



Entering a Nordic financial market

Examining a Norwegian financial company's expansion to Finland

Roope Hauhio

Degree Thesis

International Business Management

2024

Degree Thesis

Roope Hauhio

Entering Nordic financial market

Examining Norwegian financial company's expansion to Finland

Arcada University of Applied Sciences: International Business Management, 2024.

Identification number:

Abstract:

A successful expansion to a new foreign market can grow a business very effectively, while a failed market entry process can cause organizational decline and harm the whole company. In this thesis, the research aim is to provide insights on how to plan and execute a market entry process when entering foreign financial markets. This is done by answering the research question: "What are the different key success factors and pitfalls when entering a foreign financial market?" Previous research discusses important topics around planning, executing, and scaling up a business when making a market entry to a foreign country, including various market entry strategies and forming a unique selling proposition. Entering a foreign market requires knowledge on the local market and various market analysis methods. Previous research discusses marketing strategies and different target audiences for the scaling up purpose. Turnaround management with exit strategies were covered in case the market entry process had challenges. The research in this thesis was an inductive study, and I conducted qualitative semi-structured interviews. Every person involved in the market entry process of Company X was interviewed for the study. A total of four interviews were conducted. The key conclusions of the study were that a company can make a successful market entry even with a suboptimal market entry strategy by adapting and reacting to the challenges and focusing only on the essential aspects of the entry.

Keywords:

Case study, expansion, market entry, Nordic, financial market

Contents

1	Introduction	5
1.1	Research aim and question	7
1.2	Delimitations	7
1.3	Structure of the thesis	8
2	Theoretical framework	9
2.1	Market entry strategy	9
2.1.1	Approach	9
2.2	Why enter new foreign markets?	9
2.2.1	Foreign direct investment	11
2.3	Unique selling proposition	11
2.4	Market analysis	12
2.4.1	Competitive forces	12
2.4.2	Market boundaries	13
2.4.3	Barriers of entry	16
2.5	Marketing	18
2.5.1	Defining target audience	18
2.5.2	Digital marketing strategy	18
2.5.3	Digital marketing campaigns	20
2.6	Turnaround management	22
2.7	Exit strategies	24
3	Method	26
3.1	Research method	26
3.2	Data collection	28
3.3	Data analysis	29
4	Results	33
4.1	Business planning	33
4.2	Role of local management	35
4.3	Turnaround management	37
4.4	Growth expectations	39
5	Discussion	41
5.1	Business planning	41
5.2	Role of local management	43
5.3	Turnaround management	44
5.4	Growth expectations	46
6	Conclusions	48
6.1	Practical implications	49
6.2	Limitations	50

6.3	Ideas for future studies	51
References	52
Appendix 1	56

1 Introduction

A market entry process has many varied factors to account for, and the outcome of a company's market entry to a foreign market can have a crucial impact on the future of the company. This thesis focuses on market entry to a foreign financial market. The case study company operates in the financial sector and offers financial services to its customers. When looking at similar rivaling company's performance in financial markets, one of the biggest international media groups, Schibsted Media group, expanded to multiple new foreign markets with its financial services offering Lendo brand without sufficient preparation and focus. Failed market entries caused Schibsted to cease Lendo operations in multiple countries while incurring losses of approximately 50 million NOK in 2022 alone. (Schibsted, 2023) Making the right decisions when planning and implementing a market entry strategy is essential, as the company will have to make decisions that have long-term ramifications. It is extremely costly to change the mode of entry once the company has committed to it, and the mistakes can cost the company a lot of money or even bankrupt the whole business (Glowik, 2016 p. 132). According to Jin et al. (2018), companies can face diverse kinds of challenges and struggles with their expansion to foreign markets, costing them a considerable amount of time and resources.

This thesis about Company X expansion to Finland aims to figure out what are the different key success factors and pitfalls when entering a foreign financial market. In this thesis, Company X refers to the Norwegian parent company and Company X Oy refers to the Finnish subsidiary of the Company X that was establishing during the market entry. Company X was founded in 2018 and the company expanded its business to Finland in 2022 when they established a subsidiary Company X Oy. Company X is a company focused on loan mediation in the B2C market.

Company X offers a loan mediation service for mortgages, secured and unsecured loans, while specializing in loan consolidation for its customers. When Company X mediates loans, the customer fills out an online loan application and Company X forwards the applications to multiple different banks that they have listed as their partner. Banks review the customer's application and either reject the customer or give out a loan offer. Company X then displays the possible loan offers to the customer and helps the customer to select the offer that is the most financially beneficial to them.

