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# MARKETING INNOCONNECTIONS (FINNISH CONSULTING COMPANY) TO BERLIN, GERMAN MARKET

Developing business relationships with companies in Berlin

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#### 1 Abstract

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The objective of this thesis was to study more specifically, the market potential of export organizations, trade associations and industry organizations in Berlin, Germany and to find out whether the Berlin market is a viable and interesting one for InnoConnections with which to partner and develop a business relationship.

This study was conducted as a desktop research and the information gathered is mainly qualitative. Qualitative data are gathered from interviews conducted majorly through telephone with the company owners, export organizations, trade associations in Berlin and the exchange of e-mails with some key staff members of these various organizations as primary sources, as well as theory-driven information from books and articles as secondary sources.

The information gathered from the interviews, reveal the actual situation of the companies and their interests in Finnish market. In addition, the result of this research study is to provide InnoConnections the necessary information and guidance on the right approach to penetrate the Berlin Market for its services, such as trade missions, internationalization processes, direct marketing, business-to-business marketing and selling as well as developing external partnership with the chambers of commerce, export promotion organization, trade organizations or / and directly with the individual companies.

This analysis amongst others comprises a brief discussion about the Finnish market, German economy and its business culture as well as the InnoConnections and services its renders. In addition, the author mentioned about internationalization of business, market entry options, business market and marketing as well as relationship marketing.

During the course of this research, it was found out that Berlin seems to be a viable and interesting market and creating business partnerships between the Finnish companies and Berlin, German companies, will be more advantageous and open more doors of opportunities for the Finnish, also in the long run, place the Finnish companies in a better position in the global market. However, the result of this research has shown otherwise.

Keywords: business relationship, Berlin, market research, potential partners, internationalization

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# 1 Introduction

Companies generally are always in the quest for new clients to whom to sell their products or services, be it on individual or business-to-business basis. On the other hand, they also constantly encourage the existing clients to keep using their products or services in order for them to remain in business and stay prosperous.

The search for new customers and retention of the old and existing ones are a great task. Seemingly, it is said that searching for new customers is easier than keeping the existing ones. For example, if a company loses one customer as a result of poor services, it will or may lead to losing two or more potential ones.

In the same vein, the search for new customers, customers' clients or engaging into business-to-business can be highly demanding especially when it involves going across boarders or international. So to facilitate this, there is a need for companies to do a thorough market research, industry and country analysis and possibly employ some forms of market entry strategies and / or options. These market entry strategies could be in form of partnering with another company which may be into similar activities as InnoConnections.

The thesis is aimed to give useful information and guidance to InnoConnections. InnoConnections is a Finnish consulting company and it is situated in the city of Oulu. The company is primarily into 'business-to-business' activities, whereby making international business contacts or connections between Finnish companies and foreign companies easily possible. The company renders market research and assists clients to find the right partners, agents, distributors, and producers from Finland and vice-versa.

Mr Markus Pitkänen is the Managing Director of InnoConnections and he is the commissioner for my thesis.

The case company has requested that, a research for the right approach and the right and potential customers in Berlin be carried out. The viability of Berlin, German market; which companies to approach for its services or to partner with and to give information about the German companies on how they carry out their internationalization process; their need for consultants like InnoConnections or if they already have consultants; also, to find out ifthey

are interested in Finnish or Scandinavian market as a whole. The thesis is also to give the author of this thesis, a broader knowledge and widen his horizon on how firms in international market are connected and deal.

In addition to the aforementioned, it is to possibly streamline the previous work done, if any, by the company itself or another researcher for the company.

The topic for this thesis is "Marketing InnoConnections (A Finnish Consulting firm) to Berlin, German Market". The topic is phrased out of a research task proposed by the case company.

The main purposes of the research are to find the top ten companies in Berlin, the interests of these companies in Finnish market, the type of consultancy use i.e. if it is external consultant or internal and if the companies have connection with Finland or Scandinavian countries as a whole.

Research on companies would be conducted through Chambers of Commerce, trade associations and other available means. The sample size includes only the companies in Berlin City of Germany; E-mails would be sent to the companies and /or phone calls, introducing the case company, so that they would be informed prior to the main interview. Interviews via phone or Skype would also be conducted with a selected list of companies and these are intended to be narrowed down to the top ten. A visit to companies with greater potentials might follow should the needs arise.

Qualitative research method would be used in order to get the best and required result. Qualitative method seems to be more suitable in this case as the approach tends to tell more about people's behaviour and provides answers to questions of how, why, which and when.

There was a meeting between the Managing Director of InnoConnections and the author of this thesis and at the meeting, the author was able to ask questions and gather more information about InnoConnections and list of organizational bodies which includes Chambers of Commerce and Industry of Berlin, Trade Associations and some other industrial organizations.

In addition to this, the author had a regular contact with the commissioner usually through e-mail and giving updates and reports about the research.

#### The Commissioner

InnoConnections is a Finnish consulting company, which specializes in developing business-to-business contacts between Finnish companies as well as business-to-business contacts between the Finnish local companies and international companies.

InnoConnections was established in the year 2005 by Ms. Elina Vammavaara, and she is Mr. Markus Pitkänen's mother. She ran the business for some years until Mr. Markus Pitkänen bought same from his mother in the year 2011and the latter had since been doing immensely well in operating of this business. InnoConnections is a member of Federation of Finnish Enterprises and it is situated in the city of Oulu, Northern part of Finland.

The company renders its services to both customer and industrial organizations such as Chambers of Commerce and Embassies.

The company assists its direct customers in getting the most suitable business partners, exporters, agents, distributors, manufacturers through an organized trade mission or event in the interest and support of Chambers of Commerce and industrial organizations; it helps in developing business relationships between companies attending trade fairs and events; it helps both the local and foreign companies in internationalization process; it provides useful information in a written report form about local and foreign markets as well as contact list and business visit programmes. Also, foreign companies coming to Finland for a business visit gets, a detail information package about Finnish market, doing business in Finland, profile of their host/ inviting company and complete travel instructions to the meetings. The company helps in giving comprehensive market research for clients, identifying trends and assessing markets by giving full overview and analysis of industries and various business sectors, providing information about the competitors and about the right sales and distribution channels. Meetings with potential partners, customers as well as trade organizations are also one of the services for which InnoConnections is known.

InnoConnections services are not limited only to its customers, rather, the company also engages in various forms of business events to member companies of trade associations, Chambers of Commerce and Embassies. It organizes both individual company visit programme as well as business group visits to any market, where InnoConnections represents; it fully involves in organizing trade missions, trade delegations, business and official delegations on behalf of

industrial organizations, Embassies as well as Chambers of Commerce. It also assists in trade shows, business seminars as well as finding prospective participants for these events. Finally, it assists in Benchmarking trips. That is, matching a company's business processes and performance metrics to the industry standard or/ and standard practices from other industries.

When it comes to rendering services to clients, InnoConnections does so with high level of commitment and professionalism. It gives all customers the best possible services and guarantees good value. It gives total dedication and gets fully involved in the clients business in order to better understand the needs, objectives and expectations of its customers.

InnoConnections has so far assisted over 400 foreign companies in internationalization process to Finnish and European markets as a whole.

The company has customers from various industrial sectors such as wood and metal, food and drink, construction, engineering, information technology, renewable and clean-tech, and environmental technology.

