their services to the needs of the customer and provide the best solution possible. (Xtratic Consultoría n.d.)

Xtratic Consultoría offers technological consulting and legal advice in IT-related matters as well as IT support onsite or remotely and hardware maintenance. Their software package includes antivirus, firewall and antispam solutions. Moreover, the company provides hosting and domain services as well as help in e-commerce. For customers to be able to use these services efficiently, Xtratic Consultoría offers individually tailored trainings. Apart from these services, Xtratic resells the ERP systems of Sage, Distrito K, Solmicro and Hosteltáctil – all of which are suitable for a different industry. The company's reselling portfolio also includes two ERP solutions for mobile systems. Moreover, Xtratic has such partners as Cisco and Citrix. (Xtratic Consultoría n.d.)

Silverbucket's tool could contribute to the expansion of Xtratic Consultoría to new markets within Spain. Moreover, since Xtratic Consultoría already has an IT support team and acts as a reseller to several different software, they already have the necessary infrastructure to fulfil Silverbucket's partnering requirements.

Quartup

Quartup is a software developer company, with offices in both Barcelona and Madrid. The company specializes in the development of SaaS-based business management software. They aim at innovation and agility as well as fast implementation and intuitive design of their software. Quartup provides technological consultation services to their customers, the company's expertise extends from strategic information, business management and e-commerce to solutions specific to wholesale and retail as well as manufacturing and the service industry. Their service is available on a pay-per-use basis. (Quartup n.d.)

The company's software, Quartup+ is a cloud-based ERP solution that includes CRM, purchases and sales management, inventory management, accounting and finances, project management, manufacturing and production management, reports and dashboards, warehouse and logistics management and point of sale integration. The software is easy to learn and use; it can also be integrated with many popular software, such as Google Apps. The company portfolio also includes a B2B e-commerce solution and a cloud-based point of sale solution, separately from Quartup+. (Quartup n.d.)

Even though the Quartup+ software is already a multi-service solution that is advertised as complete, their project management feature seems to include only task assignment possibilities and contract management. Silverbucket's tool could add interesting new features to the portfolio of Quartup and help the company target a wider range of customers.

Comparison

The following table (TABLE 1.) summarizes the data gathered about these companies and lists the advantages and disadvantages, based on the subjective analysis of the available information on the company websites and LinkedIn.

TABLE 1 - Comparison of potential partners

Company name	Advantages	Disadvantages
Aner Vitoria	<ul style="list-style-type: none"> The Silverbucket tool could help them with providing services without Ms Office as well. 	<ul style="list-style-type: none"> Aner Vitoria is the Basque Country-branch of Aner Solutions; the partnering strategy needs to be consulted.
Década Soft	<ul style="list-style-type: none"> Project resourcing feature could be a good addition 25 years of experience and many successful cases. 	<ul style="list-style-type: none"> There is no information about willingness for partnerships.
Hibox	<ul style="list-style-type: none"> Focused on project teams. Silverbucket and Hibox could provide a unique product together. 	<ul style="list-style-type: none"> Foreign company, the extent of their customer base in Spain is unknown.
Grupo Apuyen	<ul style="list-style-type: none"> Silverbucket could help them extend their customer base further. 	<ul style="list-style-type: none"> Their ERP system is relatively new, the company is potentially inexperienced.
G2Software	<ul style="list-style-type: none"> G2Tiris does not have similar features to Silverbucket. Experience in reselling and partnering. 	<ul style="list-style-type: none"> G2Tiris is a broad product, the need for project resourcing features needs to be analysed carefully.
Olinet	<ul style="list-style-type: none"> The company is part of the partner ecosystems of Ahora Freeware (discussed below) and Sage, thus it is a valuable connection. 	<ul style="list-style-type: none"> Olinet's own products are focused on unrelated market sectors. If the partnership with Ahora Freeware is profitable enough, Olinet might not need new partners.
Softmatic Consultores	<ul style="list-style-type: none"> Experience in reselling and partnering. The company is part of the Ahora Freeware partner ecosystem. 	<ul style="list-style-type: none"> Softmatic's own products are not directly targeted on project businesses.
X-Net Software Solutions	<ul style="list-style-type: none"> Silverbucket's tool suits well into their product portfolio. The company is actively looking for new agreements all over Europe, as their aim is to internationalize rapidly. 	<ul style="list-style-type: none"> X-Net does not concentrate solely on Spain and partnering with them would rather help in internationalization than entering Spain.
Xtratic Consultoría Tecnológica	<ul style="list-style-type: none"> The company has experience in reselling and partnering. Xtratic is also part of the partner ecosystem of Sage and many others, thus Xtratic has valuable connections. An already functioning IT-support team, and experience in training customers. 	<ul style="list-style-type: none"> Xtratic has partnered with large and small companies as well, thus their view on the suitable size of partners is not clear.
Quartup	<ul style="list-style-type: none"> Silverbucket's solution could help Quartup complete their project management tool. 	<ul style="list-style-type: none"> Quartup+ is an already well-rounded software

