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## Sales outsourcing in Finland: Industry and opportunities.

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## **Abstract**

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Outsourcing business processes and various business functions have been widely practised worldwide for decades, be it the IT industry or HR and Marketing, while it has grown many folds and has been one of the top grossing industries in the list along with having a good share of arguments on its future, there are still many other business functions like sales for outsourcing which have either picked up late or have not yet utilized their full potential and are still waiting to see the light. These may have a big market and high business potential despite various challenges that they may currently be facing.

The author with the help of this research has tried to investigate the sales outsourcing industry in Finland, on account of both the sales outsourcing service providers and users and have tried to find out if there are any entrepreneurial opportunities presented as a sales outsourcing or sales out-tasking service provider in Finland.

Further, the study also explored various challenges faced in the sales outsourcing or sales-out tasking business in Finland and the ways to avoid or overcome these obstacles. The study is conducted as qualitative research for which four experts from the sales outsourcing service industry are interviewed and analysed at length to find out the answers to the research questions.

The findings of the research reveal various interesting facts and information about the sales outsourcing industry in Finland and the result suggests that there are good entrepreneurial opportunities for budding entrepreneurs to venture into this space.

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## List of Symbols

To make it obvious how each idea is interpreted in the context of this research, this chapter provides definitions of the essential topics covered in the study. Furthermore, it is critical for the validity of research to define crucial ideas in a straightforward and explicit manner. (Adams, Khan & Raeside, 2014.)

### Outsourcing

Allocating an organization's internal business activities to a source external to the organization (Kroes & Ghosh, 2010).

### Out-tasking

Assigning a part of an entire function to a source external to a company (Sanders, Locke, Moore & Autry 2007; Kroes et al. 2010).

### Business Process Outsourcing (BPO)

Is the delegation of one or more IT-intensive business processes to an external provider that, in turn, owns, administrates, and manages the selected processes based on defined and measurable performance metrics. (Gartner, n.d.)

### Nearshoring

Refers to relocating business processes or services to a nearby country that offers similar advantages as offshoring but with closer geographic and cultural proximity. This often involves moving products or services to a nearby country in the same region or continent. (Bernardez, 2023.)

### Offshoring

It is defined as imported intermediate inputs/tasks that are used for production that could instead have been domestically produced internally within the same firm and all suppliers and buyers remain in their respective locations. (Chairassamee & Hean, 2023)

### Entrepreneurship

The process of identifying potential business opportunities and exploiting them through the recombination of existing resources or the creation of new ones to develop and commercialize new products and services. (Elia et al., 2020.)

## 1 Introduction

Following the COVID-19 epidemic, companies are prioritizing areas across work, workforce, and workplace to be successful in advancing the value of the shared services and outsourcing models in order to derive more efficiency, latest trends show that they might also be open to experimenting with new business models and ready to accept the idea of outsourcing an essential business operation, such as sales, in order to outcompete rivals. As they alter the way they view employees, partners, and suppliers and now look to include diversity in their leadership, promoting a better work environment and culture, and emphasizing work-life harmony and flexible scheduling have become the main tactics for keeping talent. (Deloitte, 2021.)

### Introduction to the topic

There is a significant gap in the present research on sales outsourcing or out-tasking (Riepponen, 2019). However, extensive research has been done in the areas of outsourcing Business Functions (Park, Lee & Morgan 2011; Rapp 2009; Ross, Dalsace & Anderson 2005; Klein, Frazier & Roth 1990; Anderson 1985), Information Technology (IT), and Business Process Outsourcing (BPO) (Tate & Ellram 2009; Wüllenweber, Beimborn, Weitzel & König 2008; Qi & Chau 2013; Lacity, Willcocks & Solomon 2012; Mathew & Aundhe 2011; Mehta, Larsen, Rosenbloom & Ganitsky 2006). According to the findings of the study done by Asatiani, Penttinen & Kumar (2019) businesses that outsource more work prefer to concentrate on their core competencies, whereas businesses that outsource fewer tasks primarily seek external competence and assurance. Companies are using outsourcing to fill gaps, create value, and offer end-to-end solutions as they create a future-oriented blueprint, according to Deloitte (2022).

This thesis will be focused on Finland, hence Finnish sources are also crucial. Several non-Finnish sources have also been helpful because they offer a more comprehensive perspective on sales outsourcing. Several sources help explain why sales outsourcing is more widespread in some nations than it is in Finland and how Finnish businesses might profit from it. Furthermore, even though this thesis specifically focuses on Finland, journals and articles from other countries have also been used, giving this thesis the ability to paint a picture of what the situation in Finland might look like in the future if sales outsourcing develops and gains acceptance as a legitimate

business strategy.

While there are many sales outsourcing service providers worldwide and in Europe both, there are only a handful in Finland. (Clutch, 2022.) The researcher has been a sales professional himself and is acting as the commissioner of the thesis to understand the sales outsourcing industry in Finland more and later potentially pursue entrepreneurship related to the thesis topic.

### Objectives of the study and research questions

The aim of this thesis is to investigate the current operating scenario of the sales outsourcing industry in Finland and uncover the business challenges and the opportunities presented. Through this study, the researcher tries to expand the current knowledge in the sales outsourcing or sales out-tasking industry and business in Finland by seeking various answers from the experts to do it right.

Three research questions are addressed in this study

1. Is outsourcing sales function or sales out-tasking a wise business strategy for Finland-based companies?
2. Why Finland has only a handful of companies offering sales outsourcing services?
3. Is outsourcing sales as a service a good business opportunity in Finland?

### Research Approach

Due to the nature of this study, the author has taken a qualitative research approach and conducted multiple interviews taken of both the service providers in Finland as well as the clients who are using these services for their businesses. Semi-structured interviews were conducted online with the respondents from the industry such as chief advisors, sales heads, and key account managers so that the topic is analysed in-depth as it deals with the companies in practice.

## Structure of this thesis

The thesis is structured as follows, Chapter 2 covers the ideas of business outsourcing, along with several outsourcing theories and a resource-based view framework (Jurevicius, 2013) has been discussed in detail, later in the chapter latest scenarios and trends are covered. The chapter folds out to address sales outsourcing after briefly discussing how the sales function is changing because of globalization, connection across borders, technological adaptability, and digital transformation. In the end entrepreneurship and opportunities along with discovery and opportunity creation.

Chapter 3 presents the approach employed in this thesis and discusses the interview procedure and data processing. The research's interview sessions took place in April and May of 2023. Fifteen organizations were followed up on emails and phone calls, and as a consequence, four interviews were conducted and a 225 minutes of interview content was recorded and transcribed.

Chapter 4 introduces the development task and answers all the important questions behind this research like why? what? how? And when?

Chapter 5 presents the empirical part of this thesis. The results and findings of the research are unveiled in this section based on the interviews conducted and data analysis performed. The results regarding the Finnish sales outsourcing market are provided first, then the findings about the companies that are currently active in this market, and finally the difficulties that the market as well as the players who are offering these services are facing. And lastly, the conclusions on the prospects for the sales outsourcing service sector from a standpoint of both business growth and entrepreneurship.

Chapter 6 presents the conclusion and discussion and reflects the relationship between the theoretical framework and findings of the research.

## 2 Business outsourcing

This chapter introduces the concepts of business outsourcing, as well as various outsourcing theories along with current scenarios and trends. Sales function has also been briefly discussed here in terms of how it's evolving due to globalization and connectivity beyond borders, technology adaptation, and digital transformation, the chapter also covers sales outsourcing and entrepreneurial opportunities as the author would like to explore the entrepreneurship opportunities presented in the sales outsourcing industry in Finland.

### 2.1 Understanding Outsourcing

The act of contracting with another company to provide services that can be performed internally by personnel is known as outsourcing. Typically, the business itself could complete the jobs that were outsourced. Yet, outsourcing can benefit a business in several ways. (Heric & Singh, 2010.) In the business world, "outsourcing" refers to the process of procuring goods and services for operating one's firm. Although outsourcing is not a new phenomenon for businesses, it has acquired a significant pace recently. (Slack et al., 2012.) It is no longer only a method for cutting costs; rather, it has evolved into a tool for strategic management that has particular importance for organizations. "Transferring ownership of an organization's business operations (processes or functions) or the responsibility for the business outcomes flowing from these activities-to a service provider" is what is meant by outsourcing (Chamberland, 2003). Instead of just being a way for a corporation to cut operating expenses, outsourcing can be a tactical organizational alternative. Most businesses seek to outsource to cut expenses and speed up marketing. (Haag & Cummings, 2008.)

From 1990 onwards, outsourcing to external, carefully chosen partners has been a standard practice for enterprises and corporate operations. With the hope of increasing bottom lines, there was an underlying intention to shift organizations' operational focus to more core, value-adding operations. (Berggren & Bengtsson, 2004; Mol, 2007.) Outsourcing literally refers to giving a task to a third party, even though the term is frequently used to imply multiple connotations. To maximize benefits and cut down on time consumption, businesses typically delegate their clients'

work to another business. It is a deliberate approach that gives millions of people jobs all over the world and enables organizations to profit from it. The time zones have practically disappeared thanks to modern technology and innovations, which have facilitated the hiring of talent from around the world by almost all organizations, institutions, businesses, and media. In literature, outsourcing has received a lot of attention, particularly in recent years. Several businesses now see the need to prioritize outsourcing and concentrate on core competencies. (Giri & Sarker, 2017.) One could argue that outsourcing is essential to the current global economy (Schoenherr, 2010). Focusing on outsourcing is a logical development in today's cutthroat business environment. Outsourcing is a method of resolving issues brought about by corporate restructuring when organizations are changing. Companies and departments must be kept from losing fundamental competencies that can be essential to future competitiveness because restructuring typically entails accomplishing more with fewer employees. You must simultaneously increase the department's cost effectiveness and organizational value. These objectives can be accomplished by outsourcing. (Embleton & Wright, 1998.)

The act of a company assigning a task that was previously handled inside to an outside party is known as outsourcing. The provision of a service or the production of a good might both be outsourced activities. Offshore outsourcing and offshoring are terms used to describe sourcing from a company's overseas subsidiaries and outsourcing to third-party companies situated abroad. Offshoring and offshore outsourcing are both fundamental forms of global trade in commodities and services. Despite the current intense interest in offshore outsourcing and offshoring, it is important to keep in mind that these practices represent just a small portion of a much broader pie that also includes outsourcing that does not cross-national borders and outsourcing to sources other than a company's suppliers. (Varadarajan, 2009.)

The two main topics of outsourcing research are the reasons behind outsourcing decisions and the results of outsourcing. The body of research on the choice to outsource focuses on the reasons why (motivations), what to outsource (what kinds of operations; transaction attributes), and how to outsource questions, e.g. How much work should be outsourced and how to put control measures in place. (Lacity et al., 2011; Dibbern, Goles, Hirschheim, & Jayatilaka, 2004.) For a variety of reasons, businesses frequently outsource operations in non-core company areas to outside service providers, including call centres, finance and accounting, and human resources. Many reasons for outsourcing are identified in the current literature like scalability. (Redondo-Cano & Canet-Giner, 2010), cost-cutting (Borman, 2006; Saxena & Bharadwaj, 2009), and access to knowledge (Currie, Michell, & Abanish, 2008; Lam & Chua, 2009.)

The procedure enables businesses to concentrate on other business-related matters while having the details handled by outside professionals. This implies that a significant number of resources and attention, which could fall on management professionals' shoulders, can be employed for more significant, wider concerns inside the organization. The specialized business handling the outsourced work is frequently more efficient, frequently has access to cutting-edge technology that a corporation couldn't afford to purchase on its own, and frequently has world-class capabilities. Additionally, outsourcing is a financially sound way for a company that wants to expand to have a presence in other countries. Traditionally, companies have chosen to outsource mostly for three reasons: cost savings, temporary management issues with production capacity, and a shortage or scarcity of critical inputs. Some businesses use such tactical outsourcing in the short term, which is primarily done for economic reasons. (Núñez-Carballosa & Tarrés, 2011.)

The stream on outsourcing outcomes aimed to increase our comprehension of how outsourcing affects corporate performance, what factors influence how outsourcing arrangements are seen to be successful, and how outsourcing affects the calibre of relationships between outsourcing parties. (Lee and Kim,1999; Chou, Techatassanasoontorn, & Hung, 2015.) Regardless of the company or entrepreneur who promotes outsourcing, they do it by understanding the extent of this developing industry. There are numerous benefits, and each organization gets something different out of it. The ability to control costs, work being completed by specialists in a particular field, employee management, ease of running a virtual office as opposed to a physical one, technology-driven planning, availability of multi-talented staff, improved quality, access to the vast pool of knowledge and perspectives that improves variety, and many other factors drive businesses to outsource. A prime example of this phenomenon is the proliferation of outsourcing companies throughout developing nations like China and India. Aside from all these tangible advantages, it is true that in this modern day, practically any task may be outsourced to the appropriate individual. Outsourcing is emerging as the new work culture that enables the management and its staff to work in a relaxed yet beneficial mode with transparent details, from R&D activities to management, from basic to high-risk category employment, according to an article by studycorgi (2022).

It has been emphasized that outsourcing is crucial to the effectiveness of organizations. Organizational performance is a broad notion and an unresolved issue with few definitions and research findings. Most of the time, organizational performance is described as a dependent variable that

aims to induce changes in performance. Production output, market share, profitability, sales, and turnover may all be used to gauge performance. It is the degree to which the organization accomplishes several predetermined goals or targets that are consistent with the goals of the organization. Customer value, team performance, talent management, and strategic focus are the most frequent variables that affect how well a business performs. Through effective planning, appraisal, execution, and control, all of these could be accomplished. (Onuoha, 2022.)

There are now a lot more outsourcing firms and logistic service providers, which has raised competitiveness in comparison to 10 years ago. In their outsourcing initiatives, enterprises and service providers confront numerous difficulties. It is crucial for outsourcing businesses to have a better grasp of success and failure reasons, as well as their concerns, to take advantage of the outsourcing opportunity. (Srbotic & Ruzzier, 2012.)

## 2.2 Outsourcing Theories

The scientific community is paying increasingly more attention to the corporate practice of outsourcing as its practical use grows. Many approaches to the interpretation, analysis, and study of this phenomenon have emerged because of the extensive research conducted on it, several actions and roles make up the extremely complex structure of outsourcing, which results in a few administrative and managerial challenges. Many theories have been employed to aid scientists in comprehending the nature of these processes and activities as well as to assist managers of businesses and organizations in managing these operations successfully. It is generally acknowledged that any phenomenon can be explained by a variety of theoretical frameworks built on relevant methodologies. (Vaxevanou & Konstantopoulos, 2015.)

