



Organizing Marketing when Entering New Local-Oriented Markets – The Swedish Market

Case: Gallant Group Oy

Veera Nurminen

BACHELOR'S THESIS
November 2020

International Business

ABSTRACT

Tampereen ammattikorkeakoulu
Tampere University of Applied Sciences
Bachelor's Degree on International Business

VEERA NURMINEN:
Organizing Marketing when Entering New Local-Oriented Markets -
The Swedish Market

Bachelor's thesis 39 pages, appendices 4 pages
November 2020

This thesis was commissioned by Gallant Group Oy, a Finnish organization that operates in the financial management industry, providing financial management and advisory services. The objective of the research was to find out what special characteristics the Swedish market has due to its local nature and how they influence Gallant's future marketing actions in Sweden. Gallant is currently only operating in Finland but wants to go international in the future because the Finnish market is highly competitive and it is not growing fast enough.

The research was conducted via qualitative research methods and the research data was collected via empirical research, where four employees from Gallant were interviewed and via marketing research that utilized existing online resources. The empirical research gave understanding about Gallant's current operations and future plans as well as built foundation for the marketing research where Sweden as market in general and three competitors were analyzed.

The research findings showed amongst other things that the Swedish consumers prefer local brands and companies and that the competitors are focusing on clear service catalogue and have transparent pricing. The marketing actions and the effort to marketing varied between competitors but all of them were doing the same things. Based on the research, recommendations for marketing actions in Sweden were presented.

Key words: business-to-business, marketing localization, digital marketing

CONTENTS

1	INTRODUCTION	6
2	OBJECTIVES, PURPOSE AND RESEARCH QUESTIONS	7
3	THEORETICAL FRAMEWORK	8
3.1	Main framework.....	8
3.1.1	Marketing research.....	8
3.1.2	International marketing	9
3.1.3	Marketing localization	9
3.2	Other theories	10
3.2.1	B2B marketing.....	10
3.2.2	Services marketing	10
4	EMPIRICAL RESEARCH.....	11
4.1	Research method	11
4.2	Questions and respondents	11
4.3	Marketing research	12
4.4	Research process	12
4.5	Interview results	13
4.5.1	Domestic Market.....	13
4.5.2	Internationalization	14
4.5.3	Marketing.....	16
5	MARKETING RESEARCH.....	18
5.1	Marketing analysis	18
5.1.1	PESTEL.....	18
5.1.2	Political	18
5.1.3	Economic.....	19
5.1.4	Social.....	19
5.1.5	Technological	20
5.1.6	Environmental.....	21
5.1.7	Legal.....	21
5.2	Competitor analysis.....	22
5.2.1	Ageras	22
5.2.2	Bokoreda	24
5.2.3	Accountor	25
5.2.4	SWOT.....	27
6	CONCLUSIONS AND RECOMMENDATIONS	29
6.1	Conclusions	29
6.2	Recommendations	31

REFERENCES	33
APPENDICES.....	36
Appendix 1. Interview with the CEO – Tuomas Tahvanainen	36
Appendix 2. Interview with the COO – Marja-Leena Karonsuo	37
Appendix 3. Interview with the CSO – Mikko Avelin.....	38
Appendix 4. Interview with the Marketing Manager – Lotta Makkonen	39

ABBREVIATIONS AND TERMS

B2B	Business-to-business
B2C	Business-to-consumer
GDP	Gross domestic product
R&D	Research and Development
SEO	Search Engine Optimization

1 INTRODUCTION

In 2017, the revenue of the whole financial management was over 1,5 billion in Finland. The industry was practiced in 5 122 places of business and the amount of personnel in the industry was 16 311. The financial management industry is an industry where changes happen relatively slow and the industry growth overall as well as the amount of personnel have been growing steadily over the years. However, the amount of revenue has been growing the faster after 2005 than the industry itself and the amount of personnel. (Metsä-Tokila 2019).

Gallant Group Oy (later “Gallant”) operates in the financial management industry and they offer B2B services, such as financial services related to accounting, payroll and payment management. Besides the basic financial services, they also have a variety of advisory services that include for example, CFO, tax arrangements and corporate law. Gallant became Gallant in 2019 when two separate accounting companies, Gylling Accounting in Tampere and Leppävaaran Laskenta in Espoo merged into one organization. Other acquisitions were made later too and currently Gallant employs around 160 employees in the whole organization and they have eight offices around Finland.

Currently Gallant operates only in Finland and they have clients from a lot of different industries. Business in the financial management industry is generally very local-oriented but Gallant does already have international clients as well, and their plan is to go international themselves as well. The domestic market is not growing fast enough and competition is fierce and financial management services in Finland are ahead of other European countries, which makes going international a good opportunity to Gallant. Gallant is most likely going to expand to the Swedish market first, which is the chosen market for this marketing research.

2 OBJECTIVES, PURPOSE AND RESEARCH QUESTIONS

The topic for this research is about internalization and it focuses on organizing marketing activities in a new market. The financial management industry is generally very local-oriented, which means the new market might have special characteristics that will affect how the marketing and branding actions should be organized. The chosen market for this study is Sweden since that is most likely going to be Gallant's first international expansion location.

The topic is relevant to Gallant because they already have internationalization projects in the works, so they are going to go international in the future. The domestic market in Finland is not growing fast enough and the industry has a lot of competition, which makes growth harder in the domestic market. Finland is also ahead of other countries when it comes to financial management services such as accounting and its digitalization, which makes going international a promising business opportunity.

The objectives are to find out the Swedish market's special characteristics due to its local nature and how it influences the decisions on how Gallant should organize their branding and marketing actions. These objectives form the main research question: "How should Gallant organize their marketing in the Swedish market?". Sub-questions that support the main research questions are "How should Gallant brand themselves in Sweden?" and "How does the local nature of the industry affect the marketing actions?"