The financial market has gone through very eventful times in the past couple of years. The Finnish Parliament has implemented an interest rate cap for unsecured consumer loans in 2019 to reduce the accumulation of credit remarks and debt of Finnish households. During the COVID-19 pandemic, there was a temporary interest rate cap together with marketing restrictions that further hindered the operational environment. The newest addition is yet another interest rate restriction that was implemented at the beginning of October 2023 (Eduskunta, 2022).

The general market for loan brokers has been getting harder over the past couple of years. The COVID-19 pandemic together with temporary legislation caused some of the loan brokers to exit the Finnish market. The competitive landscape is challenging for Company X as Sambla Group acquired the market leader Rahalaitos in 2021, and further improved their standing in the loan consolidation market in 2022 when they also acquired Salus Group Oy and LVS Brokers Oy (Sambla Group 2021; 2022). Sambla Group holds the majority share of the market after the acquisitions. Kim and Mauborgne (2017) define red ocean markets as highly competitive and crowded markets, where there is fierce competition for the market share among the companies. Currently Sambla Group has a chokehold of this red ocean market and the only notable competitors remaining in the market are Freedom Rahoitus Oy with their Zmarta brand and Sortter Oy. (Finder, 2023) Company X Oy aims to take a sizable market share and to be competitive with the biggest companies in the industry.

According to Glowik (2016 p. 130-131), a company's long-term performance is based on strategic management and a set of different decisions and actions. A company's general goal is to create increasing value for its owners. To increase their turnover and profits, companies can implement their growth strategy to expand. According to the case research by Jin et al. (2018), geographical expansion results in an internationalization process because the products and services are transferred to a foreign market. At the beginning of the expansion process, top management of the company selects a country and drafts a market entry strategy.

The research question is heavily influenced by different challenges that might arise when a company does a market entry to a foreign market. According to Glowik (2016 p. 131-132) entering new markets presents a set of challenges for the company. Challenges can be divided into five major areas: social, ecological, economic, legal-political and expertise. The motivation for expanding into a new foreign market could be determined based on five main

reasons: demand or supply-oriented factors, the necessity to follow the customers or competitors or financial reasons such as investment incentives. These themes are further researched and discussed in this thesis.

1.1 Research aim and question

The purpose of this thesis research is to analyze the market entry of Company X to Finnish financial market. The research aim is to provide insights on how to plan and execute a market entry process when entering foreign financial markets. The findings of this research are aimed towards any company that is planning to expand their business abroad, providing information about key pitfalls and success factors when planning and executing their expansion plan to foreign markets.

The research question is: What are the different key success factors and pitfalls when entering a foreign financial market?

Data was gathered using semi-structured interviews. Interviewees were selected from the top management from the Norwegian parent company Company X and the startup subsidiary Company X Oy.

1.2 Delimitations

The research in this thesis has been delimited to the context of the case study company Company X. Findings may not be representative of broader trends or markets and cannot be easily applied to other industries, markets, or situations. The case study research focuses on preparation and performance of Company X market entry to the Finnish financial market, delimiting the sample size of the study and further hindering the generalizability of the findings. Given the nature of the Finnish financial market and the continuous new legislations and regulations, the competitive landscape may change rapidly, causing market related results to become outdated quickly. The implementation of a market entry plan can vary from few months to few years and the market entry of the company in case study research has been done so recently that the conclusions of this case study research might not be reflective of the success of the company long term.

1.3 Structure of the thesis

This thesis case study research is divided into six chapters. Introduction chapter will provide background to the topic, and it will argue the importance of this research while explaining the research aim and question in detail. Additionally, the introduction will provide a brief overview of the whole research process including method, together with its scope and limitations. Second chapter contains the explanation of the theoretical framework and review of previous research made about market entry. This framework is later used as reference, which the discussion about the research results is based on. Method is the third chapter where the adopted research methods are discussed in detail. Method chapter includes in depth explanation of the research design, data collection process and data analysis method. Chapter four will include the written record of the primary data gathered from research results without any additional interpretation. Results of the research are discussed in chapter five within the theoretical framework. Chapter six will summarize the conclusions and key results of the study. Conclusions also explore the different limitations the research has, and recommend future research possibilities.