Understandably, a variety of theories have been used to address outsourcing, which can frequently cause confusion among academics. (Busi & Mclvor, 2008.) Several popular and theoretical approaches are presented in the literature to explain and investigate the issue of outsourcing in business.

### 2.2.1 Transaction cost economics (TCE)

The TCE theory is said to offer the greatest tools for making decisions to help businesses decide which of their operations should be outsourced and then to get ready to implement the required organizational changes that result from outsourcing. Due to the traits of this model, it may be used in both the phase of relationship management and the period of reconsideration. The TCE theory also has the immensely helpful ability to be used in the selection and analysis of outsourcing contracts, which are sometimes very complicated. (Vaxevanou & Konstantopoulos, 2015.)

Aubert, Rivard, and Patry (1996) created a model that integrates the TCE theory with the idea of Incomplete Contracts, according to this model the TCE and Incomplete contract theory supports the selection of the activity to be outsourced as well as the administration of the contract between the outsourcing party and its service provider, they also argued that market interactions or any other general governance mechanism present in the society are likely to organize low-frequency transactions. Firms are more inclined to take the risk when it comes to low-frequency transactions rather than developing new governance or extending a current one. Additionally, internalizing transactions by businesses is only effective for frequent transactions. (Aubert et al., 1996.)

		Asset specificity		
		Low	High	
Uncertainty and measurement problems	Low	Market transaction	Compete contract (long term)	
	High		Relational governance	Internal governance
			Ocassional	Recurrent
			Frequency	

Figure 1: Transaction cost framework (Aubert et al., 1996).

According to the concept developed by Aubert et al. (1996), as per Figure 1, internal governance is anticipated to apply to transactions with a high asset specificity when high uncertainty and high frequency are present. Relational governance may develop in transactions with high asset specificity, low frequency, and substantial uncertainty. In this paradigm, transactions with a high degree of asset specificity and little uncertainty are subject to a full contract for outsourcing. Later, Aubert et al. (2004) introduced a new model that once again mixes the two theories in order to understand outsourcing purely during the planning stage, according to which uncertainty is a fundamental barrier to outsourcing, although the degree of technical expertise is the primary

justification for doing so, they also state that assets might include the equipment needed to produce a good or provide a service, expertise required to do so, or simply a suitable location that is handy for interacting with the other party.

Ulset (1996) investigated the function of R&D in the outsourcing process using the TCE theory, focusing on the necessity for organizations to protect the intellectual property of their patents. Brandes, Lilliecreutz, and Brege (1997) investigated the elements that affect an outsourcing effort's success. Their methodology, which looked at the preparation, relationship management, and reconsideration phases, was based on the TCE theory. The researchers came to the conclusion that better results occur when outsourcing decisions are based on the TCE hypothesis. Establishing and managing a contractual connection with an outside provider for the provision of capacity that was previously provided internally is known as outsourcing (Momme, 2001). The outsourcing process was further broken down into six general phases by Momme (2002), each of which included important activities, performance measurements, and anticipated results. The contract termination phase was added to the model by Momme, who wanted to emphasize how time-sensitive the procedure is.

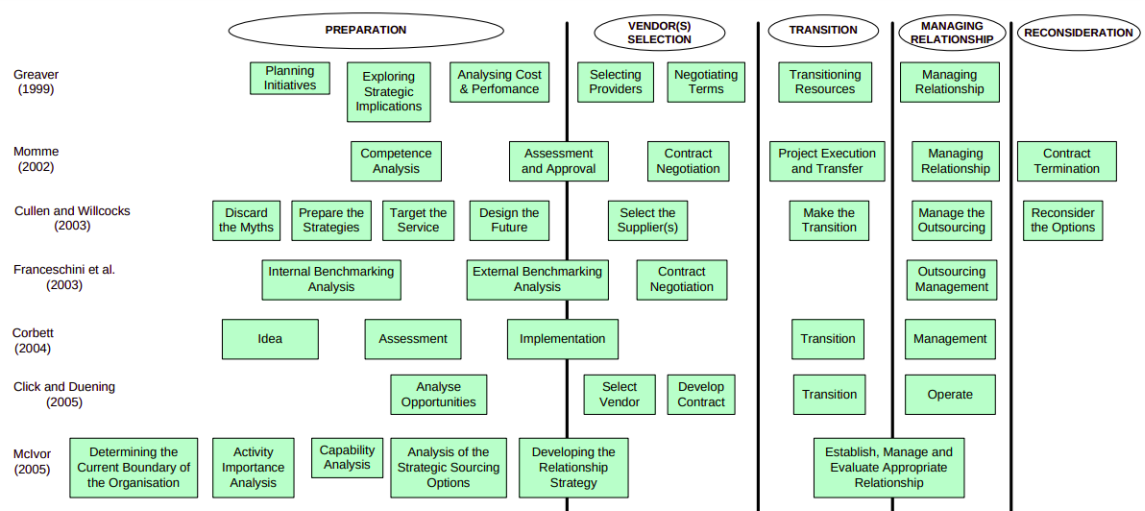


Figure 2: Overview of the outsourcing process frameworks (Perunovik, 2009).

Despite an astonishing amount of study being done on the outsourcing process, there are very few frameworks that show the real steps and structure of the whole outsourced process. Preparation, vendor(s) selection, transition, maintaining relationships, and reconsideration are the

stages that are grouped together according to some of the frameworks that are aligned (See Figure 2).

### 2.2.2 Core Competencies Theory (CCT)

According to Prahalad & Hamel (1990), core competencies are an organization's collective knowledge, particularly in terms of how to combine multiple productive abilities and how to integrate various technologies. The research of Pinnington & Woolcock (1995) likewise used the core competencies theory to examine if the organizational abilities may be enhanced by outsourcing business processes associated with its IT system. According to Pinnington & Woolcock (1997), the relationship between the outsourcer and the vendor may be reciprocal, client-dominant, vendor-dominant, or favoured vendor. The phases of relationship management and reconsideration have been studied using this paradigm and were the emphasis of business operation outsourcing regarding IT systems. The organization is based on the Core Competency Theory, which explores whether outsourcing of business activities that were based on the information technology system positively affects organizational skills. (Pinnington & Woolcock, 1995.) The competence analysis of the supplier is made according to this theory, which is also used for reconsideration and relationship management and is also the second most widely used outsourcing strategy. (Pinnington & Woolcock, 1995.) To increase the organization's competitiveness, Targett & Hunt (2000) suggested a decision-making model for the planning stage based on the Core Competencies Theory. The Core Competencies Theory is one of the two methodologies, according to Gottschalk & Solli-Sæther (2005) that this theory better exemplifies the success elements of the outsourcing process.

### 2.2.3 Relational Theory

Regarding their interactions with other organizations, the Relational Theory explains how businesses can gain and keep a competitive advantage. (McIvor, 2005.) The phases of transition, relationship management, and reconsideration have all been studied using this theoretical framework. As a result, the Relational Theory is the sole methodology that can be used to examine every stage of the outsourcing process. Each step must address a variety of issues, highlighting

the complexity of the outsourcing process and supporting the necessity for rigorous management over its entire life cycle (See Figure 3).

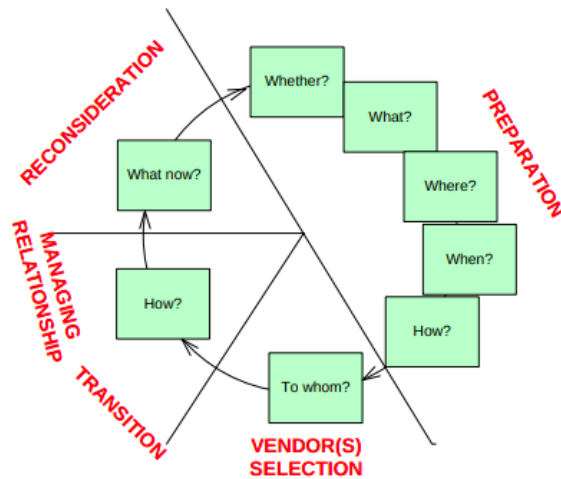


Figure 3: Outsourcing process framework

(Perunovic 2009)

Willcocks & Choi (1995) used Relational Theory to investigate if it was possible to build the groundwork via careful planning for transforming the outsourcing process from a straightforward partnership into a strategic alliance. To make judgments that will aid in the formation of strategic alliances, they looked at the variables that might be taken into consideration during the preparation and relationship maintenance phases. To comprehend the processes of preparation, vendor selection, and relationship maintenance, Yahnghong (2011) presented an outsourcing model based on relational theory. The study came to the conclusion that the quality of the relationship at the time of its formation and the attention contracting parties paid to the relationship's growth affect the advantages of the outsourcing process.

#### 2.2.4 Resource-based view theory

When an organization's resources and competencies are combined and exploited effectively, they may give the organization a competitive edge. This idea is mostly applicable to the process preparatory phase, which defines the tasks that must be delegated, and to the phase that involves selecting the vendor with the best resources. The Resource-based view theory's (RBV) central

tenet is that organizations' capabilities and resources can vary widely from one another and that these variations are stable. (Barney & Hesterly, 1996.) Also, the organization's decisions during the Relationship Management and Reconsideration phases have been explained by the idea (Kutsikos & Mentzas, 2011). A paradigm for interpreting the application of outsourcing procedures regarding IT operations that combines the Resource-based Theory with the TCE theory. The Transition phase is the main emphasis of the model, and it argues that the Resource-based theory is the best method for interpreting it. (Alvarez-Suescun, 2010.) The RBV (Resource-based view) framework makes the assumption that resources are allocated unevenly and markets are inefficient to analyse these benefits. This method looks at the connection between a company's internal traits and positioning. (Espino-Rodríguez & Padrón-Robaina, 2006.) The explanation and main elements of RBV are emphasized in the model that follows.

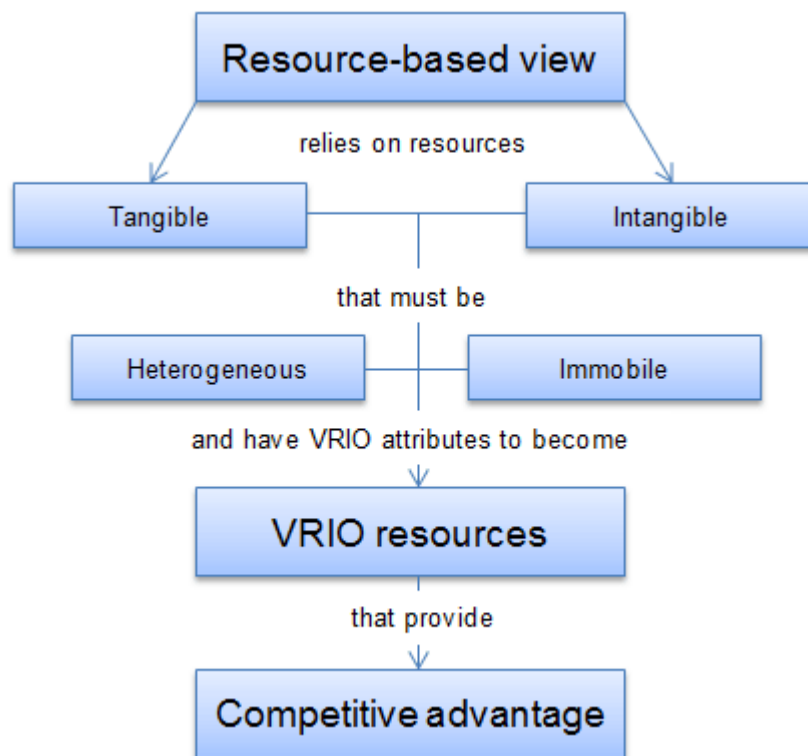


Figure 4: Resource-based view framework (Jurevicius, 2013), where VRIO is an initialism that refers to value, rarity, imitability, and organization.

RBV (Resource-based view) proponents contend that it is far more doable to take advantage of outside chances by employing already-existing resources in novel ways than it is to try to learn

new skills for every opportunity. The RBV model states that resources are crucial in helping firms achieve enhanced organizational performance. There are two types of resources: tangible and immaterial.

Tangible Assets are material, including land, structures, machinery, equipment, and capital. Physical resources cannot provide many benefits to businesses over the long term since competitors may quickly acquire the same assets. Intangible assets include brand reputation, trademarks, and intellectual property. Brand reputation, in contrast to actual resources, is something that other businesses cannot purchase on the open market. The primary sources for sustained competitive advantages are an organization's intangible resources, which often remain on-site. The first presumption as heterogeneous is that businesses' talents, competencies, and other resources vary from one firm to another. Organizations could not use diverse methods to out-compete one another if they had the same quantity and mix of resources. No competitive advantage could be gained by doing what one firm did since the other could easily copy it. The market in the actual world is far from being perfectly competitive, and some businesses that are subject to the same external competitive pressures (same external circumstances) can employ various strategies and surpass one another. This is the idealized version of the competition. RBV thus believes that businesses use their various resource bundles to gain a competitive edge. The second assumption with immobile is that, at least in the medium term, resources remain immobile and do not migrate from one organization to another. Companies are unable to imitate rivals' resources and carry out their strategy because of their immobility. Processes, knowledge, brand equity, and intellectual property are examples of intangible resources that are often immovable (Jurevicius, 2013).

#### 2.2.5 Knowledge-based view

To show that knowledge-sharing during the relationship management stage of the outsourcing process is positively associated with the success of the outsourcing agreement, the knowledge-based view is applied to outsourcing. (Sakas & Kutsikos, 2014; Kutsikos & Mentzas, 2012.) The Knowledge-based view clarifies how people work together to produce commodities and render services. It establishes two techniques for partner information sharing. (Nasiopoulos, Sakas, Vlachos, 2014.) It serves as the conceptual framework for Lee's (2001) model. which aims to clarify how the relationship between the two contracting parties in an outsourcing process is managed.

The model, which also makes use of the theory of Core Competencies, came to the conclusion that knowledge-sharing is one of the crucial elements for an outsourcing process to be successful.

#### 2.2.6 Social exchange theory

The social exchange theory interprets interpersonal transactional relationships by using the economic cost-benefit analysis as a requirement for social participation and social exchange. It makes the assumption that the sharing of resources (material or social intangible) is a fundamental form of human interaction. The actions of individuals or organizations depend on the positive responses they receive from others in this continual reciprocal dynamic. (Gottschalk & Solli-Saether, 2005.) To analyse organizational behaviour during the reconsideration phase, the theory has been employed in conjunction with the TCE Theory. Gottschalk & Solli-Saether's (2005;2006) theoretical work also employs the Social Exchange concept. Whitten & Wakefield (2006) conducted research to develop a model that explains the period of reconsideration during the outsourcing process. This model was based on the Social Exchange theory and, to a lesser extent, the TCE.