The purpose is to gain insight of the new market in Sweden and how Gallant could maximize their success when entering the Swedish market. The short-term goal is to give Gallant a resources and suggestions on how to make a new market entry to Sweden from marketing point of view and the long-term goal is to give direction to how Gallant could execute their marketing researches in other market entries as well.

3 THEORETICAL FRAMEWORK

The following theories will form the basis for the research and the thesis overall as well as give some insight to more common theories relating to the topics discussed in this thesis.

3.1 Main framework

3.1.1 Marketing research

Marketing research is about collecting, analysing and interpreting information about all marketing activities. Marketing research helps to give useful information to the decision-makers, so that they can make the best business choices. To summarize, marketing research is a process that helps organizations identify marketing problems, set goals for research, conduct the research and eventually create solutions. (Sontakki 2009, 6-7). Marketing research includes a market analysis and the data usually includes information about the target markets, customers and the whole industry overall. (Markus 2019).

Another vital part of the marketing research is competitive analysis, which will help to understand competitors' qualities and offerings in a deeper level. First the competitors need to be identified and investigated thoroughly. Why people buy from the competitor and what are their strengths? When there is a clear picture of the competitors and their offerings one must think the reasons why the competitor's clients would switch from their offering to yours. There might also be other factors that can be thought of as competition, such as market ignorance. There are also noncompetitors on the markets that might offer the same products but are not actually competition. (Brian 2014, 23-24).

The marketing research in this case study is international, but the process for both regular and international marketing research is generally the same.

3.1.2 International marketing

International marketing is about making marketing decisions and having marketing activities in more than one country. Domestic marketing generally has manageable variables that are adjusted to the uncontrollable external environment. In international marketing, the variables and the external environment can be significantly different from the domestic marketing, which makes the process a lot more complex. The primary objective of international marketing is to reach a state of cooperation, which would make the organization greater than the pieces of it. (Gilligan & Hird 2013, 12-13).

3.1.3 Marketing localization

To maximize the benefits of marketing activities and reach new markets internationally, organizations need to do marketing localization. Marketing localization is about ensuring that marketing campaigns are presented in the target location in an appropriate way, linguistically and culturally. When marketing campaigns are localized properly, it ensures that the local consumers understand what the campaign is about, because consumers are not likely to purchase something they don't understand. Marketing localization is a great tool for organizations to reach new markets, increase their sales and gain competitive advantage. (Hernandez 2020).

To be able to localize the marketing efforts, organizations need to do research on the target market to be able to figure out what content is most relevant to them. The research process is very similar to regular marketing research process and when summarized, it is about identifying key issues, collecting data, analysing the results and taking action based on the results.

3.2 Other theories

3.2.1 B2B marketing

Business to business (B2B) marketing stands for organizations marketing services or products to other organizations. The customer is not an individual consumer but an organization. B2B marketing is different from business to consumer (B2C) marketing in various ways e.g. the buying process. B2B buying process is usually longer and there can be several decision makers involved. This is why marketing can't be executed the same way for B2B and B2C audiences. (Hall 2017, 1-2).

3.2.2 Services marketing

Services marketing is marketing intangible things which are generally consumed at delivery. Services marketing covers a large area of different types of services from professional services like accounting to a more personal services such as personal trainer service. The main difference between services and manufactured goods is that services bring some kind of benefit to the consumer but it is not tangible, so it is not storable, separable or standardized. Services marketing has four core characteristics: intangibility, heterogeneity, inseparability, and perishability. (Doyle 2016).

4 EMPIRICAL RESEARCH

4.1 Research method

The chosen research method for this research was qualitative research and it was conducted via interviews. Qualitative research is more flexible than quantitative research and it is expressed in words rather than numbers and graphs. Qualitative research is about exploring ideas and understanding concepts and it is analysed by summarizing and interpreting. (Streefkerk 2019).

This research focuses on observing and interpreting data and materials found from the internet, which is why the qualitative method was chosen. The most suitable way to conduct a preliminary research was interviews and the secondary research will be conducted using primarily external online sources. Since most of the collected data won't be numerical it is best to use the qualitative research method.

4.2 Questions and respondents

For the preliminary research, four different Gallant employees were interviewed. Each employee had their own semi-structured and open-ended questions that related to their job title and expertise. The amount of questions varied from 5-8 questions depending on the interview discussion and the employee's job position. The objectives for the interviews were to get background information about Gallant's position in the domestic market, current marketing activities and the internationalization project that Gallant has already started, therefore the questions were built around those three themes. The respondents chosen for this research were the CEO, the CSO, one of the COOs and one of the Marketing Managers and the respondents were chosen in the basis of their knowledge and its relevance to the research.

4.3 Marketing research

The secondary research will be conducted on the next chapter and will be collected from existing online sources. The research is a basic marketing research that includes market analysis and a competitive analysis relating to the financial management industry in Sweden. To analyse the collected data, analysing tools such as PESTEL and SWOT will be used.

4.4 Research process

With the help of the theoretical framework, a framework for this research can be designed. As mentioned, marketing research is a process and it will be used throughout this research as well. This process will have four steps including identification, empirical research, marketing research and finally, suggestions. Throughout the research theories such as marketing localization and international marketing will be kept in mind and research will have a point of view from those two theories. The figure below presents the steps in this research process and what each step includes.

IDENTIFICATION	EMPIRICAL RESEARCH	MARKETING RESEARCH	SUGGESTIONS
Research objectives and questions.	Employee interviews and the analysis of results.	Market analysis on Sweden (PESTEL). Competitive analysis (SWOT).	How to organize marketing in Sweden. How to localize marketing actions in Sweden.

Identification and empirical research will give direction for the research and background on Gallant's current operations in the company that affect this research. The marketing research takes a deeper look into the Swedish market in a form of marketing analysis using PESTEL and a competitors analysis that utilizes SWOT analysis. After the marketing analysis the researcher has gained enough knowledge about the Swedish market and will be able to give recommendations

to Gallant how they should organize marketing in Sweden and how to localize marketing actions.