InnoConnections operates in other countries in Europe, through its co-operation network and partnership in Sweden, Denmark, Norway, United Kingdom, The Netherlands, Poland, Czech Republic, Slovak Republic, Hungary, Ukraine and the Baltic countries.

(InnoConnections.(2013). InnoConnections. Available: http://innoconnections.com/. Last accessed 24th May 2013.)

#### Finland as a market

Finland is said to be a flourishing market on top of the world. Finland is a captivating, multi-faceted business arena for international companies. Without mincing words, Finland is a small but mighty country considering the numerous and range of business opportunities it offers, ranging from raw materials to finished goods and high-tech, also from consumer products to public services.

Finland as a country is a highly industrialized and free-market economy, having a per capita output which is as high as those of Belgium, Sweden, Austria and The Netherlands. The country is competitively strong in manufacturing; majorly the wood, metals, telecommunications, engineering industries.

The country's GDP (Gross Domestic products) stood at USD198.1 billion in 2012 as its purchasing power parity and 55<sup>th</sup> position in the world; GDP – per capita for same purchasing power parity was estimated to be USD 36.500 in 2012 and put the country in 37<sup>th</sup> position in the world.

The country has wheat, barley, sugar beets, potatoes, fish, and dairy cattle as its agricultural products. In addition, metals and metal products, shipbuilding,, electronics, pulp and paper, chemicals and machine and scientific instruments industries are some of the major industries for which Finland is known.

"The World factbook" Central Intelligence Agency.CIA, 7 May 2013 (Retrieved 5 June 2013)

Similarly, according to the credit rating agency of Moody's of July 2012, it was confirmed that Finland has the highest possible rating and pointed out that there is stability in the economic situation. The bailout agreements with Spain and Greece will to cushion any possible losses that may befall the country. Moody's also mentioned that Finland enjoys the advantages of the Eurozone and its diversified export markets, whereby one-third of its business goes to the euro area.

Financial news provider, Bloomberg in its survey, ranked Finland as the fourth most innovative country in the world. The population sample wasover 200 countries, and the first, second, third and fifth countries were United States of America, South Korea, Germany and Sweden respectively. The criteria for this rating were based on seven elements, which are: productivity, manufacturing capability, research and development intensity, researcher concentration, high-tech density, education levels and patent activity.

In these rankings, Finland came first in researcher concentration, second on research and intensity and third position in terms of its university education products (i.e. the university students and graduates) and 11<sup>th</sup> and 14<sup>th</sup> positions when measured on high-tech and productivity respectively. Finnfacts(2013)

Finland was also ranked the 11th best country for business, according to the Forbes ratings. Finland is highly industrialized, has a large free-market economy with per capita output. The factors used here are: property rights, innovation, taxes, technology, investor protection, corruption, monetary freedom, trade freedom, personal freedom, market performance. However, the country came first in property right, personal freedom, and 6th in corruption and 5th in innovation.

# Forbes (2010)

Forbes based its results on research and published reports from several organizations, such as (Economic Freedom Index); World Economic Forum (Global Competitiveness Report); Transparency International (Corruption Perceptions Index); Freedom House (Personal Freedom Index); World Bank (Doing Business); Central Intelligence Agency (World Factbook); Property Rights Alliance (International Property Rights Index).

Table below shows the first 15 countries out of 125 countries as rated by Forbes:

RANK	NAME	GDP GROWTH (%)	GDP/CAPITA (\$)	TRADE BALANCE AS % OF GDP	POPULATION (MIL)	FEDERAL BUDGET BALANCE AS % OF GDP
1	Denmark	-4.7	36,000	2.9	5.5	41.6
2	Hong Kong	-2.8	42,800	8.7	7.1	37.4
3	New Zealand	-1.6	27,400	-2.8	4.2	22.2
4	Canada	-2.5	38,200	-2.7	33.5	75.4
5	Singapore	-1.3	52,200	14.3	4.7	113.1
6	Ireland	-7.6	41,000	-2.9	4.2	57.7
7	Sweden	-5.1	36,600	7.3	9.1	35.8
8	Norway	-1.5	57,400	14.4	4.7	60.6
9	United States	-2.6	46,000	-2.9	307.2	52.9
10	United Kingdom	-4.9	34,800	-1.5	61.1	54
11	Finland	-8.1	34,100	1.2	5.3	44
12	Australia	1.3	40,000	-3.0	21.3	17.6
13	Netherlands	-3.9	39,500	5.4	16.7	62.2
14	Belgium	-2.7	36,800	0.9	10.4	97.6
15	Switzerland	-1.5	41,400	7.3	7.6	40.5

TABLE: 1.1 Best Countries for Business, Forbes 2010.

# Berlin, Germany

According to the report of Central Intelligence Agency on the world 'factbook', the economy of Germany is said to be the fifth largest in the world in purchasing power parity (PPP) and the largest in Europe. The country is a leader in exportation of vehicles, machinery, household equipments, chemicals and it is at the advantage of a highly skilled labor force.

The country stood at USD3.123 trillion (purchasing power parity) in 2012 and the 6<sup>th</sup> in the world; GDP – per capita as at 2012 was USD39.100 and 29<sup>th</sup>in the world; Labor force was 44.01 million same year which was distributed as: agriculture 1.6%, industry 24.6% and services 73.8%. Germany is among world renowned technologically advanced and the largest producers of steel, iron, coal, chemical, cement, machinery, machine tools, electronics, shipbuilding and food and beverages in the world. The country agricultural products are potatoes, wheat, barley, sugar beets, cabbages, fruits; cattle, pigs, poultry.

"The World factbook" Central Intelligence Agency.CIA, 7 May 2013 (Retrieved 5 June 2013)

Berlin is one of the 16 states and the capital of Germany. It is the largest city and the second most populous city proper and the seventh most populous urban region in the European Union, with 3.5 million inhabitants. (Wikipedia, 2013)

Berlin's economy is fast and increasingly becoming global. The business location of Berlin is greatly international; this is as a result of the growing foreign trade and presence of foreign businesses in the city. These two factors were considered by Chamber of Commerce and Industry of Berlin in its research and emphases were laid on the advantages and opportunity for development of a global oriented economy.

In the time past, Berlin witnessed a great number of migrants from all over the world, who settled down and a lot of these people have their own businesses established here, which formed part of Berlin's economy and today have impact in the city's global image. In addition, since Berlin became the capital city of Germany, a lot of prominent foreign companies moved their businesses to the city.

(IHK Berlin, 2011)

# German business culture and cultural factors

Basically, German business culture are characterized by their monochromic approach toward tasks, the use of time; honesty; directness in business negotiation; and they can sometimes be

impolite and blunt when showing disagreement towards any discussion. Much regard is shown to hierarchy in this culture, whereby people at different levels in organizations often give so much respect to their immediate superior and up to those at the topmost level. Closed-office system is common with Germans unlike it is in Finland or the Scandinavian as a whole, where an open-office system is operated in various organizational settings. A German senior executive has her/his own big office secluded from the subordinates or colleagues.

Germans operate a vertical type of communication, that is, instructions and information flows from the top level to lower level and vice-versa in a vertical order.

Therefore, it is absolutely important and recommended to find the right person for each message or transaction with whom to deal.