#### 2.3 Current outsourcing scenario and trends

A wave of outsourcing is making it possible for businesses to acquire information technology faster to roll out specialized services and roll back quickly once such services are no longer required. Offshoring is also accelerating the transition from information to a knowledge-based global economy. Technology makes it possible for the information to be easily transmitted anywhere in the world, which encourages the emergence of numerous regional specializations. As predicted by Minevich & Richter (2005) these factors have significantly altered the global outsourcing business. Also, the consumer demand and purchasing power are increasing in emerging nations faster than anticipated, and as they gain strength and stability, businesses now have a larger range of options for geographic locations, which can further help spread outsourcing. Instead of outsourcing to a particular nation, many companies are turning to international organizations that have access to a range of resources, knowledge, and the capacity to transfer risk around the world. (Minevich & Richter, 2005.)

Deloitte Global Outsourcing Survey (2022) states that vendor management is giving way to ecosystem management as outsourcing progresses. Executives rated vendor selection concerns and collaboration with external providers at the bottom of their priority lists, notwithstanding the growth of the service delivery paradigm. Now is the time to make sure that businesses have a sound strategy and framework to manage an ecosystem of third-party relationships in full coordination with their internal workforce, Global in-house centres (GIC), and business-led tech strategies, as opposed to the traditional siloed vendor management approach, as the complexity, the number of third-party choices, and configuration options for service delivery models expand. Beyond service-level agreement (SLA), managing the third-party ecosystem requires a focus on transparency and trust. After COVID-19, the talent pool was open to anyone in the world. Regardless of the sector or job function, one in two CEOs cited finding talent as their biggest internal difficulty. Deloitte's study of CEOs in 2022 found that 53% of executives said they have expanded staffing levels in the previous two years to align with organizational aims. During the pandemic, remote work became the norm, and people started exploring beyond their local areas for opportunities. As a result, businesses began expanding outside of their normal geographies to access the global talent pool.

While the back-office operations are still internally managed, organizations are utilizing third parties to address their greatest challenges, such as protecting their business and keeping up with the rapid advancements in technology, rather than utilizing third-party vendors to reduce costs. This creates an opportunity to utilize third-party delivery models. When deciding which tasks to maintain in-house and which to outsource, it's important to find a balance between quickly adapting to new working methods and retaining and utilizing the talent already present in the organization. Most CEOs surveyed (48%) said they manage corporate operations internally. Although third-party enabling function operations (such as finance, procurement, and supply chain) are mature, and reveals an opportunity to further outsource these functions. Internal sourcing is more prevalent in core company functions (such as sales, engineering, and product development). Third-party delivery models may develop to match adoption rates of IT outsourcing (of up to 80%). Business process outsourcing (BPO) still has a lot of room to grow in terms of how it interacts with external service providers and reaps benefits from them beyond cost savings. (Deloitte, 2022.)

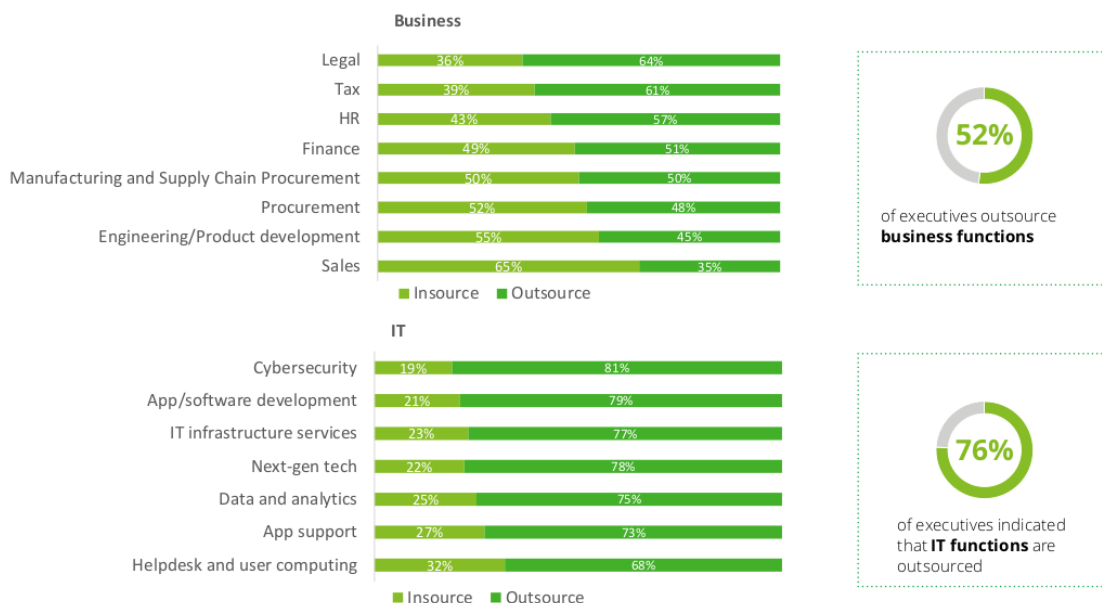
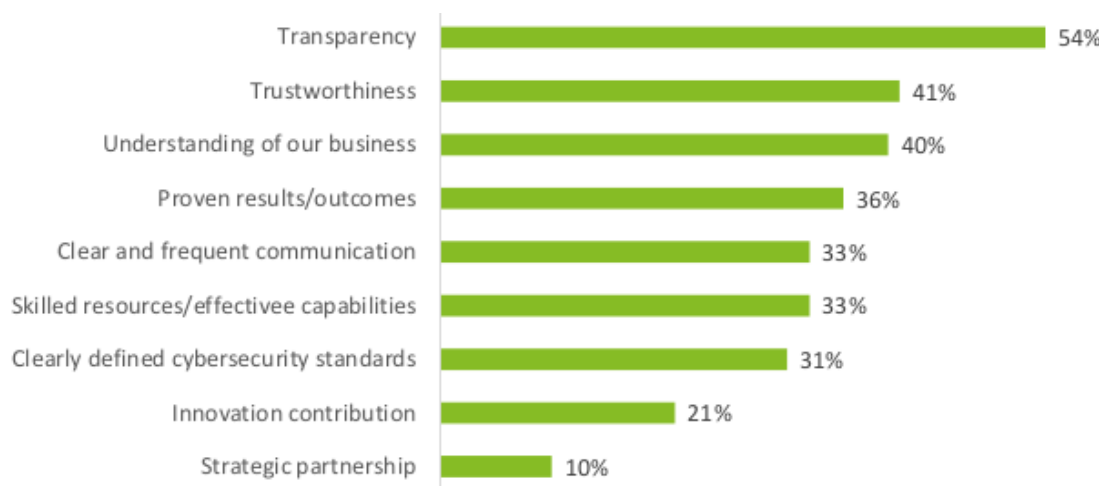


Figure 5: Insourced and Outsourced Business and IT Functions (Deloitte Global Outsourcing Survey 2022)

As shown in Figure 3, the most recent survey of more than 500 business and technology leaders, including more than 150 C-Suite executives, from a range of global industries, shows that 52% of executives outsource business functions, with legal, tax, human resources, finance, manufacturing, and supply chain procurement, procurement, engineering/product development, and sales ranking highest among them. In contrast, 35% of the sales function was outsourced.



Source: Deloitte Global Outsourcing Survey 2022 (% respondents)

Figure 6: Top qualitative aspects valued in service providers (Deloitte Global Outsourcing Survey 2022)

Transparency and trustworthiness are the qualities that corporations and clients value the most in a service provider, according to Figure 2 from a survey conducted by Deloitte (2022) these qualities are followed by understanding of business, clear and frequent communication, effective capabilities, clearly defined cyber security standards, innovation contribution, and strategic partnerships.

According to another Deloitte analysis report on outsourcing (Deloitte outsourcing amid complexity, 2014). Many Global 1000 organizations' operating strategies now include outsourcing as a key element. Despite these organizations' experience with outsourcing, they may still encounter significant problems such as rising complexity and demand, global delivery models, problems with governance alignment and control, and rising regulatory and compliance risks.

Figure 1: Target location model for planned outsourcing initiatives

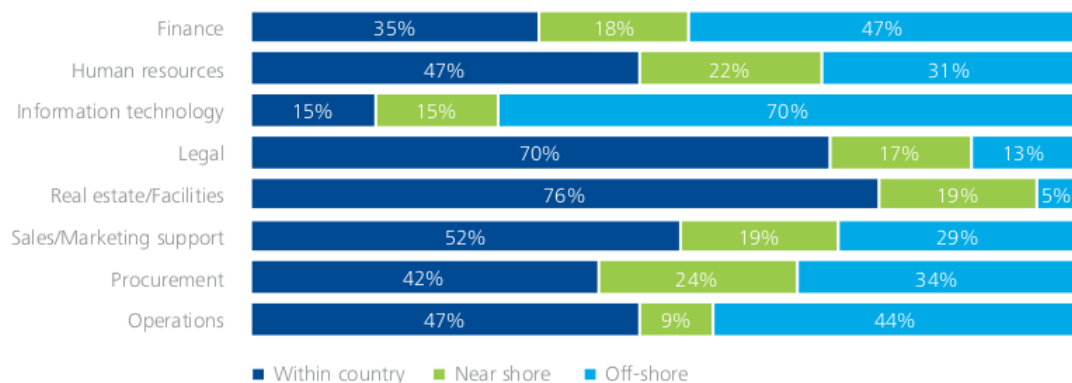


Figure 7: Location model for planned outsourcing initiative for different Business Functions

More than half of respondents want to offshore or nearshore most of their outsourced operations, including Finance, HR, IT, Procurement, and Operations, which is depicted in Figure 3. The demand for integrated global delivery solutions that satisfy standards for talent, cost, proximity, closeness, language competency, tax efficiency, sustainability, and business continuity is what is driving this development. A worldwide delivery footprint can result in severe geopolitical, foreign exchange, inflation, and reputational risk even while there can be enormous benefits to "right-shoring" if it is not properly structured and managed.

## 2.4 Changing Sales Paradigms

The skills and strategies that fuelled sales before 2020 are no longer effective, and many firms found it difficult to make the switch to this new selling period. It's necessary to consider how fundamental sales paradigms have evolved to choose the best course of action to satisfy customers' expectations. By incorporating new technology, a corporation or business can grow and begin a transition that might fundamentally alter its operations. These changes inside an organization or corporation are frequently referred to as paradigm shifts.

### 2.4.1 Sales Function

The seven processes of selling that apply to most sales situations were established by Dubinsky (1981) about forty years ago. These steps include prospecting, approach, presentation, overcoming objections, close, and follow-up. All these tasks were previously undertaken by salesmen, but in the interest of effectiveness and efficiency, some of the processes that they took had to be reduced. (Sharma, 2007.) The first of these processes to be eliminated was the follow-up, and businesses developed a new position to handle the duties that it had involved: customer service. (Sharma et al., 2009.) Nowadays, selling to current clients involves more and more customer service (Rapp et al., 2017). which yet again is a classic salesforce task. A new functional group was formed to deal with prospecting, pre-approach, and approach as the next stage of evolution. According to Thaichon et al. (2018), an inside salesforce or the Internet may be used for some of the early stages of the sales process. Customers placing online orders, contacting within channels for support, and contacting outside sales for advice and feedback are all examples given. In this instance, the competence of outside salesmen is constrained to solution-proposal, presentation-specific specialization, objection-overcoming, and closure, leaving minimal knowledge in other areas. The most well-known illustrations of this focus are called hunters, whose sole responsibility is to bring new clients to the company, contrast these with farmers, who maintain the relationship. (DeCarlo, & Lam, 2016.) Major or important account management is one of the rare areas where all processes are still carried out by a single salesperson. Salespeople act as general supervisors in this area, and teams handle all customer contacts. (Sheth & Sharma, 2007.)

### 2.4.2 Global Approach

Global connectedness between markets and people has grown significantly during the past 20 years. Companies now frequently target international markets, hire workers from throughout the world, and rely on an international supply chain. (Sharma, 2016.) Economic opportunity has risen due to this connectivity, but at the same time, local problems have become global problems. (Ney, 2012.) Due to recent financial, security, and health issues, this new form of global connectivity is under unprecedented threat (Biggs, Dakos, Scholes, & Schoon, 2011).

An example of one of these crises, the COVID-19 crisis, led businesses to switch to remote work, scale back on new projects, and alter communication patterns. In particular, Guenzi (2020) found that physical access to their buyers was challenging and that they would have to use digital communication channels that they were unfamiliar with in a survey of Italian sales professionals conducted two days before the official lockdown. The survey also found that discretionary spending had decreased. Digitally enabled sales interactions are now more than twice as significant as traditional sales interactions, compared to pre-COVID-19 levels, which were about similar. This is according to a study of business-to-business decision-makers conducted after COVID-19 in April 2020. (Gregg, Kim, & Perrey, 2020.) Nearly four out of five business-to-business sales teams have already switched to using videoconferencing or phones, according to Gregg et al. (2020), while Guda (2020) and Singh (2020) both contend that, at least temporarily, selling methods will need to adapt.

### 2.4.3 Technology Adoption

Businesses have embraced CRM software and other sales-boosting tools (Kumar et al., 2020), but studies and anecdotal evidence suggest that salespeople themselves tend to be sceptical of new technologies and favour traditional interactions. (Shera & Sheth, 2010; Spreer & Rauschnabel, 2016; Ahearne, Hughes, & Schillewaert, 2007; Sharma & Hughes, 2010.) According to research, salespeople perform better when they accept technology, and this effect may be influenced by the fact that more successful salespeople acquire technology more quickly than less successful salespeople. (Hunter & Perreault, 2006; Johnson & Bharadwaj, 2005; Mathieu, Ahearne, & Taylor, 2007; Sharma & Sheth, 2010.) The disparity between clients' demand for technology and salespeople's proficiency with it makes the situation direr (e.g., Sharma & Sheth, 2010; Tanner & Shipp,

2005; Wittman, 2019). For instance, according to Rocco and Bush (2016), salesmen undervalue the significance of their clients' technological expectations. Yet, according to the LinkedIn state of sales report (2016), the usage of technology is strongly connected with salespeople's success, and top salespeople are more likely to utilize productivity apps, social selling tools, CRM systems, and sales intelligence tools. Salespeople struggle to engage with clients in their preferred technological mode because of their opposition to technology, which is a challenge that is more acute during times of crisis (such as the COVID-19 pandemic) when there is little or no in-person presence. For instance, even when social distance policies have been implemented that make traditional in-person interaction impractical, one in five business-to-business sales teams still use phone or videoconference contact methods. (Gregg et al., 2020.)