4.5 Interview results

This part focuses on the answers/results gotten from the interviews. The interview questions have been divided into three different themes: domestic market, internationalization and marketing.

4.5.1 Domestic Market

Questions about the domestic market in Finland were asked from the CEO Tuomas Tahvanainen and the CSO Mikko Avelin and the objective was to find out how Gallant is doing in the Finnish market and what are the plans for the future. The interviews started with questions about Gallant's current market position in Finland. Tahvanainen stated that Gallant is a new challenger in the consolidating market and the domestic market has constantly consolidated since the beginning of the millennium, creating big agents into the market. These big agents often create a certain reputation for themselves that generally doesn't benefit them when making acquisitions, while Gallant remains neutral due to its novelty, which gives it a competitive advance. Gallant also has good client base and even though the organisation has grown, it has been able to keep up a good reputation and reach new client bases. The organization's size brings it competitive advantage since there is a constant need for new investments and Gallant is 7th biggest agent in the industry and there are three other agents in the same size category. In Avelin's opinion Gallant is a new brand is yet to establish itself in the domestic market and Gallant is seen as a smaller agent like the two companies were that merged into Gallant. He adds that Gallant is bigger than an average agent and the brand is pretty good amongst the people in the industry but not yet amongst clients and consumers.

When talking about Gallant's growth/development opportunities in the domestic market in the future, Tahvanainen says that a significant growth is mostly achievable through acquisitions, although the big agent acquisition pool is getting smaller in Finland. He also stated that when it comes to notable changes, the domestic market is going to stabilize in the near future. Tahvanainen and Avelin

were both asked about Gallant's strengths compared to competitors in the domestic market and they both mentioned their high-quality and personal way of providing their services as, well as the expertise their employees have a big strength. Considering Gallant's long-term goals and visions, Tahvanainen and Avelin both state the vision "To be your most reliable advisor" a long-term goal as well as to become an international agent and known service provider.

Related to Avelin's expertise, he was asked about the sales and growth expectations for the future and whether Gallant has potential to grow to be a big agent. He was also asked which sources produce most sales leads and should they focus more on a specific source. Gallant's turnover is expected to grow in the next three years, but the goal is not to become equal with the biggest agents in the industry such as Talenom and Rantalainen. However, Avelin points out that Gallant is always probably going to be competing with the said agents. When it comes to the sales leads, new leads in most cases come through Gallant's personnel and their contacts. Other popular sources are digital sources such as Gallant's website and referrals from example from current and previous clients. Avelin doesn't think there is yet one specific source that Gallant should focus on more, but they should focus on their key clients and increase their awareness and at some point they can start look into what sources are worth focusing on. Last question for Avelin was about Gallant's buying personas and if he thinks they will be same in other markets as well. Gallant recently build four buying personas that they will start focusing on, and Avelin agrees that the personas are in general going to be the same in all markets and the question is more about building more buying personas in the future.

4.5.2 Internationalization

The main objective for the internationalization questions was to find out about Gallant's existing internationalization project and how far the process is already, as well as the reasoning for going international.

The main question was why Gallant should go international. Tahvanainen says that clients' needs more often have international aspects and its common for com-

panies to operate internationally from the beginning, so there is constantly growing demand for internationalization that needs to be met. Digitalization in the financial management industry will be a global phenomenon, however the other Nordic countries and Finland are in the leading positions. In international researches, Finland has one of the most advanced in digitalized financial management and its skills can be used as a competitive advance, however Sweden and the Baltics are rapidly catching up. Tahvanainen summarizes that it is all about the client needs and market opportunities. Avelin agrees with the digitalization aspect and adds that the markets in Finland are not growing fast enough. Gallant's strengths compared to Swedish competitors are quite the same as in the domestic market and Tahvanainen voices that in Sweden their technological advances combined with their service catalogue is currently a strength, however the domestic competitors have started to explore this opportunity too. He adds that the previous strength is more of a short term-strength and the long-term strength is the same as in the domestic market when the Swedish market develops more, Gallant's high-quality and personal services.

Rest of the internationalization questions were asked from the COO Marja-Leena Karonsuo, who plays a big role in the internationalization project. She was asked to give a short description of the internationalization project and where it is so far, what are the next steps and what are the recognized challenges and opportunities in internationalization. According to Karonsuo, Gallant started the two-part project with Business Finland in 2018 and the first part was done in collaboration with the Association of Finnish Accounting Firms, who had researched different markets in Europe. The markets nearby were compared when it came to e.g. their offerings, size and the state of digitalized financial management. After the comparisons, three markets that fit into Gallant's strategy were chosen to be researched even further.

The chosen markets for the second part of the project were Sweden, The Netherlands and The Baltic countries as one. More detailed market analyses were conducted in collaboration with Exportmakers and they included information from e.g. the competitors, service structure, client bases and what is being sold. From these three markets, Sweden was chosen to be the first international location for Gallant. The market entry is most likely going to be through joint venture with a

company that meets Gallant values or through an acquisition. The next step in the project is to start looking for cooperation partners from Sweden and possibly also from the Baltics, when the COVID-19 situation calms down.

When it comes to the challenges in internationalization, choosing a cooperation partner plays a big role, so that the market entry goes smoothly and correct measures are taken. Some other challenges are the expertise level in the international location, transferring Gallant and its culture to the new market, legislations and mistakes considering them and the overall investment risk. There are always challenges to everything, but Karonsuo sees internationalization a good opportunity and it would bring Gallant more credibility and good company image in a sense that some employees are already remote working from abroad, so why shouldn't Gallant have physical international locations too. International projects and business travelling are also great opportunities for the employees and after checking the domestic market, the next growth step is naturally abroad.

4.5.3 Marketing

Marketing related questions were only asked from the Marketing Manager Lotta Makkonen and the main objective was to map out Gallant's current marketing activities in Finland and what are the plans for the rest of the year 2020.