2 Theoretical framework

2.1 Market entry strategy

2.1.1 Approach

Entering a market through internal development means establishing a new business ensemble in the industry, including new relationships, employees, and other factors. Joint ventures have the same economic challenges as they are also new ensembles, but they have the additional complexity of sharing the responsibilities and the question of who holds effective control of the business. (Porter, 2008)

According to Porter (2008) two sources of the market entry barriers need to be analyzed when trying to enter the market through internal development. Structural entry barriers and the expected reaction of the firms already established in the market are both relevant to note when considering market entry. The company entering the market must invest to overcome the structural entry barriers while risking that the established companies will react to the market entry in a hostile manner to prevent a successful market entry.

2.2 Why enter new foreign markets?

According to Glowik (2016) company's growth strategy is usually done by expanding the business to foreign markets in new countries. Expansion to foreign countries leads the company to undertake an internationalization process when the products and services are offered to a foreign customer base.

According to Glowik (2016) and Porter (2008) the company's management selects the country where the company is expanding, and relevant personnel to execute the expansion. The way which the company decides to do business in a foreign market is called the firm's market entry strategy. Market entry strategy must consider different forces and factors and a plan for handling them.

Glowik (2016) further emphasizes that when a company enters a foreign market, there are multiple challenges that the company needs to overcome. Societal, ecological, economic, legal-

political, expertise and environmental challenges are to be considered. Business needs to identify the different advantages it has when doing international business and consider if they are worthy of the risk of entering foreign markets.

Glowik (2016) lists five different main reasons for a company to expand to a foreign market. A company might want to expand to foreign markets due to the different properties of the market. Market size and better growth rate are attractive if the home markets are highly competitive, and the cost of additional growth there is not appealing to the company. Moosa (2002) adds that if markets are segmented and other markets offer higher profit margins, it will attract companies to move to those new markets.

Glowik (2016) and Moosa (2002) highlight supply oriented factors might cause a company to expand to a foreign market. Supply could be any kind of rare or valuable resource that the market has to offer, such as qualified employees, technological expertise or raw materials for production. This is especially the case when the country has an existing need for the product that is being produced.

Glowik (2016) adds that when either customers or competitors move to a new foreign market, it could be in the firm's benefit to also follow the customer or the competitor out of necessity. Losing important customers or leaving the potential sales opportunities to competitors can be detrimental for the long-term well-being of the company.

According to Glowik (2016) the fifth and final main reason for foreign expansion are the financial reasons. Different investment incentives, less costly debt financing or higher liquidity of the market could lead to better investment opportunities than in a company's home markets. Moosa (2002) adds that investing in several countries reduces the market and political risk of the company.

The company alone does not always make the decision whether, where and how they expand to a foreign market, as there are many external forces and relationships with actors in the industry network that are important to consider. (Glowik, 2016)

2.2.1 Foreign direct investment

Foreign business can be developed by making direct investments to the target markets abroad with a goal of acquiring ownership of assets for producing, distributing, or selling goods or services in another country. Establishing a sales branch is the lowest form of financial contribution when talking about foreign direct investments. Not only does the parent company need to consider the financial resources that need to be transferred, but also the training of foreign employed staff. (Glowik, 2016; Moosa, 2002)

When a company invests abroad they should be able to integrate their specific advantages developed at home with the new company and assets in the foreign country. Wholly owned subsidiary is a form of foreign direct investment, where the parent company owns all the capital invested abroad. The company sets up a new business operation or acquires an existing company. (Glowik, 2016)

According to Lee et al. (2023) there are multiple major reasons for a company to consider foreign direct investment when expanding to foreign markets. There could be tariffs, excessive cost of transporting the goods or other factors that might make importing an unfavorable or impossible for the company.

The company could also achieve lower production or operational costs through better access to the raw materials or lower labor costs if they are entering a more favorable market. Entering a new market through direct investment also gives the company access to the local talent. Hiring local management will enrich the company's knowledge of the local culture and increase the capabilities to operate, negotiate and to adapt to the new market. (Lee et al. 2023)

2.3 Unique selling proposition

Unique selling proposition can be separated into three distinct parts, which cover the most important aspects about differentiation of a product or a service. The unique selling proposition must be an actual proposition to the customer, and not just a quick advertisement that fades to the background. Each advertisement should have a clear message about the specific benefits customer will receive when they buy the product or a service. (Trout & Rivkin, 2010)

Unique selling proposition must be positioned in a way that the competition is not capable or willing to offer the same kind of value to the customer. Uniqueness must be found in the brand or the specific unique claim about the service or the product. Unique selling proposition must be bold and attractive enough to activate large target audiences and customers. If the proposition is not attractive enough, the company fails to differentiate itself and the customers will not get pulled to buy the product or the service. (Trout & Rivkin, 2010)

Guo et al. (2023) describe the possibility of using artificial intelligence when creating unique selling propositions for customers that were doing online shopping. Artificial intelligence generated unique selling propositions for numerous products in an online marketplace and had a positive effect on how many times the customers reacted to the shown commercial and how long the customer interacted with the product.