#### 2.4.4 Digital Transformation

The sales industry has undergone a widespread and universal digital shift. In a nutshell, the term "digital sales transformation" refers to the investment, adoption, and deployment of new, cutting-edge technologies in the sales force. In this perspective, businesses across all sectors and sizes invest heavily to enhance their digital sales infrastructure (Lamberton & Stephen 2016). Without a doubt, the spread of innovative, new sales technology is advancing: According to a study, businesses spend an average of \$4,581 per salesperson year on sales technology, amounting to over \$55 billion in expenditures in sales technologies in 2019. (Gartner, 2019.) The rapid development of new digital technology has already fundamentally disrupted established sales procedures and profoundly altered how salespeople conduct themselves. (Guenzi & Habel 2020; Mathieu, Ahearne, & Taylor 2007; Singh et al., 2019.) These new technologies include tools to help salespeople gather and analyse customer and market data (Schneider et al., 2021). Support customer relationship management, sell through digital sales channels and facilitate communication with clients and coworkers. (Habel, Alavi & Linsenmayer 2021.) For sales companies, new digital technologies like artificial intelligence, machine learning, the Internet of things, smart sensors, platforms, social media apps, or cloud services offer a significant possibility to accomplish critical productivity enhancements. However, at the same time, these technologies frequently have an intrusive nature: Salespeople become largely exposed due to the volume, speed, accuracy, and comprehensiveness of data, opening previously untapped monitoring and impact options. As a result, the digital transformation is a challenging change management process for many businesses, especially when it comes to getting sales staff on board. Several scholarly

studies have outlined the advantages of new technology to improve sales performance considering this enormous practical relevance. That instance, a current study demonstrated that salespeople's use of technology can boost their revenues, profitability, success at cross-selling and upselling, and customer relationships. (Wieseke et al., 2011; Singh et al., 2019.) Current sales research, however, does not fully comprehend how individual salespeople and sales managers are impacted by the digital transformation. The subject of how sales managers and salespeople are personally affected and how they deal with new technologies comes considering the levels of intrusiveness, transparency, and power to monitor and influence that were described.

#### 2.4.5 Sales Outsourcing

Iyer, Sharma & Evanschitzky (2006) contend that only particular, high-profitability, low sales frequency conditions call for the use of direct sales. They advocate outsourcing personal selling to other functional areas or outside businesses for all other client segments. Sales procedures are therefore being outsourced due to scalability and efficiency concerns. (Anderson, 1996.) The follow-up was the first sales process to be outsourced, and both domestically and internationally, call centres were used for this. (Anderson, 1996.) The functions of reselling to current customers were also taken up by the outsourced call centres at the same time (Jasmand, Blazevic, & De Ruyter, 2012). The prospecting, pre-approach, and approach processes are also being outsourced. Finally, some FMCG companies outsource other tasks including presentation and perhaps the full selling process. (Bokkerink, Charlin, Sajdeh, & Wald, 2017.) Cost savings and Salesforce's scalability are the two main justifications for outsourcing sales functions. For instance, businesses can easily, swiftly, and affordably upscale or downscale their prospecting efforts by hiring external organizations. Unfortunately, companies have given up the expertise and intellectual property linked to sales steps, and often, the company's salesforce has no retained knowledge of the outsourced tasks because of this, multiple research projects. Rapp, 2009; Thaichon et al. (2018) all suggest that before outsourcing sales functions, the effects should be carefully considered.

Sales outsourcing however has been spreading fast and farther in all the parts of the World, when Information Technology (IT) dominates this industry in offshoring and Real estate/facilities in outsourcing within the country (Figure. 5) there are other industries entrusting the sales outsourcing process and embracing the third-party sales approach to churn more revenue and focus on their core activities like media, electricity, and retail both B2C (Business to Consumer) and B2B

(Business to Business) and thus bring many opportunities for entrepreneurial activities. (Ryymin, K. Personal communication, May 2, 2023.)

## 2.5 Entrepreneurial opportunities

As according to the results of this research, the sales outsourcing market in Finland is still shaping up and needs to be accepted by the companies to become one of the alternatives to sell and do business like in many other locations in Europe and other parts of the World, it brings many entrepreneurial opportunities along due to the existing gap and thus entrepreneurial opportunities, entrepreneurship, and discovering and creating opportunities are discussed in this chapter. As emphasized by Kirzner's (1997) theory of entrepreneurship, profitable possibilities emerge when the market is out of balance, and businessmen or entrepreneurs find and take advantage of these profitable chances to bring the market back into harmony. Kirzner concentrates on entrepreneurial actions when profit opportunities exist rather than describing where they originate from, the market-fluctuation elements that improve entrepreneurial possibilities, and the opportunities produced by prior entrepreneurial activities, are included in the categorization of the origins of entrepreneurial opportunities. One may assume that profit possibilities are only presented when entrepreneurs find them, however, there are always new business prospects being developed. (Kirzner, 1997.)

### 2.5.1 Entrepreneurship

In addition to having a considerable influence on business management research, entrepreneurship also has implications for the sciences, the arts, and engineering. (Kirzner, 2009.) The management buzzword of the 1970s, "professionalism" has been replaced by "entrepreneurship" in the corporate terminology. Many people strive to be business owners because they love the flexibility, independence, and prosperity that come with the job. Additionally, bigger firms want to be more "entrepreneurial" a term they use to describe the inventiveness and adaptability they observe in their smaller, frequently more successful competitors. (Stevenson, 1983.) Entrepreneurship, according to Richard Cantillon, required taking the risk of making purchases at predetermined prices and selling items at unknown values. (Murphy, 1986.) The 1911 work of Schumpeter expanded the notion of entrepreneurship to include the idea of innovation. He made room

for a wide range of innovations, including those related to processes, markets, products, factors, and even organizations. His ground-breaking study focused on how entrepreneurs shape and adapt to economic discontinuities. (Becker & Knudsen, 2002.) Entrepreneurship is essential to the expansion and prosperity of the economy (Kirzner, 2009). The individual or persons participating in the activity determine whether they can pursue an opportunity, therefore both their human capital and the surrounding market are crucial in entrepreneurship. (Meek et al., 2010.)

According to Kirzner (2009) entrepreneurship is crucial to the growth and prosperity of the economy. Shane and Venkataraman (2000) have also employed the disequilibrium technique and assert that in equilibrium models there are either no chances at all or they are distributed randomly among the population. Some people can identify entrepreneurial opportunities while others cannot, according to Shane & Venkataraman (2000). As described by Gartner (1988) using behaviour to guide one's entrepreneurship is the process of creating an organization and participating in its formation. In the post-COVID-19 environment, the value of entrepreneurship has gained more and more relevance. Due to its significance, interest in entrepreneurship was growing even before the pandemic started (Solomon & Mathias, 2020; Zhou, 2004). Due to technological innovations, a lot has changed in the past 10 years (Ratten, 2019).

In conclusion, opportunities play a big role in entrepreneurship, it is important to look for opportunities in various circumstances and be open to converting any challenges to an opportunity.

### 2.5.2 Opportunities

Baron (2006) defines a business opportunity as recognizing a way of generating economic value that has not been explored before and is not currently being utilized by others. Opportunity recognition is frequently described as the method people use to determine whether they have found a way to benefit economically (Baron, 2006). Kirzner proposed the concept of entrepreneurial attentiveness to profit opportunities in 1973. Further clarification of this awareness is provided by Kirzner (2009) who states that it "refers to a sense of what might be "around the corner," i.e., the ability to notice something that has never been thought to exist. Additionally, he asserts that the reason for our enhanced awareness, which enables us to observe things is that they are just around us. (Kirzner, 2009.)

The self-images of the entrepreneur, as well as associated with the opportunity and entrepreneurial activity, have been thoroughly examined by Mitchell & Shepherd (2010), they come to the conclusion that there are two perceptions of oneself, perceptions of vulnerability and perceptions of capability, which influence the perception of the opportunity. These, therefore, have an impact on the choices made about the chance. From their recommendations for action, they provide an idea of the networking behaviour that, for example, would involve investors looking for business-people who have similar self-images. This is because the investors' individual self-images may cause them to view opportunities differently, to be certain, this must be researched further. (Mitchell & Shepherd, 2010.)

A comprehensive theory of entrepreneurial opportunity identification and development was introduced by Ardichvili et al. (2003), according to the authors since prior research at the time did not provide a comprehensive grasp of the identification of business possibilities. Prior studies either focused on a single aspect of the process or, at the time, there was disagreement among entrepreneur scholars over the "major concepts used to define and operationalize the aforementioned procedures. (Ardichvili et al., 2003.) The notion of opportunity development is divided into opportunity identification and recognition, according to Ardichvili et al. (2003). The following factors affect how entrepreneurs find and develop opportunities: entrepreneurial alertness, information asymmetry, and prior knowledge; exploratory versus purposeful research; social networks; and personality traits like optimism, risk-taking behavior, self-efficacy, and creativity. (Ardichvili et al., 2003, p. 113.)

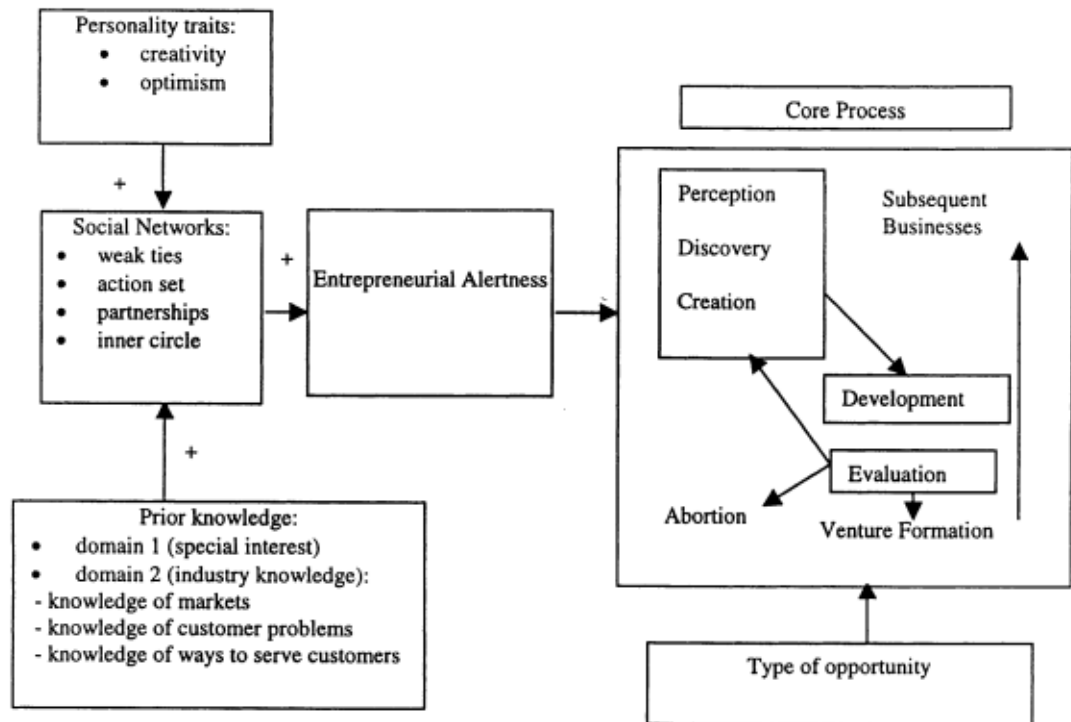


Figure 8: The model and units for the opportunity identification and development theory (Ardichvili et al. 2003, p. 118)

Again, according to Ardichvili et al. (2003), the entrepreneur's attentiveness is influenced by past knowledge, social networks, and personality attributes. The opportunity generation process then differs since businesses, people, and entrepreneurial teams all operate according to distinct procedures and working methods. The process is cyclical and recurrent, and it involves evaluating the opportunity constantly which might result in the discovery of new possibilities or the modification of already discovered ones. (Ardichvili et al., 2003.) Finally, this progress could result in the establishment of a business. Interestingly, at least considering what can be inferred from Ardichvili et al. (2003, p. 119) findings, innovation is not an opportunity in and of itself.

The graph by Ardichvili et al. (2003) also presents an intriguing idea: from a knowledge perspective, prior information is merely mentioned. Since entrepreneurs, like all people, are constantly exposed to diverse outside stimuli and inputs, one would assume that they constantly expand their knowledge set.

### 2.5.3 Discovering and creating opportunities

Opportunities for discovery are unbiased before being found by an entrepreneur. According to Alvarez & Barney (2007), entrepreneurs who generate opportunities commit to iterative learning procedures that ultimately lead to the development of an opportunity. Alvarez & Barney (2007) and Vaghley & Julien (2008) both adopt a similar stance. They claim that opportunity creation has its roots in developmental psychology while opportunity recognition/discovery has its roots in cognitive psychology in terms of how humans absorb information. Again, according to Vaghley & Julien (2008, p. 73), during the discovery phase, an entrepreneur's reality is altered by the formal, explicit knowledge they learn about their surroundings. The fundamental framework for innovation and economic potential is created by the linkage of information patterns from many sources, to create possibilities, constructionists tend to employ more trial-and-error techniques. It's interesting to note that Vaghley & Julien (2008) also come to the conclusion that entrepreneurs create and perceive opportunities in a variety of ways. Further clarifying the terminology is provided by Vaghley & Julien (2008), who states that an entrepreneur can find chances either through recognition or creation.

Along with more evident skills, opportunity identification also calls for leadership, cooperation, creativity, and problem-solving (Hills, Lumpkin, and Singh, 1997; Hindle, 2004; Long & McMullan, 1984). It might include both the recognition of previously present possibilities and the development of brand-new ones from nothing. Although there are many ways to generate value, including through enhancing the performance of already-existing operations, research on opportunity identification frequently places an emphasis on the establishment of new enterprises for products and services. (Alvarez and Barney, 2007.)

According to Venkataraman (1997) and Shane & Venkataraman (2000), entrepreneurship is a process that entails the identification, assessment, and exploitation of opportunities to introduce new products and services, organizational structures, markets, operational procedures, and raw materials. The academic study of entrepreneurship includes explanations for why, when, and how entrepreneurial opportunities exist; the sources of these opportunities and the forms they take; the processes of opportunity discovery and evaluation; the acquisition of resources for the exploitation of these opportunities; the act of opportunity exploitation; why, when, and how some people and not others discover, evaluate, and gather resources; and the act of opportunity

exploitation. (Shane & Venkataraman, 2000.)