The main marketing activities in Finland are currently very focused around digital marketing and based on the inbound marketing process. Gallant markets a lot through content in different channels, such as their website and social media. They also do paid advertising and search engine optimization (SEO) through Google. For the rest of 2020, marketing will focus on growth marketing through their buying personas that were formulated earlier this year. The main goal is to get the processes going inside a new team, measure and learn from them as well as have a specific amount of marketing qualified leads at the end of the year.

Makkonen was asked about Gallant's current brand and does she think its strong already, to which she said that considering Gallant is only a year old, it has already established somewhat of a place in the market for itself and the broad client

base has been spreading good word about Gallant. Therefore, Gallant has had a strong start when it comes to branding, but there are still a lot of work that needs to be done. Gallant doesn't currently have a branding plan, but the marketing team does consciously activities that help to strengthen the brand, such as attending relevant events. In her opinion, the base for the brand should be the same on all markets, but when going international the marketing communication has to be different and customized to each market.

The last questions were about marketing financial management services and if Makkonen has noticed any special characteristics there and what are the biggest challenges in marketing their services and B2B services overall. She has noticed that currently personalized service experience is valued and it is highlighted a lot in marketing, as well as digitalized financial management systems, and a popular way to market right now is through content and paid advertising. Some marketing challenges she pointed out are big target groups, and overall the amount of companies and audiences who to market for, contacting the right people and convincing them about Gallant's expertise and testing the processes they have recently created and developed if they are working or not.

5 MARKETING RESEARCH

Gallant has already conducted one market analysis on Sweden, that heavily focuses on the financial management industry. This marketing research includes an marketing analysis, which will give a deeper look into Sweden as a market in general and about factors that might affect marketing actions in Sweden. The chosen tool for marketing analysis is PESTEL. The competitor analysis gives insight into the marketing actions of three competitors in the Swedish market with the help of SWOT analysis.

5.1 Marketing analysis

5.1.1 PESTEL

PESTEL analysis is a tool used to analyse the external marketing environment of a chosen location and it to identify the strengths and weaknesses that could affect the organization in that market and it includes six different factors. (Professional Academy 2020). PESTEL was chosen as the analysing tool for this marketing analysis because it gives a good overview of the main factors that affect doing business in a market.

5.1.2 Political

Political factors include regulations and legislations e.g. tax policy and labour law. These legislations are decided by the government and they directly affect the economy in that region, so the political factors and how big their impact is going to be depends on the government and how strict their legislations are. (Professional Academy 2020). Sweden has favourable conditions for trading since they are a member of the European Union, which has quite free foreign trade policy that applies in Finland too. New legislations in Sweden need to be accepted by the Swedish Parliament called the Riksdag before they can be implemented by the government. (How Sweden is governed 2020). Compared to Finland, tax rates in Sweden are slightly higher. The highest personal income tax rate is 57% and the highest corporate tax rate is 21.4%. (The Heritage Foundation 2020). The standard VAT rate is around 25% (Deloitte 2020) and when it comes to corruption

rates, they are low and Sweden has developed effective measures for anticorruption (The Heritage Foundation 2020).

5.1.3 Economic

Economic factors directly impact the business activities organizations do and their profitability. Some economic factors are the economic growth, inflation and interest rates (Professional Academy 2020). The Gross domestic product (PPP) in Sweden in 2018 was \$542.0 billion with the growth rate of 2.3%. The public debt is 39.0% of the GDP and the inflation rate is 2.0%. (The Heritage Foundation 2020).

Statistics mentioned above are made based on information from 2018-2019, which give a good picture of the normal economy in Sweden, however, the in 2020 the whole world was affected by a global pandemic called COVID-19. The central bank of Sweden, the Riksbank released a Monetary Policy Report in July 2020, where they describe how the economy has suffered during 2020 and what measures they are taking to help the economy to recover. The economy of Sweden suffered great losses and the GDP was estimated to have decreased 8% during the Q2 of 2020. The unemployment rate increased too, although the labour market is expected to recover when the demand rises again and productions slowly increase. Due to the special nature of the crisis it is hard to forecast how fast the economy will recover but the Riksbank estimates in its main scenario that during the second half of 2020 the economy will show an upturn, though the recovery to normal will take a long time. (Sveriges Riksbank 2020, 6, 11).

5.1.4 Social

Social factors are attitudes and beliefs shared in the population and these factors are important for marketers, since they help to understand consumers and forecast their buying behaviours. Social factors are e.g. population demographics such as age distribution, educational levels and health consciousness. (Professional Academy 2020). The population of Sweden is currently over 10million and the three biggest cities with most residents are Stockholm, Gothenburg and Malmö (Worldometer 2020). The official language is Swedish, but Finnish is an

official minority language in Sweden and it also has a very high proficiency in English and in the EF English Proficiency Index it is the second most proficient country in Europe (EF 2020).

When it comes to buying behaviour, 53% of Swedes do online search before going to a physical store location and e-commerce is expected to grow a lot in the future and the most purchased products are e.g. fashion, electronics, furniture and games. Swedish consumers are quite open to international brands, but the favourite brands are national. (Santander Trade 2020). Studies about Swedish consumer behaviour have been made and they have shown that Swedes have a strong preference for their local companies but they are also loyal to other European brands. However, with good marketing localization brands can build the trust between them and Swedish consumers and eventually become a household name in the markets. (Mitzner 2018).

The consumer behaviour where local companies are preferred is a possible threat to Gallant and they might struggle in the beginning when it comes to building trust between them and the consumers.

5.1.5 Technological

Technological factors are technological innovation/development rates that can affect the market/industry and some examples are digitalization, automation and Research and Development (R&D) (Oxford College of Marketing 2020).

Out of the EU countries, Sweden has the second-best score in the Digital Economy and Society Index (DESI), Finland being the number one (European Commission 2020) and 98% of Swedes had access to the internet in 2019 (Statista 2019a). 83% of Swedes have social media and the biggest platform currently is Facebook that 74% of Swedes have used, followed by Instagram and YouTube (Statista 2019b). Sweden invests 3% of its GDP to R&D and overall has high level of innovation, even though its population is only 0.13% of the global population (Sweden 2020a).