Based on the information in Table 1. *Xtratic Consultoría Tecnológica* is the suitable first choice, since its experience in reselling and partnering as well as its connections to multiple partner ecosystems ensure a wide network in Spain, and

its already set up IT-support and its training experience may make the first phase of the partnership easier. *Softmatic Consultores* is suitable for the second place because of its networks, due to the reselling and partnering experience as well as its participation in the Ahora Freeware partner ecosystem. The third choice is *G2Software* because Silverbucket would fit into their portfolio and because their already established product may make the creation of new customer relationships easier.

Due to the official company registry of Spain being a fee-based service, more exact data about the companies' profitability and customer base was not available in the framework of this thesis, thus it is recommended that the commissioner submits the necessary requests with the Spanish authorities in order to receive more data.

6.2. Competitors in Spain

Ahora Freeware

Ahora Freeware is a Valencia-based software developer company. Their strategy is based on their extensive partner and agent network, both in Spain and internationally. The company offers three partner packages for the interested companies. Certified partners generate revenue from sales and maintenance of Ahora products as well as from selling developer licenses to the platform. Authorized agents commercialize and provide only the solution suitable for SMEs and work in close cooperation with the certified partners. The third and last partner type is called "White Label"; these partners tailor the Ahora products to their own sector's needs and sell it under their own brand or through the Ahora network. (Ahora Freeware n.d.)

The company offers specific ERP solutions to freelancers and microenterprises, to SMEs and to large organizations. Moreover, it provides a workload manager software, a CRM solution, a POS terminal software, a working time tracker solution, an HR and internal communication software, a business intelligence control panel and a warehouse management system. The FlexyGo service offers a low-

code possibility to develop agile web and mobile applications. (Ahora Freeware n.d.)

Ahora is a straight competitor to Silverbucket in its ERP solutions, however, most importantly, it controls a huge partner network and has an enormous customer base. Their uniqueness in the market needs to be taken into consideration by any company trying to enter the Spanish market.

Billage

Billage focuses on making SMEs' and freelancers' business management easier. According to their website, Billage is a fast, agile and efficient solution that is easy to use. Their most important aim is to make business management processes as simple as possible, thus their approach is a minimalist one. The software includes a billing feature, one for project management and another for commercial activities. The typical customers of Billage are marketing agencies, IT professionals, developers and designers, consultants and lawyers as well as engineers. (Billage n.d.)

BrickControl

BrickControl is a cloud-based ERP solution targeted at construction companies that work in projects. The software allows users to create projects and import their previous data, after which the project can be planned, and the progress monitored. Any discrepancies are shown by the platform and the project manager has the possibility to analyse and correct the information. (BrickControl n.d.)

BrickControl is a Madrid-based company that was launched in 1981 and has since then established international operations as well. The company is looking for more partners that will benefit from the partnerships through sales commissions and the possibility to integrate their solutions with BrickControl. The company also has an affiliate programme in order to attract more customers. (BrickControl n.d.)