Germans believe in details, facts and seriousness, so therefore, when dealing with the Germans, marketing or advertising a company's product to them for instance, it is expected to add a lot of information about the company and products in printed version, no matter how lengthy or uninteresting it might be and the right marketing communication tool should be selected to accommodate all the information, such as newspapers, magazines, brochures, or catalogues; whilst, avoid crafty slogans or artistic illustrations and exaggerations.

In general and just like the Finnish, Germans are disciplined and pay attention when one is talking and always keen to learn more. Germans are without a doubt very honest, loyal friendly people. Friendship and business relationship with a German is certainly a very valuable investment.

Germans are also known for so many characteristics, but to mention a few such as: the use of surnames and being formal when addressing a German are signs of respect; decisions making in Germany can be slow as it follow a process and requires cross examination and general background research; they do not appreciate small talk, they say what there is to say and talk about something when there is a need for it. When it comes to correspondence, Germans are good and a regular contact with them is advised. It is worthy of note that, giving and taking of expensive gifts are not common with German business people, however, giving of gifts follow successful business deals.

With Germans, once a business partner has established her/his competences, qualifications or reputation, she/he must live up to it. And whatever promised Germans must be delivered to them. They can be blunt and criticize your actions when they do not go well with them and you can point

out their shortcomings too but be sure you are right. Also, Germans cherish their privacy so much, so respecting the person and activities of their companies is important. Power and information flow from the top downward and information does not flow freely.

Conclusively, Germans tend to aggressively question the quality of your products, service standard, competitive pricing and look for shortcomings in these and give open criticisms. Be ready to apologize should there be any deficiency or no conformity in what you have described.(Richard D.Lewis, 2006, 223-232)

# 2 International Business

Developing a business relationship across border requires understanding the activities of the players in this international business arena. Thus, call for need to understand internationalization and international marketing as a foundation for the case company's plans. Areas to look into within this topic include business-to-business marketing, business-to-business selling, and market entry strategies.

#### 2.1 Internationalization

The world is now fast becoming a global village. The presence of modern communication, technology, transportation and the movement of funds have all contributed to this shrinking world. Services are now being traded across countries, so is the product. Products produced in one country are accepted and used in other countries. Taking Procter and Gamble (William Procter, a British and James Gamble an Irish) for example, the duo migrated to United States of America and started P&G Company; the United State Company produces detergent and liquid soap for laundry machine among a long list of other products. These products are American, used to wash clothes produced in France bought by a Finnish man in Finland in a washing machine developed by a German company.

Though there are lots of prospects for business organizations to enter foreign markets and operate competitively, so can be the risks attached to it. However, local organizations involved global industries and markets have a need to get their business operations internationalized. (Kotler, P. & Keller, K. L. 2006, 668)

# 2.2 Market entry decision

Internationalization of companies or businesses or entering into a new market as the case maybe, is one of the most crucially important decisions that managements will have to take. Some of the major decisions include but limited to, whether to go abroad; which markets to enter

;the modes of entry and options; decision as to the marketing program and the marketing organization`.

# Deciding whether to go abroad

Companies feel comfortable in their domestic market, where they share, understand and use same culture, language, currency, government policies; but because they need to expand and sell their products to the outside world. Nonetheless, so many companies are interested in and getting attracted to international markets for so many reasons. Companies take their business abroad in order to have operational efficiencies as a result of bigger customer base, the population of the target customers and the possibilities of recording higher profits in the international markets as compared to their local markets. Some also go basically because their customers leave the country for some reasons and they believe they need to be closer to these customers to meet their needs.

Low cost of production in the foreign market is another good reason these companies take their businesses abroad. For instance, quite a number of multi-national companies move their production units to China because of cheap labor and other lower cost attributed to production as compared to most countries in the world.

Meanwhile, decisions to go abroad have some risks which companies need to take into consideration. Some common risks faced by most companies are the lack of international experience of getting someone who has the required experience to operate in international market; understanding foreign business culture and how to deal with the customers; not having proper understanding of foreign regulations; incurring unnecessary and un-budgeted costs; political instability which is rampant with so many countries at the moment; and a company and income tax system of the country of operations.

#### **Deciding which markets to enter**

Companies must carefully identify the right and viable markets to enter; how many markets; the type of market. The company must also decide if the market is a developed or developing one.

Also, putting into consideration factors like religion, culture, language in relation to their products; local competition in the foreign market; marketing infrastructure; the acceptance or demand for the company's products; also, if the company should start with the neighboring countries first. Having said that, it is always advisable for companies to move to or operate in fewer countries with less or no market risk, countries with lots of potentials, and those that tend to offer competitive advantage, such as Finland. In addition, the companies should give it an absolute penetration and full commitment. (Kotler, P. & Keller, K. L. 2006, 670-74)

#### Deciding the modes of entry and options

Having decided on a particular country to enter, another critical decision a company has to take is how best to enter this country. Theoretically, there are various types of market entry modes and these differ in terms of investment and risks attached as well as the levelof control. However, it is necessary that the managers evaluate the various market entry strategies or options. A low degree of control results to lower investment and risks, while a high level of control on the business will result to higher investment and of course higher risk.

The common modes of entry are indirect exporting, direct exporting, contracting, strategic global alliance, joint ventures. (kotabe&Helsen 1998, 259)

Organizationsmust consider their position and experience in their home country and participation in the international arena, as each of these entry options involves lots of risks, control, commitment and of course possible profit.

#### Indirect and direct exporting

Exporting is one entry option commonly and popularly used especially by small and medium-sized organizations that want to participate in the international market for the first time. It involves very minimal risk and commitment. This exporting is either done directly or indirectly. In indirect export, the companies produce the goods in their home country and sell them abroad through some locally based intermediaries or agents. These agents are responsible for all export activities and have total control over all the marketing activities such as sourcing for customers, advertisement, supply chain and logistics and other functions abroad and all these are done at a fee.

Lesser risks and investment are involved in indirect export, because companies do not have to have a branch office or en export department abroad, also, the agents responsible for the international marketing have the required experience.

Direct exporting on the other hand, has a greater risk and involves more investment, as the practice is done directly by the company. This could be done by establishing overseas sales branch or subsidiary, local-based export department or / and hiring foreign-based distributors or agents.

(Kotler, P. & Keller, K. L. 2006, 674–75)

# Contracting

Contracting mode of market entry is more complex than direct and indirect exporting. It encompasses licensing, management contracting and contract manufacturing.

Licensing allows companies to test international market with less investment and management time and commitment and it exposes the management to minimal risks. In licensing, a company gives its intellectual property rights such as trademark, patents, to another for business purposes and the latter gets a fee in return, known as royalty. The advantages of this are: the company using this right, known as licensee may end up becoming a competitor; it has a time bound and foreign governments do not usually extend the agreement once the initial one expires.

**Management contract** involves commercializing the skills of one firm to another, whereby firm hires some experts from other country to train the employees of its own company in international market. **Contract manufacturing** on the other hand, is a way of sourcing products from a manufacturer in another country different from seller's country.

#### Strategic global alliances (SGA)

This is a mutual cooperation that exists between two or more companies to develop a business relationship. Companies in two or more different countries come together, sharing risks and benefits the alliances offer and for the sole aim of achieving a common objectives.

#### Joint ventures

Unlike strategic alliance, joint ventures agreement leads to establishing a new business entity. It allows two companies from two different countries to have a joint business ownership arrangement, for example a Finnish company and a German company, whereby goods are produced and market in international market. It exposes the companies in this arrangement to market opportunities that could not have been possible to achieve by individual company. The investing companies in this joint venture share the ownership and control of the business.