According to a study called Digital Leaders in Sweden 2020 (BearingPoint 2020, 15), Swedish companies struggle with digital marketing and they could get a lot of benefit with improved digital marketing strategies. Companies should improve their digital marketing efforts overall but focus even more on display advertising and search engine marketing. However, when it comes to digital product experience, that is done well in Swedish companies. Digital product experience includes e.g. mobile websites and mobile applications. (BearingPoint 2020, 16).

5.1.6 Environmental

Environmental factors are constantly more important to consumers, who want to support organizations that operate in a sustainable and ethical way. Environmental factor/issues include pollution, usage of natural resources and government set carbon footprint targets. (Professional Academy 2020).

Sweden ranked number one in the Sustainable Competitiveness Index in 2019 (SolAbility Sustainable Intelligence 2019) and it was the first country in the world to pass an environmental protection act in 1967. Sweden has successfully reduced its carbon emissions over the years and half of Sweden's national energy supply is from renewable resources. (Sweden 2020b).

Over the years consumers have started to discuss sustainability with others more and it has become a bigger factor that affects the purchase decision, in fact 72% of Swedish consumers said that sustainability affects their purchasing decision in 2020 (Sustainable Brand Index 2020, 13-14). In Gallant's case, sustainability is generally not a determining factor when choosing an accounting firm, since they are providing services rather than products, however organisations that are transparent and make a conscious effort to operate more sustainability can have a positive impact for its reputation.

5.1.7 Legal

Organizations need to be aware of all the legal factors of a country to be able to operate in a correct legal way, which can be challenging when going international, since the laws are different in every place. Legal factors include e.g. consumer

rights and laws and health and safety regulations. (Professional Academy 2020). The main laws affecting the financial management industry in Sweden are the Law on Accounting, the Law on Annual Accounts, Law on Audit and Law on the Prevention of Money Laundering and Terrorism and the laws considering financial management actions are very similar to the laws in Finland. (Exportmaker 2020). Marketing in Sweden is affected by the Marketing Act, but there aren't any distinct regulations when it comes to marketing Gallant's services.

5.2 Competitor analysis

This chapter will discuss three competitors in the Swedish market and the focus will be on their marketing actions in Sweden. The competitors chosen are two smaller organisations and a big known agent, that operates in Finland as well. Ageras was mentioned in Gallant's own marketing research as a competitor, hence it was chosen for this analysis to be researched more. Accountor is a big organization that has operations in multiple countries and more resources when it comes to marketing, therefore their marketing operations give a good example on how they have localized marketing in Sweden compared to their Finnish marketing actions. Bokoredo is a smaller local company that was found by the researcher when comparing Swedish competitors and they were chosen to be analysed because they are a good example of a smaller, very local Swedish accounting firm that still has enough marketing actions that could be analysed.

5.2.1 Ageras

Ageras provides a matchmaking service that connects companies with accountants and other advisors and they operate in six countries and have over 80 employees in total. They have been operating since 2012 and claim to have over 200,000 users. Using their service is free and non-binding and it only takes three steps. Their Swedish office is located in Stockholm and overall they have a great customer success rate of 4.8/5. (Ageras 2020a). Besides the official website, Ageras has social media accounts in LinkedIn, Facebook, Instagram, YouTube and Twitter and they have multiple accounts for their different locations. Their social

media is not mentioned/advertised in the official website and their accounts are still quite small in general.

Ageras posts blogs fairly regularly on their Swedish website and they have categorized the posts into two categories: dictionary and articles. In their dictionary they explain terms and concepts related to accounting and the financial management industry and their articles relate to e.g. current events in the industry, events in Ageras and financial guides. They also have a newsletter but it is not mentioned on the website how often they are issued. (Ageras 2020b).

Ageras' biggest social media platform is their Facebook and majority of their accounts have thousands of followers and the Swedish account Ageras Sverige has over 4,5 thousand followers/likes. They have only done Facebook advertising in their main Ageras page, that focuses on their market in the USA. They released an ad in May 2020 that promoted a survey about the impacts of COVID-19 on small businesses and they ran the ad twice (Facebook Ad Library 2020). On their Instagram account, Ageras posts about the daily activities in the organisation and other more relaxed content such as different holiday greetings. They post on Instagram quite regularly and they have not done any Instagram advertising. They also have YouTube channels where they post some tutorial videos considering their services and couple of webinar videos. They also have some active Google ads that are promoted when searching e.g. accounting services in Stockholm ("bokföring Stockholm").

Overall, Ageras have put a lot of effort into marketing localization and they have a presence in multiple platforms. They might reach more clients and consumers with this strategy but it might also be confusing for the consumer to find so many different accounts for one company. Ageras is also not marketing their social medias and they are not that easily accessible, unless you know what you are looking for.

5.2.2 Bokoredo

Bokoredo was founded in 2013 in Stockholm and they claim to be the smartest accounting firm in Sweden with the lowest prices for accounting services. Their target market are small and medium sized companies and their vision is to simplify everyday life for small business owners. (Bokoredo 2020a). According to Vainu (2020) their turnover in 2019 was 41,6M kr, which is approximately 4M€. Besides the basic accounting and payroll services Bokoredo has a small selection of advisory services and they operate in two locations; Stockholm and Gothenburg. Bokoredo has a price guarantee where they claim to reduce the price of your previous accounting at least by 10% on annual basis (Bokoredo 2020b) and they have an app where clients can manage their services.

Bokoredo's website is only in Swedish, therefore they are probably not offering any services in English. They have an accounting blog in their website but they have not posted there since July 2019. When it comes to social media, they have a presence in Facebook and LinkedIn with few hundred followers in both pages and a small Twitter account but they haven't used the account since 2015. They are most active on LinkedIn where they post about current events in the company e.g. recruiting ads. They have not done advertising on any of their social media platforms but they do have some active ads on Google that are promoted e.g. when searching for accounting services in Sweden ("böckforing Sverige").