Due to BrickControl's established role in the market and to its efforts to expand, the company is a competitor that needs to be taken into consideration – even though their product is designed for construction companies only and thus their network is more limited than that of other competitors.

CONEIX Project Management

CONEIX Project Management is a software company, based in Barcelona. Their product, CONEIX is a management software that is designed for engineering and consulting companies, communication agencies, architecture offices, machinery manufacturers and third-sector organizations that work in projects. The software was designed in cooperation with such organizations and thus it is tailored to their exact needs. (CONEIX Project Management n.d.)

The features of CONEIX include CRM, project management, project resource planning, the monitoring of ISO standards and key performance indicators, economic control, HR management, manufacturing and sales management as well as document and administrative management. The project-related features help in the communication of the project team, facilitate task and resource planning, allocation and monitoring as well as analyse the project situation in real time. (CONEIX Project Management n.d.)

The company is clearly concentrating on Catalonian customers, since the website and the software itself are available in the Catalan language. Moreover, they actively participate in innovation projects as partner, affiliate or collaborator and they help facilitating the development of the microenterprises and SMEs of the Catalonia region. (CONEIX Project Management n.d.)

For this reason, CONEIX is an important competitor in Catalonia and Valencia. Their biggest advantage is that they do not have the language barrier in the region, which combined with their extensive product portfolio and their tailored products, CONEIX has a strong position in the market.

Fitnet Manager

Fitnet Manager is a French company that is also present in the Spanish market. Their product is a cloud-based ERP solution that concentrates on user-friendliness and back-office automation. Fitnet Manager provides an adapted solution to any business sector. Its strengths are high customizability and configurability, connection to accounting and payroll software as well as multilingualism. (Fitnet Manager n.d.)

Fitnet Manager also strives to provide excellent customer service. Their technical support is unlimited, extends to team project support as well, and the maintenance and product updates are also included in the service. (Fitnet Manager n.d.)

The abovementioned features and services make Fitnet Manager stand out from other companies on the list. Their multilingualism, customizability and the extensive customer service that they provide to their customers are definitely to their advantage.

Ganttlic

Ganttlic is an Estonian company that has customers in the Spanish market as well. Ganttlic is a resource planning tool suitable for many industries, such as the service industry, software development or car rental, as long as the company in question works in projects. The aim of the tool is to help companies to manage their project resources in the most efficient way possible. The Ganttlic software visualizes the project data as well as the plans made and allows the project manager to choose the perspective from which the data is shown: the resources or the project itself. (Ganttlic n.d.)

Ganttlic provides its customers three implementation plans to choose from, depending on the depth of the software implementation. The setup time varies from 10 minutes to two weeks, based on the implementation type. (Ganttlic n.d.) This is a feature that might be the key to Ganttlic's differentiation in the market, as fast implementation is one of the aspects Spanish companies are looking for (Quint Wellington Redwood 2017, 2018, 2019).

Gespymes

Gespymes is a microenterprise based in Valencia that provides ERP and CRM solutions for SMEs (LinkedIn - Gespymes n.d.). According to their website, Gespymes is the most complete accounting, invoicing and business management software on the market (Gespymes n.d.).

Gespymes also includes a project management solution which provides a platform for managing invoices, expenses, purchases, budgets and deliveries. The software also provides the possibility to assign material and work time to a project as well as information about the events that took place, such as visits on the construction site. The project manager is also able to enter the projected costs as well as the work time and compare it with the real data of the project. (Gespymes n.d.)

Sellenne ERP

Sellenne is a Spanish company based in Tomelloso, a town in the Castilla-La Mancha region. The company differentiates from other ERP providers by tailoring their product carefully and in a detailed manner to selected sectors of the economy. The sectors include the chemical industry, the manufacturing sector, engineering and project businesses as well as supervisory bodies. Sellenne ERP's usage is based on an annually payable fee, without any restrictions on the number of users, licenses or modules. (Sellenne ERP n.d.)