Companies from different countries opt for this type of entry mode for reasons, such as: if the foreign company lacks the technical-know how, capital, technology or other resources that are put to use in running the business alone. It could also be a market entry requirement stipulated in the government policy, that a company coming from abroad must have a joint ownership with a local company in the country of operation.

In summary, company owned subsidiaries, exporting, joint ventures licencing, contract manufacturing may be put into consideration when a company is going internationalization. However, companies can reduce the level of risks they are likely to be exposed to, by choosing less-risk entry modes such as licensing, indirect exporting or contract manufacturing, if the market is seen or regarded as a high-risk market. Although, opting for these modes with least commitment and risks, may also cause low performance, lesser potential return and little or no control over the business. While, wholly owned subsidiaries and joint ventures offer greater return investment. remarkable performance and greater level of control of the on business.(D.Hutt&W.Speh, 2010, 193-195).

#### Decision on the marketing program

Companies operating in international market decide on adaptation of their marketing strategy to the local target market. Customers' needs and wants are numerous and vary, therefore, satisfying these needs and wants call for different marketing programs such as product adaptation, product standardization, marketing communication plans and tools, adapting and standardizing marketing mix, and distribution channels.

# Decision on the marketing organization

Here, companies manage their marketing activities in the international arena in three ways:export division, international divisions and global organization. A decision on which of these three to adopt must be taken. In the case of export division, companies basically ship its products to international market through its export department consisting of sales representatives and manager.

International division manages all international related activities of a company. Decisions such as goals setting, budgeting and growth of the business are taken at this level by the president or head of the division. While at global organization, all business operations, organizational functions and strategic decisions are within this global operating unit, except that the unit only has one reporting line manager which is directly to the chief executive officer. (Kotler, P. & Keller, K. L. 2006, 677&689)

#### 2.3 Business Market and Business Marketing

Business marketing is defined as the matching and integrating the potentials of the supplier with the desired outcomes of the business customers. It is the process of creating value for business customers (Vitale et al, 2011, 4).

Business market comprises of all organizations involve in buying goods and services for further production of their own goods and services for the purpose of making profit.

#### **Characteristics of Business Markets**

Business markets have a number of features; the following are some of the key ones:

Relationships: Is a key characteristic of business marketing; it is beyond manufacturer and consumer relationship which was known in the past and seen to be weak. It is about developing and preserving a strong relationship between a buying and selling organization which is seen as crucial to their success.

International Dimensions: business-to-business marketing is easier in the international arena, the advance in technology, internet make it a lot easier for companies to do business anywhere and with one another.

Buying process: This is about the process involves in buying goods and services. Here, decision to buy usually takes some time because of possible risk attached to it.

Nature of demand: In business market, the provision for these services is as a result of the demand for the services by the customer. So, marketers always react to the customers' needs by making available on request at any point in time.

#### International business marketing and its environment

International business marketing is said to pose both opportunities and threats. It creates rooms for opportunities to countries which have trade agreements, economic and political union, and free trade zone agreement, such as the G-8 countries, the European Union countries and many more in similar common trade agreement. Member countries of these common trade agreements enjoy lots of opportunities. For instance, the most export of a G-8 member goes to the other members; country members in the European union enjoy a free trade among themselves and enjoy the ease of international payment since there is no political or trade barriers that may restrict the flows of goods and services and most members share the same currency - euro. International marketsare said to be eye-catching for many organisations because of its global advantages such as lower cost of production in one country as compared to other country or countries, whereby, firms use such a country with cheap labour cost or / and production cost as

their production base or sites and then export their products to other countries; product differentiation; size of the market and the presence of technologies.(Brierty et al.,1998,553-554)

The international business marketing environment however, involves a lot of uncontrollable environmental factors which pose threats to companies or organizations that are entering the international market. Some of these environmental factors are but not limited to, cultural, economic, legal, government policies, political and financial.(Brierty et al.,1998,554)

#### Cultural environment

This includes the time, contractual agreement, cultural attitudes, cultural elements and material culture. The importance given to time varies from culture to culture, varying rules of contractual agreement, cultural attitudes of sales representatives of firms going abroad as well as those in the host countries. Marketers shouldpay a great attention to these differences when dealing with people in international market.

# Political-legal environment

This includes the country's fiscal policies, government stability, laws governing the presence and the general practice of foreign companies in the host country, monetary controls, controls on the inflow and outflow of goods, some restrictions on the sale of certain foreign company's products, policies allowing local people to partly own or share the ownership of firms, repatriation policies. International business marketer should put all these factors into consideration and have a checklist for examining the situation of political and legal environment of the market or business operations. Some of the forces to examine in the host country are; the political decision making process and the parties involved; how the current government perceive the foreign business and the roles it does play; the past and existing relationship between the host and company's home country; the effects the policies and laws of host country may have on the foreign company's business and marketing strategies.

#### Economic environment

Balance of trade and exchange rates are usually the key economic forces that affect business transactions in the global market. The rise and fall in exchange rates have a great effect on the

price of products or services offered in the international market. However, in a situation where the countries involved share the same currency, as in the case of Finland and Germany, the issue of exchange rates does not exist. Also, a country with developed production facilities, more hi-tech and sophisticated machinery and equipment, better and high quality of products and high labor force, is at an advantage over a country with less of these, as a result, having an effect on its balance of trade.

In addition to the above mentioned, there are other embedded factors such as competitive forces, geographical and infrastructure, distribution structure, domestic-environment (uncontrollable). (Brierty et al.,1998,555-561).

#### International business-to-business marketing

Business-to-business marketing refers to a practice of marketing the products and services of one organization to another. It is a process of match-making two organizations that have set goals and objectives.

In the same vein, international business-to-business marketing refers to the marketing of products and services of two or more companies from different countries with the employing of international marketing communication tools.

This type of market is basically different from consumer market where goods and services are consumed by individuals. Rather, in business markets, goods and services are consumed by organizations.(E.Fill, 2005, 5)

Business-to-business can be defined as the exchange of business relationship which involves any kind of marketing activities between two or more organizations or businesses. This exchange can either be locally or internationally (Thurnbull, 1994)

# **Business-To-Business Selling**

This type of selling process is more personal and involves a lot of time as compared with consumer process. In business-to-business selling, the intricacies of effective selling necessitate the buyer and seller to grow common respect and trust, an indulgence that sellers in consumer markets rarely have the opportunity. (Vitale 2011, 279)

# **Characteristics of Business-to-business Marketing**

In order to have a clearer picture of what business-to-business marketing is and how it is different from business-business-selling or business to customers, there is a need to mention some features by which it is characterized. In business-to-business marketing, purchase orientation is usually to satisfy organizational needs; decision makers are large in numbers and the decision making process has a complex and longtime duration. In this type of market, the amounts of goods purchased are enormous and the packaging of product and services are usually tailored made. Also, the market uses personal selling method of promotional tool and the promotion focuses on economic and practical benefit.

# Types of organizational customers in business-to-business market

In business-to-business market, the customers usually are the government organization which includes: health services, environment protection, education, policing, transport, national defence and security; Institutional organizations such as not-for-profit, community-based organizations; and commercial organizations such as the distributors, original equipment manufacturers, the users and the retailers.

The focus here will be on the commercial organization types of customers, and all characterized by the methods in which they use products and services. One communication need and buying behavior are common to all of them.