Discovering and creating opportunities is not just a personality trait or a mindset of individuals who are interested in entrepreneurship but is one of the most fundamental requirements even for an economy to do well and thus many countries are building this entrepreneurial infrastructure and ecosystem to support the discovery and creation of new opportunities or enhancing and developing the existing.

### 3 Research methodology

Research is defined as "an original investigation" carried out to advance knowledge and skill in a particular area of study. It is a production of new information that hasn't existed before. (Myers, 2013) This chapter aims to explain how this study is carried out and why, out of the various research methodologies accessible for this research, a particular methodology is used. A brief explanation of the study's purpose and methodology is provided in this section.

#### 3.1 Research design

The purpose of this research is to understand how businesses feel about outsourcing sales functions as well as the challenges that service providers deal with. The goal will be accomplished by responding to the study's research questions, and this thesis will use a qualitative research methodology to do so. With the aid of qualitative research, the researcher can obtain a thorough understanding of the context of the study, which frequently entails interacting with people in their daily lives. (Gray, 2017.)

This study is performed to get a deeper understanding of the phenomenon as there seems to be a considerable gap in sales outsourcing research (Riepponen, 2019). In addition, it will also investigate the current operating environment of the Finnish sales outsourcing market to identify its challenges and opportunities for growth. By asking various questions to the experts to do it correctly, the researcher hopes to increase the present understanding of the sales outsourcing or sales out-tasking industry and business in Finland through this study.

The case study research design was the best option for carrying out this investigation. Because it was intended to analyse the industry, the actors that operate in it in a specific area, as well as the opportunities and difficulties associated with it. To collect thorough information on the research topic and seek answers to the research questions the author set out to investigate before beginning the study, there were specific stages to be followed throughout the entire process.

### 3.2 Data collection method

A researcher actively participates in the whole study process in qualitative research. A researcher must be able to understand the social world from the perspective of the informants and have faith in their capacity to accurately portray the social reality to remain objective. (Bryman & Bell 2007, p.416.) Additionally, the goal of qualitative research is to find patterns in a data set so that it can draw conclusions and create hypotheses for further investigation. Data gathering is a crucial component of research design, and effective data collection can contribute to the success of the study. It refers to the information gathered to address critical evaluation questions that have been identified during the evaluation process. (Buratti, 1999.)

Interviews are used to gather primary information about people's behaviours, perceptions, beliefs, and attitudes. They can also gather data on past or current behaviours or experiences. (Education Development Center, 2005.) In-person, telephone, and internet interviews are all options (Harrell & Bradley, 2009). One type of official interview is a semi-structured interview, which is also known as a focused interview. It is frequently employed when a researcher wishes to delve deeply into a subject and comprehend the responses offered. (Harrell & Bradley, 2009.)

#### 3.2.1 Semi-structured interviews

There are numerous ways to gather information, with interviews, focus groups, surveys, and observation being the most popular. In this paper, the primary method of semi-structured interview is thoughtfully applied in accordance with the significance of the data collection. According to Gray (2017), interviews are advised for exploratory research where the researcher wants to look at experiences, opinions, attitudes, values, and processes. This is the case in this instance, so this technique was selected. Because it examines a phenomenon that is not sufficiently understood, this study is exploratory in character. (Hirsjärvi, Remes, and Sajavaara 2009.) The research topic was exploratory; hence a qualitative technique was used for this study. Furthermore, abductive reasoning is used because the results of previous studies in outsourcing outcomes provide some theoretical background for the study and support the collection of empirical data. Abductive reasoning is having certain preconceived notions about the theory before beginning the data collection process, and the researcher then seeks to confirm these preconceived notions by gathering and examining empirical evidence. (Hirsjärvi & Hurme 2008, p.136.)

It is crucial to have a small sample size and conduct sampling flexibly in qualitative research to analyse topics thoroughly and perceive the diversity of the topics. This is because qualitative research is done to gain thorough insights into selected phenomenon. Purposive sampling is a technique used in qualitative research where researchers specifically choose participants who are informed about the research subject. (Hennink et al., 2020.) The companies are picked from the Finnish company information websites [businessfinland.fi](https://businessfinland.fi) (2023) and [fonecta.fi](https://fonecta.fi) (2023). Due to the small number of current players in this sector in Finland, the number of respondents was low; there are only about 15 providers of sales outsourcing services in Finland, according to the information available. During the process, the respondents were notified about the study's purpose and asked for their assistance via email. They were then contacted later by phone to inquire about their availability and, followed up to set up an interview time with them. As most respondents are either decision makers or business heads and are directly involved with sales, online interviews were taken as timely in-person availability for the interview was not possible due to their busy schedules or business travel.

### 3.2.2 Interview Process

Interviewing is the most often used research method in qualitative research, claim Hirsjärvi et al. (2009) The amount of information gathered may be managed by the researcher when conducting interviews. Being in such intimate contact with an interview subject also enables the researcher to encourage the subject to open while flexibly rearranging the questions as necessary. Additionally, both during and after the interview, the researcher is permitted to ask extra questions if the circumstances call for it. Popularity and adaptability alone, meanwhile, are insufficient justifications for choosing a research methodology, resolving the research topic, the approach or procedures must be reasonable. (Hirsjärvi et al., 2009.) The purpose of this study is to obtain an understanding of a recent phenomenon in terms of how various experiences of those who have encountered it may be. Interviewing was therefore chosen as the research method for this study because it allows both the informants to express themselves freely and openly and the interviewer to adapt to emerging, potentially new topics and to develop more in-depth questions as needed. (Hirsjärvi et al., 2009.)

The sampling strategy is planned to keep the purpose of the research in mind, this method is appropriate when specific individuals are chosen for qualitative study on the grounds that they can provide crucial information. (Gray, 2017.) With the understanding that they can provide trustworthy feedback regarding sales outsourcing or sales-out tasking, the participants are chosen from the industry from both the client and the service providers. Guest et al. (2006) claim that 6–12 interviews are sufficient to meet a specific study goal, thus email communications with the participants would be used to tell them of the interview's objectives. 20 employees will receive the initial call for an interview, with the expectation that there will be enough interest to warrant scheduling final interviews. During or after the interviews, transcripts of each conversation would be created by the author to conduct the data analysis. As anonymity is of utmost importance in research to protect the interviewees' confidentiality, all personally identifiable material would be deleted. In accordance with the sequence of interviews, each interviewee would be given an alphabetical letter from A to Z to ensure their identification for data analysis. The author would then carefully examine any discrepancies and resemblances from the interviews to identify common themes and categorize significant themes to include them as the research's final findings.

When conducting theme interviews to gather empirical data, it is crucial that the interviewees have firsthand knowledge of the phenomenon being studied. (Hirsjärvi et al., 2008.) This will allow them to add to our understanding of the phenomenon. In general, there are two ways to sample: purposefully and randomly. Random sampling improves the dependability of a study by ensuring that participant input is unaffected whereas purposive sampling as a sample technique has disadvantages, much like when thinking about topic interviews as a data gathering approach. Purposive sampling may result in biased samples that may not accurately reflect the entire target population (Hirsjärvi et al., 2008). However, the goal of qualitative research is to gain understanding of phenomena that are novel to the field or to present fresh theoretical perspectives, not to arrive at statistical generalizations. (Hirsjärvi et al., 2008.) As a result, the interview subjects for this study were chosen on purpose. Clients who had experience with the sales outsourcing were consulted since the study aims to identify which factors influence outsourcing outcomes when outsourcing prospecting.

Due to the nature of the research, the author interviewed companies who were providing sales outsourcing services in Finland. According to the availability of respondents from the industry, semi-structured interviews were conducted online with industry professionals like chief advisor and company owner, sales director and consultant, and key account manager. By asking the

interviewee to elaborate on their responses, semi-structured interviews enable the researcher to build and dig deeper into descriptions of the interviewee's responses. (Gray, 2017.)

For the interview to not come across as intimidating, it is crucial to prepare the right questions to ask, as well as the appropriate language and acknowledgment of the interviewees' limitations, according to McNeil (2005). The author, therefore, designed the interview questions in a way that seems simple and is still able to gather all the necessary information. These questions were designed to appear friendly, and the goal of the interviews was also disclosed to the respondents, the interviewees also received advance notice of the interviewer's agenda and queries. Most of these interviews were also recorded and their identity was kept anonymous. The decision-makers or the business vertical heads who were responsible for sales and the designated client accounts of these four sales outsourcing service providers were interviewed to collect the necessary data.

### 3.2.3 Data Collection

The author contacted fifteen sales outsourcing companies in Finland that have been offering sales outsourcing as a service to various industries. Some of these companies are small and medium-sized, and some are run by individuals or a small team. The interviews for the research were conducted in April and May of the year 2023. Following up on emails and calls, five of the fifteen organizations responded, and four interviews were held as a result.

Each interview was conducted online using Microsoft teams. There was only one interviewer and one interviewee present. Each interview lasted around 60 minutes, and 225 minutes of interview content was recorded and transcribed. Because they didn't seem to be relevant to the study, some unofficial discussions and irrelevant data were left out. Out of four interviews, one informant did not feel comfortable having the interview recorded for privacy and security reasons, so only the transcript of this specific interview was obtained for the data analysis. During each interview, 33 questions were asked, along with some follow-up questions whenever the researcher felt necessary to get more in-depth information that was crucial for the research.

In general, all the interviews were informal and carried out professionally and to the satisfaction of both the interviewers and the interviewees. In addition, two of the four informants requested the questions in advance so they could appear well-prepared and respond to them effectively and in the context of the research. As a result, the questions posed for this study were well

received because of their relevance and the deeper understanding they sought. Additionally, it was noted that online interviews were equally as effective as in-person interviews, except for one instance where technical issues caused the interview to start five minutes late. The questions used were all industry-specific and created by the author in a way to gather all the pertinent data required for this research.

#### 3.2.4 Data coding and analysis

Clarifying the obtained data and creating fresh understanding of the topic under study are the goals of a qualitative data analysis. To put it more precisely, the goal is to densify the vast amount of empirical data to extract more information rather than to remove some material and analyse it in a different way. (Eskola & Suoranta, 1998.) There are several techniques for analysing qualitative data. However, a content analysis introduced by Miles & Huberman (1994) is one of the most frequently referenced qualitative data analysis techniques. Data reduction, data presentation, and conclusion drawing are suggested as the three essential steps for performing a good content analysis. The model serves as the foundation for this study's data analysis procedure. Additionally, Eskola & Suoranta (1998) advise starting with transcription and grouping the data according to the themes used in the interviews. This will help the researcher see the vast amount of data more clearly. Additionally, they recommend using a variety of techniques to extract as much rich information as possible from the data, ranging from data comparison to incidence quantification. (Eskola et al., 1998.)

To analyse the data, the author began with carefully listening to the recorded interviews and transcribing them, prints of the files were then made so that the material could be read carefully. Coding was then used to categorize the data extracts and derive themes and patterns, the data was then processed and arranged according to the themes that emerged from the transcription of the interviews taken, some themes were obvious as the questions were based around them and the others were sublimed in the answers received as well as from the follow-up questions asked. After carefully examining each text section, deeper patterns were discovered and the data was then organized in a more accurate and thematic fashion using inductive coding, initial coding was done to understand the data in general and to get the overview, descriptive coding approach was taken, and "comment" feature of Microsoft document was used in developing initial set of codes. Later during the second stage, the data was analysed a little deeper and new codes were

found by using line by line coding, later the crucial material was then categorized by using the thematic matrices, these data were then grouped together under the major themes identified during the process. The themes finally derived in this research were Industry, challenges, opportunity, models, services, benefits, trend, networking, and learning. (Figure 9. to Figure 17.)

## 4 Empirical section

The results of this research are presented in this chapter. The structure of this chapter follows the categories presented in the research framework. First, findings about the sales outsourcing industry in Finland are presented followed by the findings about the players currently operating in this domain and then later the challenges faced by the industry as well as the players who are providing these services. Finally, the findings regarding the opportunities in the sales outsourcing service industry both from the growth and entrepreneurial perspective are presented.

### 4.1 Results

Interviewing participants in the phenomenon was suitable to get a full picture of those involved in selling, serving, or managing clients and making choices or developing strategies in one way or another. In other words, starting with the management or decision-makers (COO, CSO, CAO), moving on to the sales managers (KAM, BDM, SDM, SM), and the specialists (Advisors).

The decision makers are the management team who are interacting with the top executives at the client side and are constantly getting briefs and are the front face for clients, who usually make strategies or are a part of it. The client servicing team are the ones who are often in touch with the clients regarding the day-to-day procedures and reporting, whereas the sales team is closing deals which are also helped and supported by client's own sales team, there are also partners involved with sales outsourcing team who usually brings the customers or have initiated initial conversations in many cases.

Company 1: Provides international sales force using a turnkey methodology and assists customers with funding, go-to-market strategy, and partnership strategies. It has a wide network of seasoned sales strategists and experts spread across Europe.

Interviewee 1: Is the chief advisor who is running his own sales outsourcing company for the past 15 years and have over 30 years of experience,

Company 2: Provides outsourced B2B sales solutions in many industries, along with experienced sales consultants who also do sales.

Interviewee 2: Is the sales director who is leading the sales team currently, he started as a consultant and was promoted to the sales lead before his current role within the span of 4 years working with the second sales outsourcing company (Company 2) he has over 8 years of experience in sales.

Company 3: Develops and implements customer service and sales for its clients and offers services to companies who want to increase their sales.

Interviewee 3: Is the Key Account Manager and Senior Consultant with a sales outsourcing company (Company 3) who has over 20 years of work experience including 13 years of management, 10 years in sales, and seven years of sales management experience.

Company 4: Creates and generates sales meetings for their clients and offers them services like sales outsourcing, lead generation, and management, meeting planning, and is involved in the creation of various sales process stages.

Interviewee 4: Is the head of sales and key accounts who has been working with company 4 for around two years now and has about 6 years of experience in sales and servicing.

All the four interviews were conducted online via Microsoft Teams as preferred by the interviewees, out of which three were recorded and transcribed as permitted. The questionnaire structure was shared with two informants beforehand as requested by them. The results pertaining to each category are provided in a category-specific summary at the conclusion of each category (Figure 6 to Figure 14).

#### 4.1.1 Industry

According to most of the informants, the sales outsourcing market is still relatively young, smaller than other European or worldwide markets, and does not yet have a widespread usage. It was thus surprising to find that several of the participants did not have much knowledge of their rivals. The respondents also indicated there must be several factors, but as Finland is a small nation and behind larger markets like the US, UK, Netherlands, Germany, and Italy in terms of sales. However, the consumer-oriented industry like cell phone retail and electricity for sales outsourcing is already large. Meeting planning is also a significant industry, and there are several businesses offering this service or that of SDRs (Sales Development Representatives), although the volume of sales in the B2B sector is still rather low.