Even though Sellenne ERP is built on the Microsoft .Net platform, it is clearly a competitor for Silverbucket. Their solution for engineering and project businesses enables the customer to gather and centralize all the information regarding the conducted projects, from the planning phase to offers, accreditations and milestones. The software estimates the costs of project phases and tasks as well as externally hired workforce, project-related purchases and the work order. The information can be filtered by employee, and it also allows the monitoring of deviations within the project in real time and in predictions. (Sellenne ERP n.d.)

Target Skills (PlanningPME)

PlanningPME, developed by the company Target Skills, is a planning management solution. Its functions are very close to Silverbucket's: the solution enables the manager to assign tasks and resources and to see the employees' progress in real time as well as their schedules for the day. It is suitable for human resource management activities and project management. PlanningPME can be used by companies of any size and is most suitable for the construction and service sector, the industrial sector and healthcare organizations. Customers can choose to implement Planning PME as a desktop application, as a cloud solution or a mobile application. (PlanningPME n.d.)

Target Skills is a French company that sells its product in the Spanish market through their reseller, Alfatec Sistemas. (PlanningPME n.d.) The dedication of the company to the Spanish market is well shown by their use of a separate Spanish-language website, which is also registered in the Spanish country domain (.es).

Yunbit

Based in Madrid, Yunbit provides a cloud-based business management solution, which includes ERP, CRM, HR and warehouse management systems as well as a web and e-commerce and an employee intranet platform. The company has over 17 years of experience in business and technological consulting and has a quite extensive partner network. (Yunbit n.d.)

The Yunbit ERP system integrates all the business management functions into one and aims at providing a simple and personalized service to its customers. The project management function of the system includes task assignment and management, workload monitoring, financial analysis and project-specific ticketing systems. The system also offers reports on current status of projects and their profitability. (Yunbit n.d.)

Yunbit's long experience on the market and their extensive partner network make them an important company to take into consideration. Moreover, the project

management features of their ERP system are very close to those provided by Silverbucket, which makes Yunbit a straight competitor.

Comparison

The following table (TABLE 2.) summarizes the findings of the subjective analysis of the previously described ten competitors. Based on these findings, those three companies are identified that pose the most threat to Silverbucket in the Spanish market.

Ahora Freeware is the biggest competitor of Silverbucket, because of its extensive customer and partner base as well as its uniqueness and expertise. *Selene ERP* is chosen to the second place because its features are very close to Silverbucket's and their product includes a real-time monitoring feature which is a possible threat to Silverbucket's differentiation in the market. The third biggest competitor is *Ganttlic*, which seems to have a very similar business model to Silverbucket, however, it lacks any real-time features in project monitoring.

TABLE 2 - Comparison of competitors

Company name	Characteristics as competitor
Ahora Free-ware	<ul style="list-style-type: none"> • Extensive customer and partner network • Unique business model • Product for every business type • ERP solution includes an extensive project management tool
Billage	<ul style="list-style-type: none"> • The target customers are SMEs and freelancers • Their uniqueness comes from their approach: as easy as possible, but still very functional
BrickControl	<ul style="list-style-type: none"> • The target customers are construction companies • The project resourcing tool includes all the features that Silver-bucket provides • BrickControl is growing internationally
CONEIX Project Management	<ul style="list-style-type: none"> • Coneix is a well-rounded project management tool • The tool was designed with the help of their target customers • They concentrate heavily on Catalonia
Fitnet Manager	<ul style="list-style-type: none"> • Integrability with accounting and payroll software • Customizable and user-friendly solution • Unlimited IT-support • Multilingual solution
Ganttic	<ul style="list-style-type: none"> • Project resource management tool for companies • Their aim is to improve company efficiency • Visualized project data • Three implementation plans, based on the company's time and resources
Gespymes	<ul style="list-style-type: none"> • ERP and CRM solution that includes project management features as well • The real data at the end of the project can be compared with the projected data
Sellenne ERP	<ul style="list-style-type: none"> • A solution specifically tailored to project businesses • Gathers and centralizes all the data about the project • Allows the management of costs, the budget, the data externally hired workers and the workload • Real-time monitoring of deviations
Target Skills (PlanningPME)	<ul style="list-style-type: none"> • Project management tool with special focus on the employees' progress and schedules – in real time • It is suitable for companies of any size • The target sectors include construction, service sector, industrial sector and healthcare organizations
Yunbit	<ul style="list-style-type: none"> • Business management solution that's ERP includes a project management solution as well • Features include task assignment and management, workload monitoring, financial analysis and project-specific ticketing systems • Reports on the current status and profitability of projects