For example, in Original equipment manufacturers, car manufacturers (e.g. Ford) buy metals, glasses and assemble their own automobiles, and source for car radio, tyres, block engine and

leathers (for the car seats probably from a Finnish company) from variety of manufacturers or suppliers such as Sony, Michelin. So, the finished product will be identified as Ford car, Sony radio but the engine and leather seat it might not be identified as Finnish product.

All the players under commercial types of organization involve in the organization buying when it comes to products and services purchasing, except Retailers which involves consumers buying. The type and method of cooperation, and the inter-organizational relationships that arise from the numerous exchange dealings, has an impact on the type of marketing activities put to use. The levels of cooperation between organizations differ, also, part of the role of marketing is to improve and support the relationships between partner organizations and this is a role for which InnoConnections is known. (E.Fill, 2005, 9)

# **Business-to-business management approaches**

We cannot rule out the four P's of marketing mix when talking about business market, which are: product, price, place and promotion.

#### The marketing mix:

**Product** refers to the core product or service of any organization, capable of being improved by additional features and options that will meet the demand of different buyers. In business-to-business, products and services can be made to the specification of the customers. It is possible and easier to develop technical and unique products and specify them through common and partnership arrangements.

In business-to-business, there is something called total offering i.e. improved business-to-business product. It is the offering that provides a complete solution to buyer's needs such as financing, delivery methods, total value package, not just the product itself.

**Pricing**, this is not just the cost traceable or related to the offering but may also include different kinds of payment such as commissions, profit sharing. In Business-to-business, price becomes an essential part of the design, description, improvement and finishing processes. Another vital part of pricing in business-to-business is negotiation.

**Place** here refers to the various channels involved in product offering. This includes the parties involved in the shortened distribution channels, the time it will take the products and services to be delivered, resulting to a direct relationship and new scope of delivering the products and services.

**Promotion** in business-to-business marketing goes beyond the use of advertising as a marketing communication tool or promotional tool. Because of the need for a detailed and technical information and messages, and feedback from a target audience, personal selling is most preferable to all other communication tools. In some cases, when sending messages, direct marketing is used in conjunction with personal selling, to further cause an effect, in persuading, reinforcing and segregating. (E.Fill, 2005, 19-20)

# Segmentation

Segmentation is a method of grouping a mass market into particular subgroups, for the purpose of meeting and satisfying individual needs of potential buyers and buyers in general.

Wind and Cardozo (1974) defined market segmentation in business-to-business markets as the identification of 'a group of present or potential customers with some common characteristics which is relevant in explaining (and predicting) their response to a supplier's marketing stimuli'.

The overall process of target marketing has come to play a role here, whereby the segmenting, targeting and positioning method would have to be followed and identified.

The market has to be identified, divide it into various segments and from these various segments, a particular segment needs to be identified and targeted. Having done this, an organization will finally identify a desired location or area from the target segment where the products and/or services are positioned in such a way that the buyers are able to identify the company's own products and services from those of the competitors.

The diagram below shows the process of target marketing:

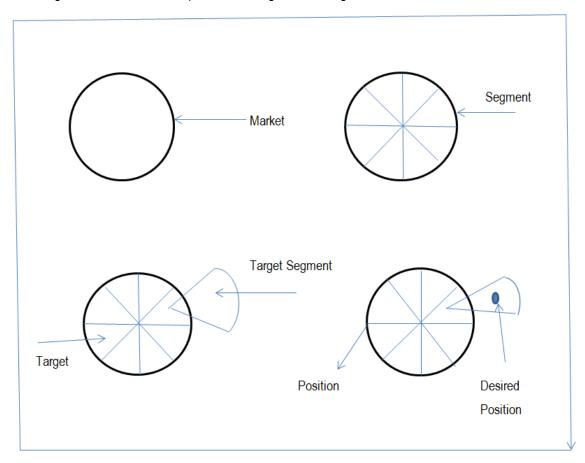


FIGURE 2.3. The STP process of target marketing

# 2.4 Relationship marketing

Since 1980s, there has been a traditional concept of marketing which its focus is only to make customers, irrespective of whether they are new or existing customers, buy products or services. This traditional concept places less or no emphasis on the importance of relationship that exists between a buyer and seller of a product or services, rather, the emphasis is on the product and the physical environment of economic goals. Also, this type of marketing approach does not take into account the importance of customer retention, the dynamic competitive marketing environment and the limitations of this transaction marketing itself.

This type of marketing conceptis regarded as transactional marketing. Marketingprofessionals have been questioning this approach and this action however, has led to a new concept known as relationship marketing.(Hollensen 2003, 9-10.)

According to Gummesson (2002), Organizations has 30 different types of relationships commonly referred to as 30Rs and these are further categorized into: Market and non-market relationships Market relationship includes all kinds of relationship that exist between suppliers, competitors, customers and every stakeholder who directly have input in a market function. While non-market relationships on the other hand, are those that exist between business players who have indirect inputs in market's operations.

Marketing practices that are based on developing a relationship with customers are regarded as bond that holds all other pieces together to create value, guaranteeing that the distinctiveness of customer is provided.

Relationship Marketing is a way of promoting customer loyalty, retention and going the extra mile and delighting the customers. A way of creating the possibility for interaction between customers and organizations whereby, the necessary and needed information are made available to customers and customers provide useful information to organizations in return.

TABLE 2.4 Gummesson's four groups of relationships

Relationships	Participants
Classic	This is a market relationship, which involves supplier-customer; supplier-
	customer-competitor relationship, having the presence of physical distribution
	network.
Special	A market relationship, which affects a particular areas of the classic relationships.
	For instance, an interaction that took place with a customer during a promotional
	campaign or programme.
Mega	A typical non-market relationship, and it is concerned with supporting market
	relationship in form of social relationship which has to do with lobbying and having
	a political idea.
Nano	Another non-market relationship concerned with within- organizational
	relationships and in-house activities that affect external relationships.

(E.Fill, 2005, 21), Original Source: Gummesson (2002)

Developing a relationship marketing and customer relationships life cycle

Customer relationship is crucial to every business that wants to succeed and grow its profitability.

Meanwhile, there are costs attached to this theory, known as relationship cost. Relationship cost

theory tends to point out the benefits that are attached to established and profitable relationships.

A long term relationship is said to bring increased in profitability while reducing relationship costs.

These relationship costs here are those incurred when searching for and adapting to the needs

new customers.

In addition, it is worthy of note that retaining customers requires lots of efforts than searching for

the new ones. However, once an organization succeeds in retaining customers and gains their

loyalty, it gives the organization a competitive advantage in the market, at the same time, impact

positively on their bottom line i.e. increase organization's profit.

Therefore, organization needs to embark on a marketing analysis of those customers who bring

more profits to the organization, so that the organization will be able to determine which

segments need to be improved and on what relationship to develop.

Customer relationships change in nature and it moves from one stage to another, known as

relationship life cycle. The life cycle trails the progress of relationships through time against the

strength of relationship at any given period. And the factors capable of changing the strength of

this relationship measurement could be behavioural (i.e. purchasing behavior, communication

and integration behaviour), economical (i.e. customer life time value or profit contribution) or

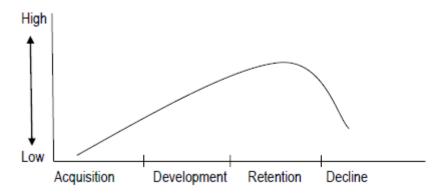
psychological (i.e. trust, commitment). (E.Fill, 2005,152).