One of the companies that were interviewed started operating only a few years ago, and according to them, there were hardly any companies present at that time. However, now there have been at least a dozen companies that have started to do something similar. According to him, there is undoubtedly an increase in demand, but there has also been a significant increase in the supply side. The traditional sectors that outsource their sales include the media (newspapers, magazines), insurance, and telecommunications.

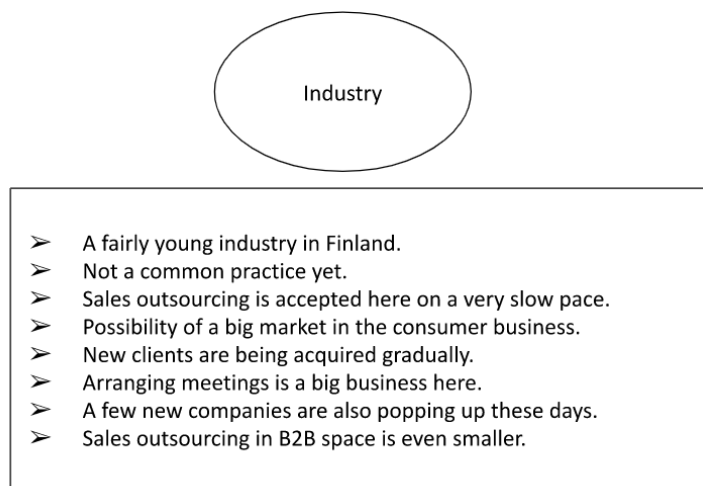


Figure 9: Outcome on industry

#### 4.1.2 Challenges

During this research, several challenges were also discovered from the perspectives of the sector and the companies. It was found that most companies are delaying or withdrawing their decisions to invest in new projects because clients are watching their money much more carefully. Additionally, some of the clients are VC (venture capitalist) funded, and the recent changes in the pattern of VC funding are also delaying or stopping decisions. Another issue raised by one of the respondents is that many participants begin to sign contracts without making enough plans or preparations and that lack of desire to compete to be the best in the field, to be ready and receptive to new ideas, and the effects of war, inflation, high-interest rates, and other factors are also other issues.

The customer's maturity level is undoubtedly one barrier, and it only gets easier if a customer has previously chosen the process. Sales processes are a little bit complicated, and sales cycles are typically lengthy as well. The customer needs to be educated first or told what to do because they don't understand themselves. Another respondent said that there are a variety of participants in the industry, particularly those that operate overseas, who are not very well-run. This can present a problem since these businesses have somewhat damaged the reputation of sales outsourcing. Additionally, finding skilled salespeople is harder than ever before, and you don't want to do a bad hire.

It was also learned that Finnish companies are not so keen on outsourcing and may want to keep the core business functions to themselves and the reputation of sales in Finland, in general, is bad as Finnish people have a negative sentiment towards sales and thus companies are afraid that their company reputation may get damaged. Additionally, businesses and people in Finland often possess very little sales expertise. Therefore, there is a low degree of trust in sales outsourcing, and most of the revenue models are still conversion-based. Most participants receive a commission on finished agreements, for instance, but this doesn't benefit the business, and as a result, the sector suffers because many businesses find it difficult to adopt any new business models. Also, many of the small companies who come on board and use sales outsourcing services, out of these ten startups, eight fail because they don't find the product market fit.

Another difficulty discovered was the length of B2B sales cycles, which can range from three months to two years depending on the complexity of the service. Since customers may not see conversions for some time, the buying process may be difficult to persuade them to continue, and there are numerous filters. As a salesperson, you must persuade many individuals inside the purchasing organization. It takes more than just making phone calls, setting up meetings, submitting offers, and concluding deals. It can take a very long time to complete.

In Finland, outsourcing is still extremely uncommon in all business sectors, and consumers tend to believe that it results in inferior quality since businesses just do it to save money. Companies frequently believe that it is crucial to maintain control over their sales. Additionally, occasionally the services or goods they are providing are so complex that no outsourced firm could possibly market them. The method in which services are offered and money is made simultaneously with quality is another significant concern. Finding employees is probably the biggest challenge for employers right now, followed by rising inflation and rising wages. Even if you are able to hire the best salespeople and try to keep them on board because they are talented, there are many other businesses vying for their attention. Language barriers are also a problem in sales; for example, if a firm wants to provide service to a German company, it must offer to use German-speaking salespeople, which is very difficult to locate in Finland.

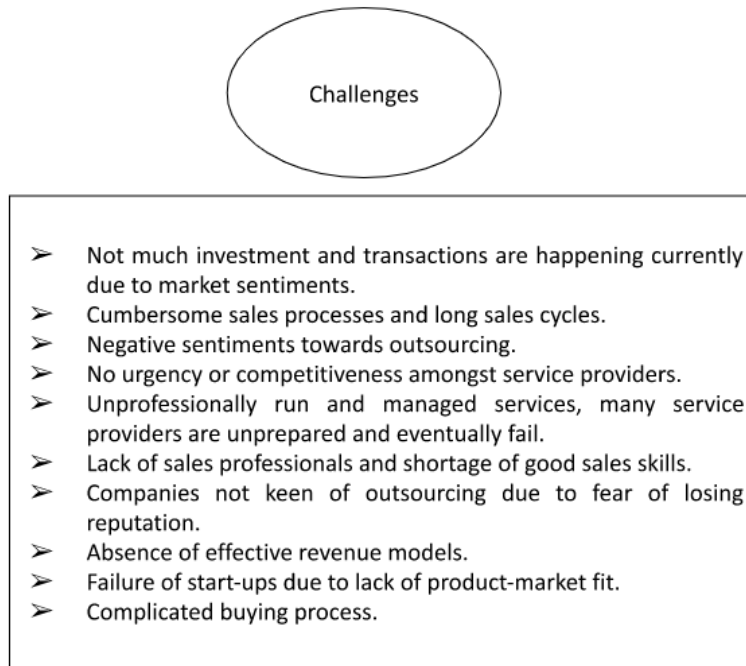


Figure 10: Outcome on challenges

#### 4.1.3 Opportunity

As a result of the qualitative research conducted with the interviewees, the sales outsourcing industry has been described as a very big opportunity in the future along with several other opportunistic revelations that have emerged in the process. This is because all of the informants chosen by the author have worked in the sales outsourcing industry for many years and have managed businesses and clients on different levels. In a service provider, according to Figure 2 from a survey conducted by Deloitte (2022) these It's a faster way to market because if you choose your sales profession well, they are typically connected people, experienced people who can adapt, for example, new technologies quicker and they have an existing network so they can kind of picture. Sales outsourcing is a great way, especially to open new markets in new geographical locations or to bring a new product or service into an existing market.

It was also indicated that outsourcing sales will become more popular and an accepted and common practice, especially in opening new businesses in new markets for new products, new services, or geographies, as it makes sense to hire outsourcing professionals as hiring own team takes

both heavy investment and time. As a Finnish company, one can offer, for instance, to help a Munich-based technology company open in the UK market and can also help them in doing the market research, preparing go-to-market plans, and can hire local salespeople in the UK. Doing business internationally is undoubtedly possible thanks to covid-19, which has eliminated the need in many cases to meet in person.

In Finland, the percentage of sales that are outsourced is relatively low. It merely makes up a little portion of the entire business. And if the proper team is found to accomplish it and businesses are persuaded to perform good sales with a partner, I believe there is plenty to gain and a strong opportunity to develop in new business sectors. More amenable to this than those who are retiring are the younger generations who are joining the workforce through family ties or inheriting family businesses because they believe that outsourcing may be a significant and lucrative business strategy.

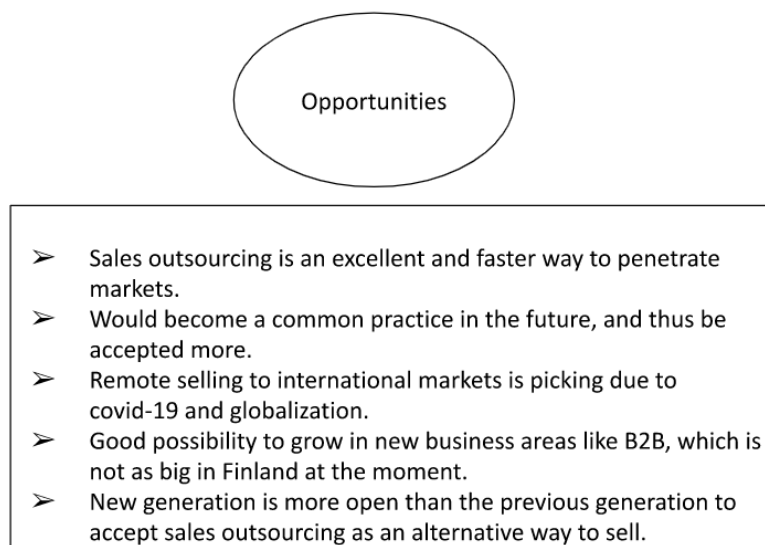


Figure 11: Outcome on opportunities

#### 4.1.4 Models

It was also discovered that this sector employs certain models, or a mix of many models for producing income and employing staff. These models may not be effective and call for new innovations to create a better and healthier workplace. The most popular and effective business model

now is a combination of a monthly fee as a retainer and a commission on closed sales. The revenue model for this industry can range from pure commission only, which most respondents believe doesn't work, to a combination of both. In this sector, the service and goods determine the commission or revenue. The fixed hourly rate payment model is more favourable in some cases as it is less complicated than the commission structure both for the service provider as well as the client, but sometimes depending on the assignment it may also be considered to have a CPO (Cost per order) or even a combination of hourly rate + CPO.

Outsourcing sales service providers prefer to hire contractors, people who operate primarily through their own businesses, and most existing clients prefer part-time consulting versus full-time consulting. The sales team may work on multiple assignments, one consultant may be working with several different companies at once, and there may also be clients who have several different consultants working for them. Accordingly, depending on the task, there may be 1 to 3 customers for a single consultant and 1 to 3 consultants per organization.

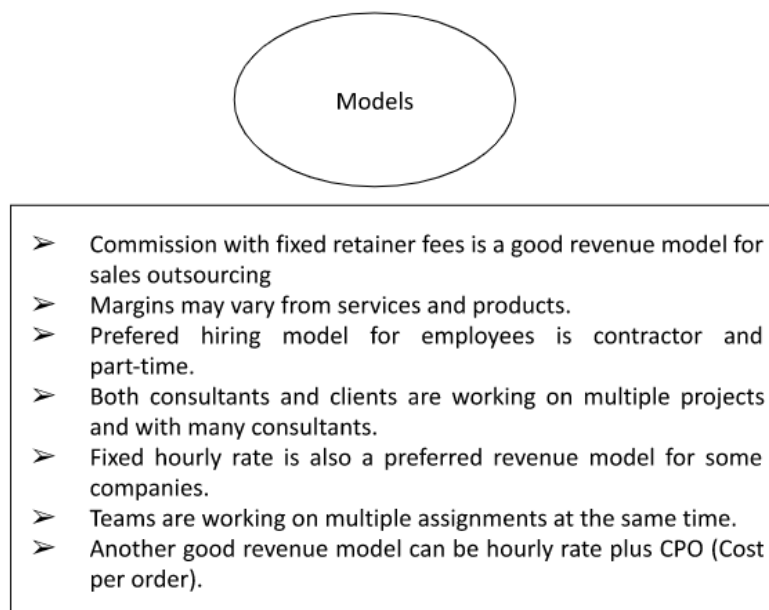


Figure 12: Outcome on models

#### 4.1.5 Services

Along with sales outsourcing, which complements the core service, there are several additional services that the participants in this business also provide. A few of these services were also suggested for packaging and selling to the clients. Some service providers provide a service bundle that includes market research and a market strategy. They integrate sales services, market research, and preparatory consulting. Along with sales, marketing is a crucial service to provide. Lead generation and digital marketing, for instance, are crucial components of the buyer's journey and can thus be given along with sales. Along with some technological solutions and data services, customer service and sales often go hand in hand.

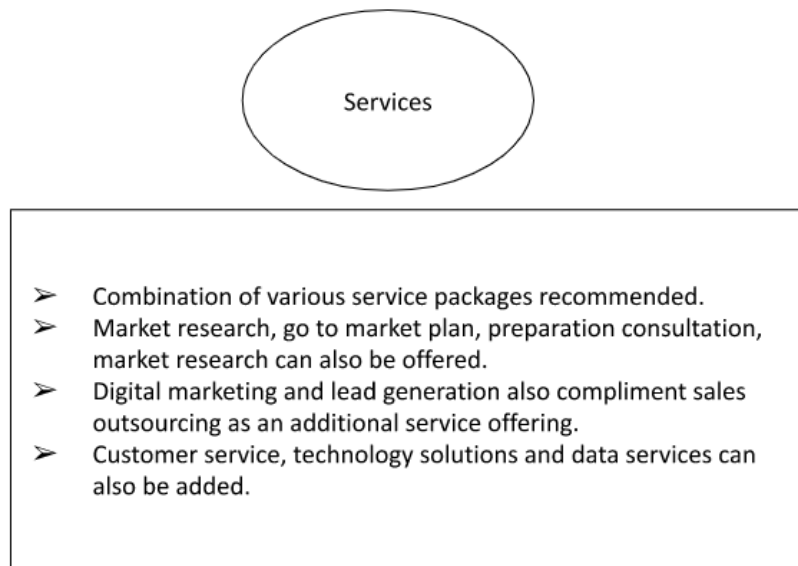


Figure 13: Outcome on services

#### 4.1.6 Benefits

All the informants and industry participants agreed that sales outsourcing has several advantages for customers as well as market participants and sales professionals. As a result, this industry will continue to develop and grow, just like it has in other regions of Europe or around the world.

Go-to-market is faster, it's more profitable and less risky. Another advantage is that finding outstanding salespeople is tough and expensive since hiring strong salespeople is becoming more and more competitive. It takes six months, but starting to work with a sales outsourcing service provider may only take a week to start selling something, so it's much faster to get started, but it's also a way to manage the risk of hiring given that companies struggle to find good salespeople and keep them. Therefore, it's a smart approach to spread out the risk of recruiting to have both your own salespeople and a partner who handles sales outsourcing. Also, the fact that many salespeople pick a sales outsourcing service provider over a single employer was also seen to be fascinating. Since sales professionals sometimes find working for only one firm monotonous as you study the product and then after you know how to market it, it may get somewhat repetitive, it is thus much simpler to locate salespeople to work for than for some other companies. Additionally, it allows the salesman to spread out their risk by working with many businesses at once rather than depending just on one for income. It gives the clients more flexibility and they don't have to care about recruiting or sick leaves or vacations. They can just buy the service and concentrate on their core business and goals.