DISCUSSION

The main goals of this thesis were to provide useful information to the commissioner on the Spanish marketing environment, to analyse their strengths and weaknesses in this environment and to make suggestions on potential partners as well as competitors to look out for in the market. These goals were achieved by gathering information about Spain through secondary sources and matching this information with the interests and goals of the commissioner.

During the thesis process, however, some limitations were encountered. Firstly, the physical distance between Spain and Finland as well as the lack of connections in the Spanish SaaS-market led to the thesis not including any interviews with experts. As explained before, efforts were made to contact relevant organizations, however, unsuccessfully. Secondly, the fee-based nature of the Spanish company registry prevented the access to the financial statements of local companies, which, unfortunately, had an effect on the data on which the company suggestions were made. Due to these limitations, the results of this thesis are subjective and further data acquisition is suggested to the commissioner when starting the partnering process.

With these limitations in mind, the following results, recommendations and suggestions can be drawn from the acquired data.

The Spanish marketing environment offers many opportunities to the commissioner. The Spanish government aims at making the operations of local SMEs easier and their position a better one (PSOE 2019), which will probably lead to these companies making better use of their potential and further growth in the sector. The government policy that promotes internationalization of companies (PSOE 2019) contributes further to this positive development. Moreover, Spanish companies of all sizes are starting to comprehend the potential of cloud computing and thus, are planning to invest more and more into these solutions (Quint Wellington Redwood 2019); combined with the growing popularity of SaaS and the rising demand for business applications in the cloud (Quint Wellington Redwood 2018; 2019), these aspects create more opportunities to the commissioner to find suitable VAR partners.

Naturally, there are challenges to be tackled as well. The technological development of Spain is less advanced compared to the countries in Western and Northern Europe (DigitalES n.d.), which may mean a relatively small base of potential customers for the commissioner in the region. Partner ecosystems have also become prevalent in the technology sector of Spain (Quint Wellington Redwood 2019), thus building networks and entering such ecosystems might prove to be difficult. In addition, the less extensive use of the English language in Spanish society creates a language barrier (World Travel Guide n.d.), which may lead to limitations and obstacles in business negotiations as well. In addition to this, there are straight competitors in the market, such as Selenne ERP and Ahora Freeware mentioned above.

The environmental and legal aspects of the Spanish technological sector are of less influence to the commissioner's partnering efforts, since the environmentally friendly nature of cloud computing, although comprehended by some (Spain 20.20 2017), is not yet utilized in an extensive manner, and the legal concerns of Spanish companies were mostly related to GDPR regulations (Quint Wellington Redwood 2017), which has been in use for a few years now and companies have potentially had the time to get used to these regulations.

When it comes to the export marketing mix of the commissioner, the following observations were made. It would be beneficial for the commissioner to use product adaptation to ensure a higher number of successful sales. When it comes to pricing, market pricing, skimming and penetration pricing can all be viable strategies, based on which aspect of the product the commissioner decides to build on.

The SWOT-analysis showed that the Silverbucket tool's features contribute significantly to the strengths of the commissioner in the market. Such features include real-time projections, flexibility and integrability, fast implementation as well as offering to boost effectivity while reducing costs. The weaknesses, on the other hand, are due to the language barrier in negotiations and in the available languages of the software as well as the company's lack of connections in the Spanish market in the beginning of the process.