Customer relationship can be examined and represented in four various phases, such as:

acquisition, development, retention and decline. The relationship cycle is shown in the figure

below:

28



Time and duration of relationship

FIGURE 2.4Customer relationship life cycle

# **Customer acquisition**

At this stage, three sub-phases are involved, and at the first phase two companies, one may either be buyer and the other seller, and both are searching suitable partner. Having sorted this out, they moved to the second phase – initiation phase where each of the partner searches for information about the other prior to commencing any business deals. This stage may take a while depending on the products, nature of the introduction, but if the two companies are introduced by a reputable and well established organization like InnoConnections and/ or in conjunction with for example chambers of commerce, trade association in Germany, such initiation rites period will be lessened. The partners then move to socialization phase, a stage at which both feel more comfortable with dealing with each other, share information about the business and products, payment, delivery and reviewing of service quality.

#### **Customer development**

At this phase of the buyer-seller relationship, the seller encourages the buyer to increase the size of purchases, try other products of the seller and so on. The buyer succumbs to this and it is during this stage that the buyer is able to decide if the relationship is worth strengthening or not with the seller.

#### **Customer retention**

At this phase, the relationship last longer if each of the partners is able to achieve both the individual and collective goals. So, if the relationship has become more deepened, then a degree of trust and commitment from both partners will lead to more businesses like product development, projects. Organizations develop relationship marketing in order to identify the right partners with whom they can grow a customer relationship and then to determine the level of retention also when acquisition develops to retention and back to acquisition.

#### **Customer decline**

This involves the drop or death of the relationship, whereby either of the partners brings the relationship to an end. This most of the time comes from the buyer, when he discovers that he can no

longer rely on the seller. He does so by either formal notification or systematically reducing the rate at which he buys and transfer business or shift to another organization.

(E.Fill, 2005, 154-155)

#### The six models of relationship marketing

These models of relationship marketing represent the dimensions of relationship as it involves various parties that exist in the relationship marketing. The models give descriptions of relationship marketing at the organizational level and how the activities of individuals and the company itself affect directly or indirectly the success of the organization in a market. (Peck et al. 1999, 4-5.)

The figure below shows the six market domains in relationship marketing.

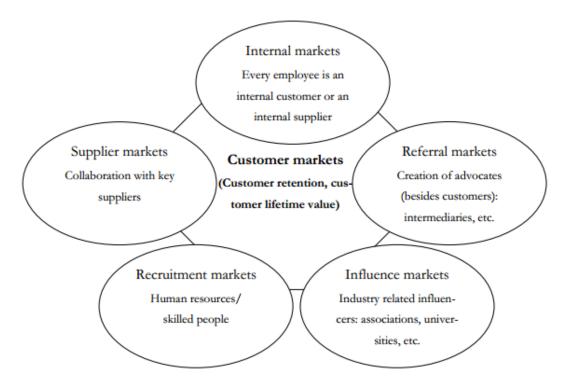
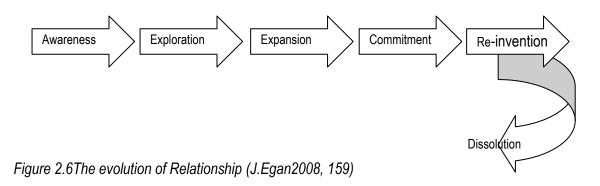


Figure 2.5The six models of relationship marketing (Hollensen 2003, 10)

# **Developing customer relationships**

Relationships are developed but over a long time. They are not something parties enter into within a shortest period of time, it involves stages. Parties to business relationships tend to move through some five stages of development as identified by Dwyer et al,1987, p.15., and mentioned by J.Egan 2008,159.

The five various stages in customer to business or business-to-business relationship are as shown below:



#### **Awareness**

At this stage, one of the parties to the relationship recognizes that the other party is a possible and prospective relationship partner. There may be little or no interaction at all but either or both parties tend to make a noticeable positioning to create attraction for each other.

#### **Exploration**

Here, the parties engage in looking for the benefits and burdens they have on each other. They explore their expectation from each other, the position and power each one has, the possibility of taking the relationship longer. In a nutshell, this can be regarded as a search and trial phase.

#### **Expansion**

This is a situation whereby, there is a noticeable growth in the partners' interdependence as well as the benefits enjoyed by both parties. Both parties are more comfortable with each other, following the search exercises underwent in the exploration stage. More trusts and risks are taken at this stage.

#### Commitment

This involves the promises both clearly and otherwise made by both parties to continue the relationship.

#### Dissolution

This is a stage at which a relationship comes to an end. However, if re-invented, then the possibility of both parties disengaging will not occur.

(J.Egan 2008, 159-160).

# Relationships through full-time marketers and part-time marketers

Marketers within any organisation as well as the organisation environmentare generally perceived and categorized as full-time and part-time marketers. Full-time marketers are those people

contracted to work solely in organisational departments such as sales and purchases, marketing, whose primary functions and tasks related to marketing.

Part-time marketers are the rest of the organisation's staff members found in other departments and other stakeholders like the customers, the media, market research consultants, which have great influence in the organisation's marketing. (E.Gummesson 2008, p77).

According to Evert Gummesson, 'Full-time marketers are professional and sales personnel who source for customers or business contacts for their employers and develop business relationships, but usually, they do not make it on their own as 'they sometime do not get the right customers at the right place at the right time as well as the right knowledge, but the part-time marketers do.' Part-time marketers provide the business organisations with more information about the organisational operative environment which includes the business opportunities and customers.

In addition, for an organisation to get access to prospective customers and information about its competitors or the operative environment in general, it has to buy into the services of these professionals such as market research consultants.

# 2.5 Partnerships and Alliances

This is regarded as a commitment of one organization to another in which the partners put in resources to attain defined objectives. It is a strategic step most organizations take in order to gain competitive advantage and reduce unforeseen risk and insecurities through their partnership. The alliance is said to be strategic because it is a common and long-term relationship and all partners are dedicated.

The main reason of forming this alliance is that it helps organizations to mitigate channel operations and relationships related risks and uncertainties and thereby strengthen positions in the market.

(E.Fill, 2005, 159)

# 3 Methodology

This shows the logical and theoretical study of the approaches used in the research work. It covers the concepts but not limited to theoretical model, qualitative methods, and quantitative methods.

Research problems and objectives

Generally, research is conducted for the sole aim of achieving a result and to achieve not but an important result, a thorough and well-structured marketing research needs to be conducted. A good marketing research process according to Burns, A.C and Bush, R.F. 2008, can be classified into eleven categories or steps, but to mention a few, the first few steps are: the problem definition and then establishing the objectives. (Burns & Bush 2008, 63). The problems in this case, are to search for the right approach and the right and potential customers in Berlin; the viability of Berlin, German market; which companies to approach for InnoConnections services or with which company to partner and to give information about the German companies on how they carry out their internationalization process; their need for consultants like InnoConnections or if they already have consultants and the type of consultancy use whether internal or external; and finally, the interests of these companies in the Finnish market.

Furthermore, the objective is therefore the solution proffer to all aforementioned, which is the Berlin market analysis, through conducting interview with various organisations and individual companies.