Bokoredo is an example of a very local Swedish accounting firm and what can be concluded that they are not really focused on their digital marketing actions in general but since they are only operating in Sweden their marketing actions and website give insight how the smaller agents in Sweden are organizing marketing for their local target audiences.

5.2.3 Accountor

Accountor is a Finnish company that also operates in seven countries, including Sweden. Their turnover in 2019 was 245M€ and they have over 2000 employees overall, which makes them a big agent in the industry. (Accountor 2020a). Gallant is a lot smaller agent, but since Accountor operates in multiple countries, they probably have a lot of experience about marketing localization and their marketing actions are worth investigating. Besides their website, Accountor has specified LinkedIn, Instagram, Facebook and Twitter accounts for the Swedish market and they are all under the name Accountor Sverige. They have multiple social media accounts for different markets and services in general as well as some main accounts for the whole group. The social media accounts in the Swedish site are linked in the bottom of the main page, but in the Finnish page they are not. The website pages in both countries will be analysed in the native languages, Finnish and Swedish, because the English versions of the sites are also slightly different. (Accountor 2020b & Accountor 2020c)

When opening the Swedish website, the layout has some differences compared to the Finnish page. The main menu is different and e.g. the Swedish page has own category for references and in the Finnish page references are under the news category. The Swedish page only has one category for services and all the services are very specified in the menu, unlike in the Finnish page, where there are three different service categories and under them the services are under bigger headlines. Accountor is also not really highlighting their software selection in the Swedish page like they are in the Finnish page but the Finnish market has the biggest offering overall, which explains some of the differences in the website. The Swedish page also has own category for the offices in Sweden, which the Finnish page does not have. (Accountor 2020b & Accountor 2020c).

Accountor regularly posts content to their website, but there is more content in the Finnish page that has more subcategories e.g. news, blog, articles and podcasts and the Swedish page only has once news category, under which is articles related to various topics. The content has same themes but is then relevant to the chosen market, which overall makes the content different from each other.

The main difference seems to be in the amount of content and the Swedish page has mostly current news and some general articles related to industry topics.

Accountor's biggest social media following in Sweden is on their LinkedIn account, with over 2,000 followers. Their other accounts have hundreds of followers besides their Twitter account with only nine followers. When it comes to their social media content, they are posting content regularly, approximately once a week and the same content is circulating in most of their different social media accounts. LinkedIn and Facebook have more official content that is shared from the website and Instagram has more relaxed content that relates to working in Accountor and daily activities in the company. The Swedish Instagram account has more followers than the Finnish one and it has a lot more content overall.

When searching Accountor in both Finnish and Swedish versions of Google, Accountor has an ad on the Finnish google page but not on the Swedish page. They also have not done any advertising on their Swedish social media accounts. The general conclusions about the differences in markets are that the Swedish website page is more straightforward and simpler and it focuses highly on the operations in Sweden, e.g. their Swedish about us page does not mention their international operations the same way as the Finnish page. They are also highlighting their services, client references, Swedish offices more in the Swedish page, making them seem more like a local agent.

5.2.4 SWOT

Based on the data found from the three competitors, a SWOT analysis was made about the competitors marketing actions to the in the Swedish market. SWOT analysis stands for Strengths, Weaknesses, Opportunities and Threats and businesses can use it as a tool to gain full awareness about a certain topic before making any decisions.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Website content • Marketing localization • Service catalogue 	<ul style="list-style-type: none"> • Social media advertising • Social media presence
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Social media advertising • SEO • Original content 	<ul style="list-style-type: none"> • Relevant content • Loyal client bases

When it comes to strengths, all the competitors have useful content on their website and overall, their websites are localized well to the Swedish market. Every competitor has content in their website that is relevant to their clients and the service catalogues are more specified and simplified than what is usually seen in the Finnish market and in some sites there are also prices presented in the website. Some weaknesses the competitors have relate to presences in social media and they could use them more efficiently, especially when it comes to advertising purposes e.g. in LinkedIn. They also don't really promote their social media accounts and e.g. Ageras has so many accounts that it might confuse the consumer

and even though there might be a presence in social media, they might not be updated regularly.

Some opportunities for Gallant are utilizing more social media advertising, SEO and more original content. The competitors' website contents are generally about the same topics, which is not necessarily a bad thing and it happens also in the Finnish market, but there is an opportunity to stand out better with more original content or more account-based marketing, where there are different target audiences that receive different contents most relevant to them. The competitors are doing some SEO but there doesn't seem to be as much competition as in the Finnish market. Threats that Gallant could potentially face are providing relevant content and being able to make clients change from their current service providers. Gallant needs to be fully aware of the current events in the Swedish industry, to be able to provide relevant content to the right people, in right time. The clients might also be very loyal to their current providers and convincing them to change to Gallant might be difficult at first before they have made themselves more known and they have built a small client base that is happy with their services.

6 CONCLUSIONS AND RECOMMENDATIONS

6.1 Conclusions

The objectives were to find out what special characteristics the Swedish market has due to its local nature and how they influence Gallant's marketing and branding actions in Sweden. One of the biggest findings was the fact that Swedish consumers prefer national brands and local companies to international companies. This might make entering the Swedish market a bit harder but it is very possible to gain the trust of the target audience and become a "local" agent too. When it comes to Sweden in general, the business opportunities are good for Gallant and it is easier to open and have operations there as well, since legislations are very similar to legislations in Finland and both countries are a member of the EU.