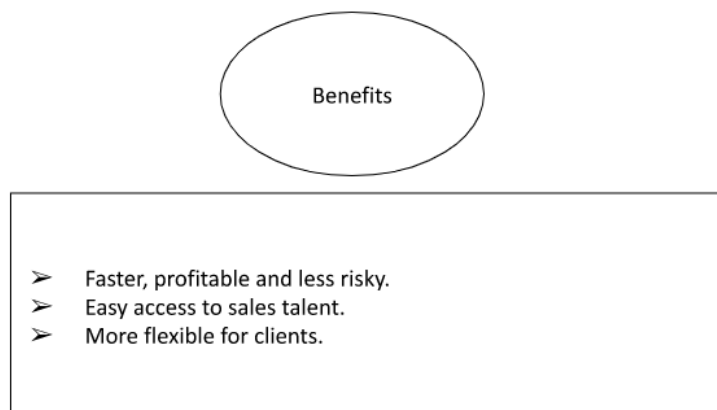


Figure 14: Outcome on benefits

#### 4.1.7 Trends

Even though the Finnish sales outsourcing business has been relatively consistent for many years, numerous methodologies, procedures, and viewpoints are evolving. Due to the importance of innovation and technology, for instance, in sales, these changes have been accepted and are presently being used, according to the research.

The most significant and quickly evolving item is data, as well as the processing and use of that data. Data is gathered in a completely new way, discovering accurate information for the ideal target audience for each campaign to start conversations with potential clients. You gather data, and artificial intelligence is available to, among other things, suggest the subsequent action. The tools available to salespeople are constantly improving. Information, instruments, and AI, such as this GPT discussion, and it is something that significantly affecting this sector, as well as how business is conducted and how sales are made. The labour market also has an impact, as does technology, along with consumer behaviour, including how they shop and make purchases.

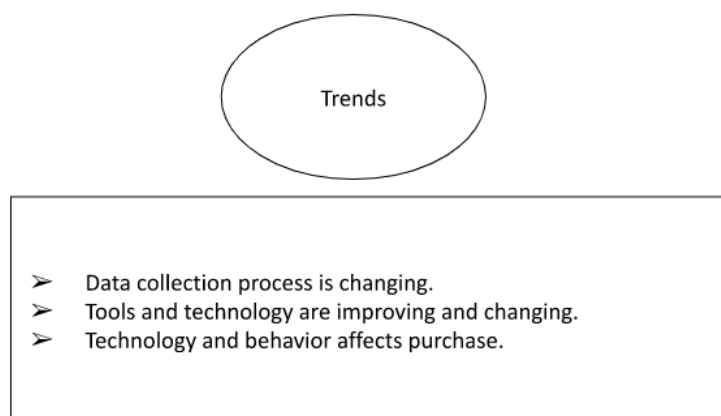


Figure 15: Outcome on trends

#### 4.1.8 Network

Since it is so important for businesses to maintain a worldwide connection and offer services in and for new markets, the sales outsourcing sector operates primarily through networking and partnerships. You collaborate with both internal and external partners to ensure that operations, delivery, and execution go well.

With prospects, associates, and external or internal partners, a solid network is highly crucial in everything in this industry. Service providers may receive leads from their partners through joint webinars, finding the right salespeople, or partnering with market players like venture capitalists and businesses that interact with target customers. They may also participate in other marketing and promotional activities like events both inside and outside of Finland. Even before they are in need of a product or service from the service providers, it is crucial to get to know individuals.

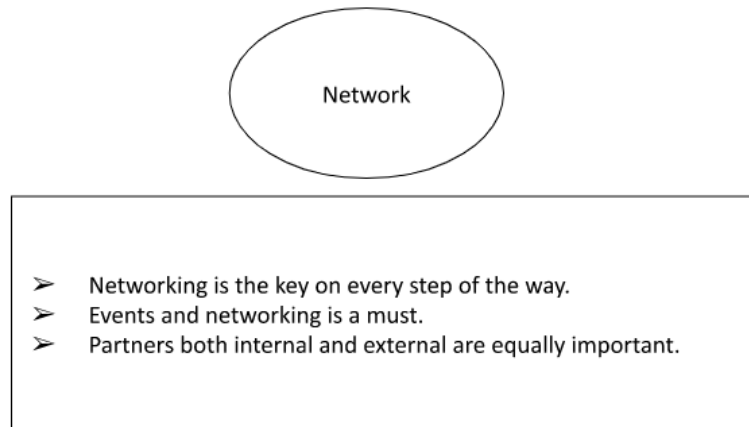


Figure 16: Outcome on network

#### 4.1.9 Learning

During this research and interviews conducted on the industry, a lot of questions were asked from the informants in order to dive deeper and learn further about the subject, during the process it was noted that there have been learning on both individual as well as professional level of all the interviewees which they very happy to share for this research.

Service providers need to have a plan in place because sometimes if they haven't done their homework, it may not only be fatal for the client but may also damage the image of the industry itself, having the right communication is another issue that customers frequently struggle with. Therefore, one needs to concentrate on communication and openness if one wants to be successful in this business, especially in a complex B2B sales environment where it is more about understanding what the customer needs and what kind of problems they have, and which apparently is poorly managed in the industry. Finnish companies are also still following primitive selling practices which are not doing much good. Trust is also one of the most important things to have a successful and lasting collaboration with the clients, as well as to be able to convince them to work together on bigger assignments. According to a few respondents, Finnish enterprises and sales outsourcing service providers both acts more like they are attempting to sell a product than they are helping or asking the customer thoughtful questions before making a sale.

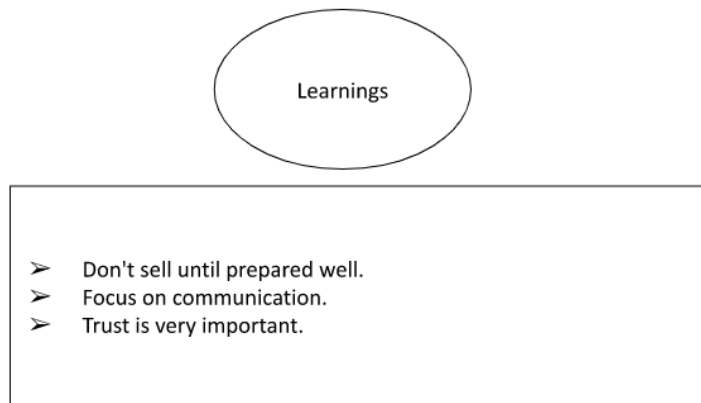


Figure 17: Outcome on learning

#### 4.2 Development Task

This research has been self-commissioned by the author and is an extension of his own professional journey, interest, and contribution to sales outsourcing. The author has been working in B2B sales, representing various international brands and selling them on their behalf as a sales outsourcing professional or sales representative in India. During the thesis assignment and development task he wanted to research a topic that he is already been associated with professionally and wanted to find out about the same industry in Finland from an entrepreneurial perspective, as during his initial research he realized that in spite of having a huge potential and industry growth in other European countries and other geographical locations, sales industry in Finland apparently is still on a very initial stage and have not been able to channelize the opportunities presented in this business.

Through this research the author tried to find out about the sales outsourcing or out-tasking industry in Finland, the players operating in this market, its scale and performance, growth and patterns, challenges and bottlenecks, and finally the opportunities in the sales outsourcing industry in Finland from the entrepreneurial perspective. The initial research result compelled the researcher to dig deeper, as there was hardly any research done on this topic and there was not any data present that could give the author any clues. On realizing the big gap present in the research on this subject, the author decided to take up this research and find the answers of the research questions.

The author decided to reach out to the industry players and find out about the current situation of the sales outsourcing industry in Finland, why there are not many players operating in this business, what are the challenges this industry is facing along with operational challenges faced by the service providers and how they can be resolved for both. Also, what are the opportunities that they think are presented in this market, and how the same can be tapped, the author also discussed during the qualitative research and interviews conducted about the learning that these players may have acquired while working for years in this environment and if they think that this industry has a potential for business for budding entrepreneurs. The author prepared the questions and categorized them as general, industry, company, challenges, and opportunity specifically for the study in a way that a 360-degree view of the industry can be covered and deeper insight into the industry and market players can be gained along with many other important factors to be considered in concluding the findings.

The data gathered was later analysed using relational quality content analysis, where the primary data was tabulated in words and phrases and further coded and categorized. The study revealed a lot of interesting findings about the industry, the market players present, their operating models and approach taken towards reaching their target audience in order to close the sales, creating networking and establishing partnerships, hiring processes, trends affecting the industry, and finally learning and opportunities that they realize this industry would present to them or new players in the future.

From this research, the author concluded that the sales outsourcing industry in Finland is still at a very early stage, especially the B2B space, and has not been tapped and handled well, the speed is slow but taken an aggressive and experienced approach and having a team of right professionals and hiring as well as forming right partnerships and networking through both domestic and international events and marketing initiatives, all the opportunities presented can be utilized well by both the existing and new entrepreneurial ventures.

## 5 Conclusions and Discussion

This section concludes the research, discusses the result of the research, and reflects the relationship of the research and development with the framework. It also informs if the research questions have been answered and further sheds light on the limitation of research and give suggestions for further research.

### 5.1 Synthesis of findings

This research contributes by finding the facts and identifying the challenges regarding sales outsourcing in Finland, as outsourcing globally is a very big industry, outsourcing sales functions as a practice has been accepted at many geographical locations worldwide including Europe by many industries and is even catching up further (Figure 1.) but in Finland, outsourcing is constraint mostly with the IT industry and sales outsourcing has been practiced only in consumer retail, electricity, media (print) industry and there are only a few players who have been providing sales outsourcing services and even fewer are providing services across international borders. B2B sales outsourcing is even more challenging and contributes less to the performance of this industry. The sales outsourcing industry in Finland is very small in size and has a lot of business opportunities and potential to grow as it is not yet a common practice and thus open to being explored even if there may be some challenges both from the sellers as well as buyers perspective ranging from perception and reputation to openness and willingness to take it further (As based on the results of this research). There was hardly any research done on the sales outsourcing industry in Finland earlier, even so much so that for almost all the respondents this was the first ever contribution and interviews on research on this industry, the researcher also realized that there are just a handful of players who are operating in this business space.

The initial research done by the author indicated that there are a few players who are operating in the outsourcing space and providing services like inbound/outbound CallCenter or telephone sales, tech support, customer service, meeting bookings, stand sales, face-to-face, and door-to-door sales or field sales along with other professional services like sales outsourcing consulting and go-to-market services to name a few, later when the author dig deeper during this research he found out that the services offered are divided on the basis of target audience and thus are

with being offered as B2C services or B2B services, however in Finland the B2C space is a bigger pie in this industry and B2B holds up a lesser space in terms of outreach and volume in comparison.

The results of this research are significant as several challenges were found including that the customers are managing their money much more cautiously these days, it was determined that the majority of firms are delaying or cancelling their plans to invest in new projects owing to war and inflation, and a number of other issues were observed from the perspectives of the industry and the enterprises. Undoubtedly, one hurdle is the client's level of openness. It only gets simpler if the customer has already selected the process since Finnish businesses are often averse to outsourcing and may want to retain a lot of the services within. One of the other factors is that sales generally don't have a good reputation in Finland since a lack of professionalism also seems to have hurt the reputation of the sales outsourcing sector, which has a terrible attitude towards sales. Companies worry that if they choose the incorrect sales partner, for instance, their company reputation might suffer because outsourcing can be viewed as a bad thing in and of itself. Sales cycles can last up to a year or even longer depending on how sophisticated the service is, and sales methods might be a little convoluted. The purchase process may be challenging to convince buyers to continue because there are many filters, and it may take some time before they see conversions. You must influence numerous people in the purchasing organization as a salesperson. There are more steps involved than merely calling people, scheduling meetings, presenting bids, and closing agreements. It can take a very long time to finish.

Since it's not a typical option for them, the consumer needs to first be informed about the procedure and its advantages. Additionally, businesses and individuals in Finland frequently lack significant sales competence. As a result, there is limited faith in sales outsourcing, and most revenue models are still conversion-based. The industry suffers since many firms find it challenging to embrace any new business models, for example, most participants get commissions on completed agreements, even though this doesn't help the business. Additionally, most businesses who sign up for sales outsourcing are tiny businesses that have not yet discovered product market fit and are vulnerable to failure since they lack the resources to find the market yet.

In all business sectors in Finland, outsourcing is still incredibly rare, and because companies often only outsource to save money, customers tend to think the work is of lower quality. Many businesses feel that keeping control of their sales is essential. In certain cases, the products or services they are offering are so complicated that no outsourced company could reasonably sell them.

Another important issue is the way services are provided and money is made while maintaining quality. The largest difficulty facing companies right now is undoubtedly finding workers, followed by increasing inflation and rising salaries. There are many other companies fighting for their attention, so even if you can employ the top salesmen and strive to keep them on board because they are brilliant. The inability to communicate effectively is an issue in sales as well. For instance, if a company wants to serve a German company, it must offer to utilize German-speaking salespeople, which is highly challenging to find in Finland.

All the informants and industry participants agreed that sales outsourcing has several advantages for customers as well as market participants and sales professionals. As a result, this industry will continue to develop and grow, just like it has in other regions of Europe or around the world as go-to-market is quicker, more lucrative, and less risky. Another benefit is that employing excellent salespeople is getting more and more competitive, making it difficult and expensive to locate exceptional salespeople. It takes six months to locate talented salespeople and maintain them, however working with a sales outsourcing service provider may just take a week to start really selling things, making it considerably faster to get started. Therefore, having both your own salespeople and a partner who handles sales outsourcing is a wise strategy to spread out the risk of hiring. It also further gives the clients more flexibility as they don't have to care about recruiting or sick leaves or vacations, they can just buy the service and can concentrate on the important things.

It was also seen to be remarkable that many salespeople choose a sales outsourcing service provider over a single company. It is much easier to find salespeople to work for than for some other firms since sales professionals often find working for only one company very tedious as you study the product and then when you know how to market it, it may seem somewhat repetitive. Additionally, by working with many companies simultaneously rather than relying just on one for income, it enables the salesman to spread out their risk. The sales outsourcing business has also been characterized as a very large potential in the future because of the study done, along with various other opportunistic disclosures that have occurred in the process. This is since the author's chosen informants have all had extensive experience managing clients and companies at various levels while working in the sales outsourcing sector. It's a speedier approach to advertise because, if you select your sales profession wisely, those in it are often well-connected, seasoned individuals who can quickly adapt to new technology, for instance, and who have a network that allows them to visualize. A new product or service can be introduced into an existing market through sales outsourcing, particularly to open up new markets in new geographic regions.