#### **Definition of the Research Design**

Having identified and defined the research problem, also established what the research objective is, then the next step is to determine the research design. For this thesis, an exploratory type of research was partially used, as the research involves a bit of secondary data.

Exploratory research involves the use of secondary data, reviewing a literature and / or the use of qualitative approach in an informal or formal way to have a discussion or an in-depth interview either by telephone or face-to-face with people, company employees or representatives.

Secondary data are processed information which was earlier collected primarily for a specific use by someone other than the current researcher and most likely for a different purpose. These data could either be internal or external secondary data. (Burns & Bush 2008, 137-140).

The sources of information for this research were basically external form of secondary data because the commissioner provided the author of this research with a list of some industrial organizations and trade associations which made the research work a lot easier for the author. Also, quite a number of websites of some randomly selected companies were viewed for relevant information such as the contact details of the appropriate person to contact, the telephone numbers and e-mails addresses.

In addition, literatures books were also used for some relevant topics in this thesis.

What can be regarded as primary data here is the information gathered during the interview process with the staff of these organizations. The interview was conducted through telephone and basically aimed at getting more detail information about these organizations as well as the member companies.

It is understood that conducting a well-structured interview by telephone, should be preceded by a questionnaire, being one of the ways of design of data collection. Therefore, questionnaire was sent via e-mail to various staff members of the targeted organizations to collect information and help to better prepare the interviewees during the telephone interviews. (Smith &Albaum 2005, 195).

# Primary data collection

A selected number of companies, industrial organizations and trade associations were targeted and contacted in Berlin and the author particularly reached out to the right personnel for instance people who are responsible for the organization's international trade, partnership or European countries and region representatives and in some cases, a direct contact with the managing directors of few companies.

Prior to the telephone interview, an open-ended questionnaire and letter of introduction were sent out to the e-mail addresses of the various representatives of the organizations one week earlier. The questionnaire consisted a total of six questions such as the number of member companies the industrial organizations or trade associations have, the kind of internationalization, trade development or market entry services provided to these member companies; the type of consulting service providers employ; their perception and interest in Finnish market; and among others.

The method of this research was basically a desktop and was conducted not as a quantitative but a qualitative. However, there was no need for data processing with the use of SPSS, Webropol or

other statistical tools. The responses were assessed and a conclusion was drawn based on human judgment. This is further explained in the interview and results section of the thesis.

### 4 Interview and results

The author conducted a brief research into every organization contacted by viewing the various web pages of the companies and other associations in order to get acquainted with their policies, mission statement and know a bit of their activities and roles as well as the right people to contact.

Prior to the interview with the representatives of various companies listed in previous chapter, electronic mails were sent to the representatives of each company, accompanied with the mails are questionnaire consisting six questions formed both in English and German languages, cover letters giving brief introduction of the commissioner and the company, also preparing them for the telephone interview that was later conducted a week after, as stated in the cover letters.

All the companies could not be interviewed on the same day and week due to some factors such as being engaged in some meetings, holiday and some other personal reasons. Therefore, the interviews were done at four different times in three weeks. A lot of telephone calls and electronic mails were sent to get the attention of most of the companies' representatives for the final interview.

A total of 14 organizations which include Chambers of Commerce and Industry of Berlin, industrial organizations, trade associations and few individual companies were contacted by telephone and electronic mail. Only one company responded by filling the questionnaire and granted telephone interview while others responded only to telephone interview.

Despite a month long of electronic mailing and telephone calls trying to get the interviewees' attention, the result came out as negative.

Some companies out rightly mentioned that they have no interest in the Finnish market; some could not tell or show any interest now as they are just a start-up companies, therefore, they may give it a consideration in a couple of years (e.g. Timber Tower GmbH); some responded that they could not disclose any information about their member companies and as such could not give any link with any of them as it is against the German law, all they could tell was the total number of the members and a web page link to the members contact and some companies were selected randomly and contacted, but few of them already have contacts with Finnish companies while some have no interest; while few others including Chambers of Commerce and Industries of

Berlin and Federation of German Industry refer the author to Finnish-German Chambers of Commerce and Industries, Helsinki.

Meanwhile, the only company (BioTops, Biotechnology Region Berlin) that responded to the questionnaire claimed that the company has loose partnerships with Science Park in Turku and Culminatum and are linked to them through their EU-networks ScanBalt and Council of European Bioregions. Mr. Wolfgang Korek, the International Relations Manager in his response also said that, "Finland is an interesting market with good companies and a solid scientific basis in Life Sciences; the Finnish market, however, is quite small and probably not well-known amongst Biotechs in Berlin-Brandenburg".

### 5 Conclusions

At random, the author selected some individual companies from the list supplied by some of these organizational bodies, and quite a lot of these companies have been having dealings with Finnish companies or have their presence in Finnish market already.

The responses received from all these Berlin based export organizations, industrial organizations as well as trade associations are that there is little or nothing they could do as far as this internationalization process or this research is concerned, rather, the author should contact the Finnish-German Chambers of Commerce and Industry in Finland.

One of the representatives in the department of foreign trade of Chambers of Commerce and Industry confirmed that the body has over 260,000 members but could not tell more than that as it is against the German data protection law and added that such information is only made available with the permission of the individual member companies. Similarly, a representative of VDMA, a German Engineering Federation Trade Association ,a key association services providers and engineering networking in Europe could only tell the association has about 3,100 members and unable to tell if the members would be interested in the Finnish market.

It was found out that quite a number of these companies do not have interest in the Finnish market. In addition, going by the nature and business culture of a German, a typical German business man will only enter into a business relationship with others, following an established, tested, trusted and nurtured relationship.

Berlin is seen to be an interesting and viable market but very difficult to penetrate and getting into partnership with its companies seems more difficult, and for InnoConnections to get some of these companies in its contact list, it is however recommended that InnoConnections should focus on sourcing for them through the Finnish-German Chambers of Commerce and Industry, situated in Helsinki. The Finnish-German Chambers of Commerce and Industry seems to be the only organization whose services most of these companies use, virtually all of them keep referring to this organizational body. Otherwise, InnoConnections should concentrate its resources on other markets for now.

### 6 Discussion

The objective of this research was to provide InnoConnections with useful information about the market potential of Berlin, Germany, by conducting a research on some of the export based organizations, trade associations, Chambers of Commerce as well as some industrial organizations. The method adopted for information gathering was qualitative research method and this was done with the aid of questionnaire and more effectively, interview through telephone.

The theoretical aspect of the thesis is based on various marketing text books from renowned authors. There are lots of books on marketing and virtually all in one way or the other have relevance to the thesis topic. However, the author at the beginning found the thesis writing a difficult task, as he was faced with a challenge of what theories would be most suitable to the topic at hand. The author started with a mind-map, engaged in brain storming and the search for relevant materials, which lasted for a period yet with no headway until he got some motivations and words of encouragement from the tutor teacher.

The entire research process was quite interesting, even though the author had foreseen some hindrance in the area of language, but all went. Inability of the author to speak German language was not a problem after all, however, the German language skill cannot be ruled out. Also, getting people and the right person responsible for the quest of the author was somewhat easy. The homepage of all the organizations visited had English language selection option and provided sufficient information about their functions and responsibilities of staff members and contact detail. However, bits of challenges were faced. Even though the author had contacted the target organizations which are Chambers of Commerce and Industry, trade associations and some of the other major organizations in Berlin, and among all the challenges faced such as attitude of staff of some companies, the time factor and cost of making calls, he proceeded by contacting individual and smaller companies but all yielded no positive result. It was then decided at a meeting held between the commissioner and the author that the research be brought to a conclusion.