The empirical research gave a good understanding about Gallant's current marketing actions, how they are doing in the domestic market and what steps they have already taken in the internationalization project. The internationalization project is well in action and Gallant had also conducted their own market research about the financial management industry in Sweden, therefore this research was heavily focused on the marketing aspects of the Swedish market. Gallant has also recently developed new marketing processes for the domestic market, which can be utilized in the Swedish market as well in some way. The marketing research showed that the Swedish companies are not putting too much effort into their digital marketing or putting the "regular" effort, which means Gallant could gain competitive advantage with a good digital marketing plan. What the competitors are doing well currently are providing clear service catalogue with transparent pricing and localizing their content if they are operating internationally. The biggest marketing outlets for them seem to be their websites, but most of them have a social media presence too, where the most relevant platform seems to be LinkedIn. Competitors update their website blogs regularly and are quite good in posting about current hot topics considering the industry.

The main research question “How should Gallant organize their marketing in the Swedish market?” will be answered in the recommendations of this chapter but when it comes to the sub-questions “How should Gallant brand themselves in Sweden?” and “How does the local nature of the industry affect the marketing actions?”, the findings were fairly what the researcher expected beforehand. Gallant has similar brand to some of the competitors when it comes to their values and mission and like Makkonen mentioned earlier in the empirical research, they should keep the base for their brand in all markets and adjust to their marketing communication. Therefore, the main brand for Gallant should be the same in all destinations throughout the organization but localize the marketing communication and what aspects of the branding could be highlighted more in each market. For the Swedish market Gallant could highlight their expertise and that they are a modern, highly digitalized organization but still value personal service experience.

To respond the other sub-question “How does the local nature of the industry affect the marketing actions?”, some localization factors were investigated through the PESTEL analysis, which were e.g. economic and socio-cultural factors.. The findings in this research were that since the industry is local, the clients are generally local too and the marketing actions need to be tailored even more based on their buying behaviours and preferences. Local markets can be a lot more competitive since the target audience is smaller and in the financial management industry everyone is offering essentially the same core services, therefore an organization needs to do something that differentiates them from everyone else and find their own “niche”, as Avelin mentioned in the empirical research.

6.2 Recommendations

To answer the main research question: “How should Gallant organize their marketing in the Swedish market?”, the researcher has few recommendations that Gallant could do based on the research findings. Gallant has recently created a marketing strategy for the Finnish market that is utilizing inbound marketing as well as account-based marketing and that plan could be used as a solid base for the Swedish marketing strategy.

Some of the planned contents could work for both markets if it is about very general topics, but in general Gallant would have to create a new content plan for Sweden. Gallant obviously needs to create a Swedish version of their website but they should not only translate it but consider taking some examples from the competitors, such as making their service catalogue more straightforward and presenting their prices on the website. For example, currently their financial management services are categorized in accounting, payroll and payment management but they could categorize them even further e.g. accounting, financial statements, payroll calculation, purchase invoicing and so on. Gallant provides some advisory services in Finland that the smaller agents don't all have in Sweden, which could provide a somewhat of a market niche for Gallant in Sweden, since many companies seem to mainly focus on the basic financial management services such as accounting. Gallant should also start putting client references to the Swedish website as soon as they can, since that aspect also seems to be a highlighted part in many of the competitors' websites.

Social media advertising is not as simple for Gallant who is doing B2B sales than for a company doing B2C sales, but they should still have a social media presence and consider social media marketing. The two main social medias to focus on could be Facebook and LinkedIn, since based on the research, that is where the competitors have biggest followings and Gallant's target audience is easiest to reach in those platforms. Gallant should consider advertising on LinkedIn, where most of their target audience to gain their attention and get their name out there. Many of the competitors posted basic industry info and company actions on their LinkedIn, but Gallant should try to do something different to attract traffic to their page such as doing livestreams about industry topics and creating more

visual content like videos. The content should mainly be in Swedish, so making separate accounts for Swedish market is something to consider to be able reach the Swedish target audience better and making Gallant seem more like a “local” agent.

The beginning of the market entry is when Gallant should put a lot of extra effort into their marketing to raise awareness and get the attention of the consumers. For example, Gallant could launch a social media campaign and film a short video where they present themselves as a company and why they are the best at what they do, together with some perk/coupon to get more business flow in the beginning. Overall, Gallant already has a good idea how they want to market themselves in the domestic market and the foundations of it can also be mirrored in the Swedish market too.

REFERENCES

- Accountor. 2020. Tietoa meistä. Read on 23.09.2020. <https://www.accountor.com/fi/finland/tietoa-meista> (a)
- Accountor. 2020. Official Finnish website. Read on 23.09.2020 <https://www.accountor.com/fi/finland> (b)
- Accountor. 2020. Official Swedish website. Read on 23.09.2020. <https://www.accountor.com/sv/sweden> (c)
- Ageras. 2020. Om Ageras. Read on 29.09.2020. <https://www.ageras.se/om-ageras> (a)
- Bearingpoint. 2020. Digital Leaders in Sweden 2020. Read on 21.09.2020. <https://www.bearingpoint.com/en-se/our-success/digital-leaders-2020/> 15-16
- Bokoredo. 2020. Om Bokoredo. Read on 21.10.2020. <https://bokoredo.se/om-bokoredo/> (a)
- Bokoredo. 2020. Vanliga frågor. Read on 21.10.2020. <https://bokoredo.se/kontakta-oss/#faq> (b)
- Deloitte. 2020. International Tax – Sweden Highlights 2020. Read on 10.08.2020. <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Tax/dttl-tax-swedenhighlights-2020.pdf>
- Doyle, C. 2016. Dictionary of Marketing. Services Marketing. Oxford University Press: The United Kingdom.
- EF. 2020. EF English Proficiency Index – Sweden. Read on 19.08.2020. <https://www.ef.com/wwen/epi/regions/europe/sweden/>
- European Commission. 2020. Digital Economy and Society Index (DESI) 2020. Read on 22.08.2020. <https://ec.europa.eu/digital-single-market/en/desi>
- Exportmaker.
- Facebook Ad Library. Ageras. Read on 29.09.2020. [https://www.facebook.com/ads/library/?active_status=all&ad_type=political_and_issue_ads&country=ALL&view_all_page_id=1643105355902750&sort_data\[direction\]=desc&sort_data\[mode\]=relevancy_monthly_grouped](https://www.facebook.com/ads/library/?active_status=all&ad_type=political_and_issue_ads&country=ALL&view_all_page_id=1643105355902750&sort_data[direction]=desc&sort_data[mode]=relevancy_monthly_grouped)
- Gilligan, C & Hird, M. 2013. International marketing strategy and management. Oxon England : Routledge. 12-13
- Government Offices of Sweden. How Sweden is governed. 2020. Read on 10.08.2020. <https://www.government.se/other-languages/english---how-sweden-is-governed/>