According to respondents' predictions, outsourcing sales in Finland will grow in popularity. It's going to be a frequent practice, especially when starting new firms in new markets for new goods, services, or regions. After all, hiring your own employees requires a significant financial commitment, so outsourcing specialists make the most sense. The proportion of sales that are outsourced in Finland is rather small. It just constitutes a very small fraction of the whole business. And if the right team is put together to complete it and companies are convinced to do successful sales with a partner, there is a lot to gain and a great chance to grow in new business areas. The younger generations who are entering the workforce through family ties or inheriting family enterprises are more receptive to this than those who are retiring because they think outsourcing may be a substantial and successful business strategy.

As the author investigates the entrepreneurial opportunities presented by the sales outsourcing industry in Finland and discusses the Ardichvili et al. (2003, p. 118) model of entrepreneurial opportunity identification and development in this research, the synthesis of the findings concludes that the entrepreneurial opportunity in the sales outsourcing industry in Finland exists in abundance and if the same could be matched with personality traits, social network, prior knowledge and entrepreneurial alertness as described in the theory of Ardichvili et al. (2003, p. 118) it can change and improve the way sales is done in Finland.

The commissioner (self-commissioned) benefits from this research as he wanted to find out if there are any opportunities in the sales outsourcing industry in Finland and if he can open and profitably run a sales outsourcing company in the Helsinki metropolitan area, it was also required to have the knowledge of the operational aspects, procedures and models used by the sales outsourcing service providers along with the information and awareness about the challenges faced both due to the internal as well as external factors, the research just did not help the commissioner gain in-depth insight of the industry, its challenges, and opportunities but also benefited from the experience and learning of all the industry experts which acted as the informants in this research. Being a B2B sales professional and sales representative himself with many years of experience in a different geographical location, the commissioner sees this research as an opportunity to utilize and built on his own expertise and learn more about the sales outsourcing industry works in a new location. He also feels that with his previous industry experience, learning, and exposure to a different yet very competitive and profitable environment, he can add a lot of value to this industry and business here in Finland.

### Correlation to theoretical framework

As there has not been any research done earlier on the topic and subject, the results can't be compared with the existing research, however, this research is quite significant in terms of the industry findings and their relationship with the theoretical framework of this research. The research indicates that none of the service providers, and their clients according to them seem to practice or utilize the outsourcing theories in deciding various aspects of outsourcing or the business impact that it can bring for them, this makes even more sense to practice or imbibe such models during the current scenario of sales outsourcing industry in Finland as there is a lot of scepticism on one side and in order to counter that the clients need to be made more aware and be educated about these theories and benefits it can provide.

The theoretical models used in the framework of this research such as TCE (Transaction cost economics) theory in this case can help companies in Finland in making decisions if they should outsource their sales function to third parties or sales outsourcing service providers and implementing the changes caused during the transition along with analysing and selecting the contracts that should be chosen during the execution and build relations with the external partners. CCE (Core competency theory) may also come to the rescue in combining the productive abilities or core competencies of the organization and integrating technologies which is very important from the business perspective and stay ahead of the competition and not be fizzled out as happened with various organizations as they could not keep up with the pace, as with the help of this theory, it can be concluded if the abilities of any organization would be enhanced by outsourcing any business processes or function and can also be used vice versa to map the competency analysis of the service provider or vendor in order to make any future decisions for extending the contract or using any other player. Whereas Relational Theory can be used to examine and monitor every stage of the sales outsourcing function and keep a competitive edge by transforming the relationship between the client and the vendor or changing when required, as it is the only methodology to be used in this context. For the process preparatory phase and to define the tasks to be delegated while choosing the vendor with the best resources and for the company to look at its internal traits and positioning, RBV (Resource-based view) theory can be referred to.

Additionally, as the current scenarios and trends in sales outsourcing are rapidly changing and businesses now have a wider variety of geographic location options, which can help spread outsourcing, now may be the time to ensure that businesses have a sound strategy and framework to manage an ecosystem of third-party relationships in full coordination with their internal

workforce. This is because organizations are more open to using third parties to address their greatest challenges. As a result of several factors, including the increased worldwide connection of markets and people over the past 20 years, the paradigms of sales are evolving. Nowadays, businesses regularly pursue foreign markets, employ people from all over the world, and depend on a worldwide supply chain (Sharma, 2016). Due to this connection, there are more opportunities for employment, but at the same time, regional issues have spread internationally (Ney, 2012). The COVID-19 issue is an illustration of one of these crises; it forced firms to adopt remote work, curtail new projects, and adjust communication patterns; as a result, digitally enabled sales interactions now account for more than twice as much of a company's revenue as conventional sales contacts (Guenzi 2020).

According to Gregg et al. (2020), over four out of five business-to-business sales teams have already shifted to using videoconferencing or phones. It's natural for salespeople to struggle to engage with clients in their preferred technological mode due to their opposition to technology, which is a challenge that is more acute during times of crisis, but if adapted it becomes a daily routine and an accepted pattern at both the sides as businesses benefit from technology. The ever-increasing adoption of technology in business functions also presents another opportunity. Additionally, the model and units for the opportunity identification and development theory by Ardichvili et al. (2003, p. 118) discussed in this study, also establishes the goals of this research further by identifying and mapping the entrepreneurial opportunities presented by this industry in Finland and answering one of the research questions of this thesis.

In conclusion, the set of findings and discussions met the purpose of this study, as the results of the study on the above factors certainly indicates that there are definitely many entrepreneurial opportunities in sales outsourcing in Finland as there stands various challenges in the current ways of doing business via a third party here, but as various models and many geographical locations have proved to be doing good in this industry once they have passed a similar stage and have executed the models well and putting a good team together, as there are various advantages both in terms of cost and long term benefits for the clients, there is a very good possibility for sales outsourcing players to do well and grow while the industry performs better in Finland too.

## 5.2 Answers to research questions

Question 1: Is outsourcing sales function or sales out-tasking a wise business strategy for Finland-based companies?

Go-to-market is faster, it's more profitable, and less risky. It was confirmed by all the informants and industry players that sales outsourcing has various benefits for clients as well as the market players and sales professionals.

Starting to work with a sales outsourcing agency may only take a week to start, so it's not just much faster to get started with the sales outsourcing company but it also is a way to manage the risk of hiring, as companies struggle with finding good sales people and retaining them, a sales outsourcing service provider can give you an instant access to a professional and experienced sales team and it's actually a great way to diversify the risk of hiring, it gives the clients more flexibility and they don't have to care about recruiting or sick leaves or vacations.

Question 2: Why Finland has only a handful of companies offering sales outsourcing services?

The sales outsourcing industry in Finland is very small in size as it is not yet a common practice and thus is open to be explored further, there are also some challenges both from the sellers as well as buyers' perspective ranging from perception and reputation to openness and willingness.

In all business sectors in Finland, outsourcing is still incredibly rare, and because companies often only outsource to save money, customers tend to think the work is of lower quality. Many businesses feel that keeping control of their sales is essential. In certain cases, the products or services they are offering are so complicated that no outsourced company could reasonably sell them. Another important issue is the way services are provided and money is made while maintaining quality. The biggest difficulty facing companies right now is undoubtedly finding workers, followed by increasing inflation and rising salaries. There are many other companies fighting for their attention, so even if you can employ the top salesmen and strive to keep them on board because they are brilliant. The inability to communicate effectively is an issue in sales as well. Sales cycles can also last up to a year or even longer depending on how sophisticated the service is, and sales methods might be a little convoluted. The purchase process may be challenging to convince buyers to continue because there are many filters, and it may take some time before

they see conversions. You must influence numerous people in the purchasing organization as a salesperson. There are more steps involved than merely calling people, scheduling meetings, presenting bids, and closing agreements. It can take a very long time to finish. Another factor is that sales generally don't have a good reputation in Finland since a lack of professionalism also seems to have hurt the reputation of the sales outsourcing sector, which has a terrible attitude towards sales. Companies worry that if they choose the incorrect sales partner, for instance, their company reputation might suffer because outsourcing can be viewed as a bad thing in and of itself.

Question 3: Is outsourcing sales as a service a good business opportunity in Finland?

Due to the study's findings and other advantageous disclosures made during the process, the sales outsourcing industry has also been described as having extremely high future potential. The forecasts made by respondents indicate that outsourcing sales in Finland will become more common. It will be a common technique, particularly when launching new businesses in new markets for new products, services, or geographical areas. Since recruiting your own personnel entails a large financial investment, hiring professionals via outsourcing makes the most sense. In Finland, the percentage of sales that are outsourced is rather low. It only makes up a very minor portion of the entire business. Additionally, there is much to gain and a wonderful opportunity to expand into new company sectors if the correct team is assembled to finish it and businesses are persuaded to conduct effective sales with a partner. Because they believe outsourcing might be a significant and effective business strategy, the younger generations who are joining the workforce through family ties or inheriting family businesses are more accepting of this than those who are retiring.

### 5.3 Reliability and validity of the Research

The research for the thesis was done in accordance with the TENK (2021) guidelines for the ethical conduct of research in Finland. The research strategy was chosen, and the investigation was carried out in accordance with scientific standards. All prior research and other sources of information were correctly credited, and the research findings were disclosed in an honest and responsible manner.

The validity of the data and results is one of the key criteria for any research procedure. According to Zohrabi (2013), "the results obtained from a piece of research" are considered reliable if they are consistent, dependable, and replicable. As a result, research reliability describes how consistently a technique assesses something. The researcher should obtain the same outcomes when the same procedure is used on the same sample under the same circumstances. If not, the measuring procedure could not be accurate (Middleton, 2019). The case study research design was the best option for carrying out this investigation.

The researcher can offer a deep understanding and crucial information about the industry, its challenges, and its opportunities through the qualitative research approach and data analysis. This was helpful for the commissioner (author) to determine from the derived results whether there are enough opportunities presented and whether he should embark on the entrepreneurial journey in sales outsourcing in Finland. The researcher can offer a deep understanding and crucial information about the industry, its challenges, and its opportunities through the qualitative research approach and data analysis. This was helpful for the commissioner (author) to determine from the derived results whether there are enough opportunities presented and whether he should embark on the entrepreneurial journey in sales outsourcing in Finland.

#### 5.4 Limitations of the research

As there has hardly been any research done on the sales outsourcing industry in Finland, the particular topic and field of research for a given geographical location was a limitation in itself, followed by a limited number of existing players in this business currently operating in Finland out of which only a few agreed and available to participate in the process limits the research in question to a certain extent. The companies or clients who are using the sales outsourcing services should have also been involved and made a part of the research by interviewing and analysing their version of data along with even more participants from the sales outsourcing service providers. The author however tried to include both the sides, sellers and buyers but due to availability and information constraint, he had to limit himself just to the providers. He also feels that the interviews should have continued and gone even more at length with the right set of follow-up questions for the respondents, but due to the shortage of time for the interviews, he had to restrict the course of the natural flow of the questions. Additionally, it is not possible to generalize

the conclusions of this thesis to a wider population, although the results seem to apply to the firms that were questioned and hence the whole industry.

#### Suggestions for further research

Even though this study sheds light on sales outsourcing, additional research in the field and on various forms of sales outsourcing is still required. The outcomes of this study cannot be generalized because of its nature. Therefore, further study with a broader focus is needed to fully explain the phenomenon. In addition, this study mainly focused on understanding the viewpoints of the service providers and not the clients and assumed that the same clients or industries would continue to get sales outsourcing services in the future. However, this study did not interview any of the clients who had used the provider side of the sales outsourcing services. Therefore, additional study is required from this angle as well to better understand all the factors influencing outsourcing results. Finally, a thorough investigation of the sales outsourcing business, covering both the client and service provider sides, is necessary to comprehend the full issue and the Finnish sales outsourcing sector.

#### 5.5 Development of expertise

The author developed his own expertise and learned further through the process of doing this research. The research and the development task involved during this thesis have helped him in applying knowledge and selecting processes needed to identify and determine methods to solve working life tasks along with how to acquire and process information and data needed. He also improved his ability in working independently as well as with a team in a responsible manner having synergies in thoughts and efforts and learned to improve managing processes better and assessing his own steps and actions involved in developing structures involved, preparing, and finally reporting and improvising on the output.

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## Appendices

S. No.	Category	Question
1	General	What's your current role in the Organization?
2		What services is your current organisation providing?
3	Industry	How do you think the sales outsourcing/ sales out-tasking industry is performing in Finland?
4		Why Finland has only a handful of companies offering sales outsourcing services whereas there are many players in other European countries as well as globally?
5		Which are the conventional and new industries using sales outsourcing services for their business?
6		According to you, what are the challenges this industry is facing?
7		What are the most important things for a service provider to stay successful in this business?
8		What opportunities do you think this industry has in terms of business and growth?
9		What do you think the client values the most when they are looking forward to partnering with a sales outsourcing service provider?
10		Are there many clients who are looking for sales outsourcing services for their sales functions, and from what industries?
11		Is outsourcing sales as a service a good business opportunity for young entrepreneurs in Finland?
12		How do you think this industry is going to play out in the next five years?

13	Company	Which are the major players in this business? And why do you think they are successful?
14		How many clients has your company served for their sales requirements so far?
15		How many clients do you have currently which are using your sales outsourcing services on a regular or project basis?
16		How big is your Sales outsourcing service team and do they work on multiple assignments at the same time or how do they operate?
17		What's your revenue model for this business?
18		Are you using any outsourcing corporate practices or outsourcing theories or models to manage the business operations, or if you know any of your clients who are using them?
19		What are your biggest learnings in this business or your career as a sales outsourcing service provider or sales representative?
20		Any recommendations for the young entrepreneurs who are just getting started in this business?

21	Challenges	What are the challenges faced by sales outsourcing service providers in securing more business or acquiring more clients?
22		Why are the clients choosing sales outsourcing services, what benefits does it give them?
23		Do you think outsourcing sales function or sales out-tasking is a wise business strategy for Finland-based companies and why?
24		What are the challenges faced at the operation front?
25		What challenges does the client face before and after they have hired a sales outsourcing agency?
26		What do you think are going to be incoming challenges in the near future?
27	Opportunities	Where do you think the real opportunities lie in this business?
28		What are the latest Sales outsourcing trends that you may be aware of?
29		How are the sales functions or sales processes changing with time?
30		What other feasible services can be offered along with sales outsourcing or out-tasking to achieve the sales targets or topline?
31		What percentage of your business revenue is coming from sales outsourcing services and what from others?
32		How do you think the business opportunities present in other European Countries or any other location can be tapped better?
33		How do you leverage networking and partnerships in this business?