Nonetheless, the author believes that there is still a possibility of getting the interests of some of these companies to entering into partnerships with InnoConnections or in Finnish market. This could be through referrals from some of InnoConnections clients; companies in other countries or attending events organize by Finnish-German Chambers of Commerce, Helsinki.

Besides, the topic was good and relevant to the author's field of study, the practicability of it and all the theories learnt in the last three years which made the research process a more interesting one.

Lastly, it is worthy of note, to thank Mr. Markus Pitkänen of InnoConnections for his contribution and a special appreciation to my thesis supervisor, Ms. Katja Aalonen for her professional guidance, words of encouragement and motivation throughout this research process and my thanks to friends and colleagues for their support and making themselves available during my presentation seminars.

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# 8 Appendices

## 8.1 Appendix 1. Questionnaire

1.	How many member companies do you have?  Answer:
2.	What kind of internationalization / market entry/ trade development services do you provide?  Answer:
3.	Do you use private consulting/ service providers?  Answer:
	a. If yes, could you please tell why?
	b. If No, could you please give reason (s)?
4.	Do you see Finland as an interesting market for your member companies?  Answer:
	a. If yes, could you please tell why?
	b. If No, could you please give reason (s)?
5.	Do you already have partners in Finland?  Answer:  If yes, could you please tell who?
6.	Do you link your member companies with new opportunities/ markets/ possibilities?

	Answer:
	a. If yes, are these through private companies?     Answer:
	<ul><li>b. If private, where are the companies based?</li><li>Answer:</li></ul>
	German version of the questionnaire
<u>Fragel</u>	<u>bogen</u>
1.	WievieleGesellschafterhabenSie?  Antwort:
2.	WelcheArten von Internationalisierungs- / Markteintritt- / Handelsentwicklungs- Services bietenSie an? <b>Answer:</b>
3.	BietenSieeinepersönlicheBeratung an?  Antwort:  c. Wennja, könntenSiemirbittesagenwarum?
	d. Wenn nein, könntenSiemirbittesagenwarum?
4.	Bietet Finnlande in en für Ihre Mitglied sunternehmen interessanten Markt? <b>Antwort:</b>
	c. Wennja, könntensiemirbitte sage warum?
	d. Wenn nein, könntenSiemirbittesagenwarum?

 $5. \quad Haben Sieber eits Unternehmenspartner \ in \ Finnland?$ 

Antwort:

- Wennja, könntenSiemirbittesagen wen?
- 6. BietenSielhrenGesellschafternneueChancen/ Märkte/ Möglichkeiten an? **Antwort**:
  - c. Wennja, tunSie dies durch private Unternehmen? Antwort:
  - d. Wosind, befindensichdieseUnternehmen?

    Antwort:

### 8.2 Appendix 2. Cover letter

Below is a copyofthelettersent out tooneofthecompanies:

May 8, 2013

Mr. Wolfgang Korek

Manager International Relations,
BioTop Berlin Brandenburg
Fasanenstraße 85
D - 10623 Berlin,
Germany.

Dear Mr. Wolfgang Korek,

### Sourcing Partner

My name is OwolabiOlalekan; I live and study in Oulu, Finland. I am studying International Business in Oulu University of Applied Sciences.

For my Bachelor thesis, I am doing a research for a Finnish company – **InnoConnections**, to find out if organizations and companies in Berlin are interested in Finnish market and thereby look at the possibilities of building business-to-business contacts between them, or / and assist German companies to enter Finnish market.

I will like to set up an appointment to talk further with you about the company and ask you few questions about your network and member companies. I will contact you next week to see about this possibility.

I have included a questionnaire both in English and German to this cover letter. Please, do permit me to say that I will prefer the answers in English as I do not understand German language yet. I have formed the German version of the questionnaire with the help of a friend. Meanwhile, I have a plan learning the language in the near future. Nonetheless, the answers could as well be given in German if it is the only option.

Should you want to know about the company I am doing the research for, please see: <a href="http://innoconnections.com/">http://innoconnections.com/</a>

Looking forward to hearing from you. Thank you for your time.

Yours sincerely,

OwoJabiOJaJekan

OwolabiOlalekan

+358(0)465948852

## 8.3 Appendix 3. List of organizations and contact

The following are the lists of various organization bodies and contact information of personnel interviewed:

Berlin partner GmbH ,www.berlin-partner.de
 Ms. Janette Monroy Moreno
 Head of unit International Trade Fairs and Delegations Services
 Tel. +493039980260

II. German Federal Ministry of Economics and Technology, BMWi Berlin, www.bmwi.de

Mr.Riedel and Mr.Chris

Tel. +4930186157754 + 4930186157678

III. CCI Berlin (IHK) the Chamber of Commerce and Industry of Berlin , <a href="www.ihk-berlin.de">www.ihk-berlin.de</a>
Import & Export / International Business, Berlin.

Mr. Wolf-Dietrich Braun Mr. Sami Bettaieb Ms. Julia Eckey

<u>bra@berlin.ihk.de</u> <u>sami.bettaieb@berlin.ihk.de</u> Julia.eckey@berlin.ihk

Tel. +493031510244 +493031510241 +493031510674

IV. DIHK, Association of German Chambers of Commerce and Industry, www.dihk.de

Mr. Eva Schulz-Kamm

Director of Innovation and Technology Policy, Foreign Science and Research Policy Tel. +493020308-1506

V. BDI, Federation of German Industry, www.bdi.eu

Mr.BerndDittmann

Managing Director, European Affairs and BDI/BDA the German Business Representation

b.dittmann@bdi.eu

Tel. +493020281737

And

Mrs. Cecile Combes c.combes@bdi.eu
Tel. +493227921001

VI. BioTop, Biotechnology Region Berlin-Brandenburg, www.biotop.de

Mr. Wolfgang Korek,

Manager, International Relations

korek@biotop.de

Tel. +493031862218

VII. German Trade and Investment , www.gtai.de

Mrs. Silvia Obajdin

Tel. +49302000990

VIII. BWE, German Wind Energy Association , www.wind-energie.de

Team Assistant,

Ms. Sabine Siebert

s.siebert@wind-energie.de

Tel. +4930212341210

IX. GEFA, German Export Association for Food and Agriproducts , <u>www.g-e-f-a.de</u>

Ms. UtaBieber

bieber@germanexport.org

Tel. +4930400047710

X. OSTwind Group , <u>www.ostwind.de</u>

Ms. Sandra Schwab

Tel. +4994155516

 ${\sf XI.} \qquad {\sf Timber\ Tower\ GmbH\ ,} \ \underline{{\sf www.timbertower.de}}$ 

+4951170014651

XII. Technical Consultants 8.2 Consulting AG, www.8p2.de

e-mail: <u>info@8p2.de</u> Tel. +4993213886090

XIII. PCS Power Converter Solutions GmbH , <u>www.pcs-converter.com</u>

e-mail: info@pcs-converter.com

+49302977250

XIV. VDMA- German Engineering Federation (Trade Association)

http://www.vdma.org/en\_GB/berlin-brussel

Mr. HolgerKunze

E-mail: Holger.kunze@vdma.org

+4930306946