Based on the data presented above, it is possible to draw up the following recommendations and suggestions for the commissioner. Some of these ideas are suitable as starting points for further research into the Spanish technological industry and cloud computing sector.

One of the most prevalent features in the market is the Spanish-language interface. As it can be observed among the foreign competitors listed above, they make quite a big effort to appear as Spanish as possible, such as by translating the product and the website to Spanish or by using the “.es” domain for their websites. This observation, combined with the Quint Wellington Redwood (2018) report’s mention of Spanish companies preferring software that is already present in their area, shows well that blending in with Spanish companies is essential in the market. For this reason, localizing the Silverbucket tool to Spanish is recommended.

Moreover, since English is not as widely spoken in Spain as it is in Finland, the likelihood of establishing a partnership with a Spanish company could be increased by having the possibility of negotiating in Spanish. For this reason, it is recommended for Silverbucket to hire a native Spanish interpreter. Although this would increase expenses, based on the above data, having a local interpreter present could help tremendously in building trust with the potential partner.

Catalonia and Valencia, however, differ in this respect. The Catalan language is considered the official language in these regions, and even though they speak Spanish, people might prefer to do business in Catalan. As it can be seen above, through the example of CONEIX for instance, in order to capture the customers in the Catalan-speaking region, translating the software and the website to Catalan can be very beneficial. After establishing a partnership with a Spanish-speaking partner, expanding to Catalonia with a Catalan partner could be a beneficial move for Silverbucket.

In addition, partner ecosystems are an important aspect to take into consideration. Such a partner ecosystem is built around the already mentioned Ahora Free-ware, but the phenomenon is also prevalent with such software as Odoo and Sage. Many Spanish SMEs function as resellers to these companies, selling them

often as another option on the side of their own software. As a result, Silverbucket might encounter difficulties in persuading Spanish companies to partner with them instead of choosing the bigger, more established companies that are offering a more stable revenue from commissions.

Differentiation could be the key in this situation. As mentioned before, one of the strengths of Silverbucket is the real-time project data that the tool provides. Other software on the market have similar elements, but it is not the norm yet, thus differentiating with this feature could still be possible. Analysing and comparing the provided data and the way it is shown is a suitable next step in this direction.

Moreover, since the reports (Quint Wellington Redwood 2017; 2018; 2019) show an increasing prevalence in cloud solutions and the government's efforts to strengthen the position of SMEs (PSOE 2019), Silverbucket's partnering options are most likely going to improve year by year. It is important to take into consideration that Spanish companies are looking for flexibility and a broad product range, thus the VAR partnering method is a suitable choice in the market. By combining the Silverbucket tool with another software, the product range of the reseller widens which could translate to the widening of the customer base as well – which benefits both Silverbucket and the partner.

Looking at the data above, even though Silverbucket might face some difficulties in the beginning, finding partners in Spain is a strong possibility. As indicated above, further research is needed in the real-time data feature and the partner ecosystems present in order to give the company a cutting edge in the market. However, if Silverbucket is successful in differentiating, they are most probably capable of building a successful customer base in Spain.

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APPENDICES

Appendix 1. Interview

Interviewee: Tuomas Mikkola, CEO at Silverbucket Oy

Date: 27 January 2020, 3 p.m.

Place: Tampere

Length: 39:24

An audio recording was made, with the consent of the interviewee. Transcribed.

Questions:

1. I understand that you prefer the value-added reseller partnering method. Why did you choose this model instead of selling the tool yourselves?
2. What are your requirements for a value-added reseller partner? Do you have any restrictions to the software type that that partner is selling in Spain already?
3. When you were looking for partners previously, what was your strategy? How did you start? Was it online or did you meet in person with the representatives?
4. Once you find a partner, how do you keep in touch with them? Do you need to keep in touch with them? Is there a contact person, for example, in that other company? What is the process?
5. How long are the contracts that you set up with a partner? Are there any limitations?
6. Have you encountered any challenges with VARs? If so, how did you solve them?
7. Is there anything else that you would like me to know when I'm looking for potential partners for you?