Hall, S. 2017. Innovative B2B Marketing: New Models, Processes and Theory. Kogan Page: London. 1-2

Hernandez, B, 2020. Marketing Localization: Your Ultimate Guide for Success. Blogpost. Published on 10.06.2020. Read on 16.09.2020. <https://localizejs.com/articles/ultimate-guide-for-marketing-localization/>

Markus, J. 2019. Market research. Blogpost. Published on 23.03.2019. Read on 22.5.2020. <https://www.oberlo.com/ecommerce-wiki/market-research>

Metsä-Tokila. T. 2019. Taloushallintoalan toimialaraportti 2019. Työ- ja elinkeinoministeriö. Read on 21.07.2020. https://julkaisut.valtioneuvosto.fi/bitstream/handle/10024/161842/TEM_2019_50_R.pdf?sequence=1&isAllowed=y

Mitzner, D. 2018. Sweden: A Land Of Consumer Conservatism?. Forbes. Published on 11.11.2018. Read on 11.10.2020. <https://www.forbes.com/sites/dennismitzner/2018/11/11/sweden-a-land-of-consumer-conservatism/#582a2d44695e>

Santander Trade. 2020. Sweden: Reaching the consumer. Read on 19.08.2020 <https://santandertrade.com/en/portal/analyse-markets/sweden/reaching-the-consumers>

Shukla P. 2008. Essentials of Marketing Research. Bookboon ebooks. Ventus Publishing Aps. Read on 25.05.2020. <https://bookboon.com/premium/reader/marketing-research-an-introduction>

Sontakki, C.N. 2009. Marketing Research. Himalaya Pub. House: Mumbai. 6-8

Statista. 2019. Share of the population with access to the internet at home in Sweden from 2009-2019. Read on 22.08.2020 <https://www.statista.com/statistics/543324/sweden-access-to-the-internet/> (a)

Statista. 2019. Share of individuals who used social media in Sweden from 2009 to 2019. Read on 22.08.2020. <https://www.statista.com/statistics/622927/social-media-users-in-sweden/> (b)

Streefkerk, R. 2020. Qualitative vs. quantitative research. Article. Published 12.04.2019. Updated on 13.03.2020. Read on 22.05.2020. <https://www.scribbr.com/methodology/qualitative-quantitative-research/>

Sustainable Brand Index. 2020. Europe's Largest Brand Study on Sustainability – Official Report 2020. SB Insight Ab: Stockholm. 13-14.

Sveriges Riksbank. 2020. Monetary Policy Report. Read on 19.08.2020 <https://www.riksbank.se/globalassets/media/rappporter/ppr/engelska/2020/200701/monetary-policy-report-july-2020.pdf>

Sweden. 2020. Saving the climate. Read on 22.08.2020. <https://sweden.se/climate/#safeguarding-the-future> (b)

Sweden. 2020. Innovation in Sweden. Read on 02.09.2020. <https://sweden.se/business/innovation-in-sweden/#> (a)

SolAbility Sustainable Intelligence. 2019. The Global Index - The Global Sustainable Competitiveness Index. Read on 22.08.2020. <http://solability.com/the-global-sustainable-competitiveness-index/the-index>

The Heritage Foundation. 2020. 2020 Index of Economic Freedom – Sweden. Read on 10.08.2020. <https://www.heritage.org/index/country/sweden>

Tracy, B. 2014. Marketing (the Brian Tracy Success Library). AMACOM: New York. 23-24

Vainu. 2020. Bokored AB. Företagsinformation. Read on 21.10.2020. <https://vainu.io/company/bokored-ab-omsattning-och-nyckeltal/1439685/finansiell-information>

Worldometer. 2020. Sweden population. Read on 19.08.2020. <https://www.worldometers.info/world-population/sweden-population/>

APPENDICES

Appendix 1. Interview with the CEO – Tuomas Tahvanainen

1. How do you see Gallant's position in the Finnish market currently?
2. What are Gallant's growth and development opportunities in the Finnish market in the future?
3. What are Gallant's strengths and weaknesses compared to its competitors in the domestic market?
4. What are Gallant's long-term goals and visions?
5. Why does Gallant want to go International?
6. What is Gallant doing better than its Swedish competitors?

Appendix 2. Interview with the COO – Marja-Leena Karonsuo

1. How have you started to plan/execute the internationalization project and how far is it?
2. What challenges have been recognized in internationalization?
3. What possibilities have been recognized in internationalization?
4. What are the next steps in the internationalization project?

Appendix 3. Interview with the CSO – Mikko Avelin

1. How do you see Gallant's position in the Finnish market currently?
2. Biggest challenges in the Finnish market currently?
3. What sources bring the most sales leads and what source should Gallant focus on more?
4. What kind of sales growth is expected in the future and does Gallant have potential to be a big agent?
5. What are Gallant's opportunities in the Finnish market?
6. What are Gallant's strengths and weaknesses compared to its competitors?
7. What are Gallant's long-term goals and visions?
8. Why does Gallant want to go international?

Appendix 4. Interview with the Marketing Manager – Lotta Makkonen

1. What are the main marketing activities currently?
2. What is the marketing plan for the rest of the year?
3. How do you see Gallant's brand currently? Is it strong?
4. Have you noticed any special characteristics when it comes to marketing financial management services?
5. What are the biggest challenges when it comes to marketing financial management services and B2B services.