2.4 Market analysis

2.4.1 Competitive forces

Competitive forces determine the scale of competition and profitability in each industry. When forming a strategy, the company should build their plans around the major competitive forces behind in the industry. The extreme case of competitive intensity can be described as an industry where entering the market is free, existing companies hold no bargaining power over suppliers or the customers while the competition between different companies and their products is vast as their services and products are remarkably similar. (Porter, 2008)

According to Metts (2007) when looking at small to medium sized enterprises, the managers were able to lessen the negative impact of competitive forces with strategy-making efforts. The managers can combat multiple competitive forces in the industry by developing sufficient strategic responses in advance.

First of the five major competitive forces is ease of entry. This means to measure how easy it is for a new competitor to enter a market or are there barriers of entry that would deter new competitors from entering. Second major competitive force is the threat of substitution where

another product or service could replace the offerings of a company or the whole industry. (Porter, 2008)

Third is the bargaining power of buyers which indicates how saturated the market is in terms of different service or product providers. When there are multiple companies that are aggressively competing, the customer has more bargaining power over the company providing the service or the product. Fourth is the bargaining power of suppliers which is indicated by scarcity of the materials required to produce the product or service. When the service is provided to the customer for free, they are usually the product in that case, making the marketing channels where the business gets the suppliers. (Porter, 2008)

Fifth and last major competitive force is rivalry among the existing companies in the given industry. There can be different companies offering a similar product, but they might not be directly competing as the target audience is different for both companies or they have differentiated themselves enough to serve completely different customers or needs. (Porter, 2008)

Metts (2007) concluded that the competitive forces affect the company negatively and the managers can only partially surpass the obstacles the forces cause. One of the key learnings was that managers are only able to navigate and suppress the effects of competitive forces when they can manage around them. Some of the competitive forces do not care about managerial decision making, and their affects were not negated.

2.4.2 Market boundaries

When entering a market companies need to break from the competition to create a niche where they can operate. The company needs to identify possibilities and interesting business opportunities that can be utilized in the market. There are six different basic boundaries that can be generalized to apply to most industries. The basic boundaries are usually limiting the businesses' capability to break free from the competition and are stuck in an already saturated market situation. (Kim and Mauborgne, 2014)

New business opportunities can be created by different offerings to the customer, as a company does not only compete with the other firms operating in the same industry, but also with companies from other industries that are offering alternative services or products. Substitutes are a direct replacement for the product or a service, but the number of alternative products and services might not be so obvious competitors to the business, as there is a vast amount of diverse ways to satisfy the need for the customer. (Kim & Mauborgne, 2014)

Strategic group is a group of companies that employ a similar strategy and offer their products and services to a similar target audience in the market. Understanding, positioning, and analyzing a company's own strategic group, the company can create new business opportunities. Strategic groups are ranked and built by using price and performance as metrics, and the companies' battle to be regarded as the best in their own strategic group. Company should also focus on their own strategic group. If they are catering to a customer base looking for a luxury product or service, they should aim to surpass the competition offering the luxury products and services and not fixate on conventional operators in the market. (Kim & Mauborgne, 2014)

Different firms in each industry usually agree upon a target audience or a definition of who the buyer of the product or a service is. However, there are multiple varied factors that influence the purchase decision directly or indirectly. The purchaser of a product or a service may be different from a day-to-day user, or another influencer that impacts the purchasing decision. Influencer can be a third party that recommends the product or a service, like a doctor recommending a certain brand of pain killers for the patient. Those three groups often overlap, but in a case where they are separate, the firm must offer a different kind and desirable value to that specific group. (Kim & Mauborgne, 2014)

When a company offers their products and services, usually they are used alongside and in addition with others. In those cases, the other products and services affect the value of the product, or a service offered. Traditionally the rival companies compete within the limitations of their industry's standards. There is a great amount of unrealized value hidden in the complementary products and services that are used alongside. The key element of unlocking the potential benefit of the complementary services is to offer the customer as complete of a solution as possible by realizing what happens before, during and after the product or the service is used. (Kim & Mauborgne, 2014)

Companies do not only compete with the standardized scope of the product or a service, but also with one of the two different bases of appeal. Depending on the industry, the appeal of the product may differ. A cost efficient and functional product or a service usually appeals to the rationale of the buyer, while others may appeal to the emotional side and the feelings of the customer. A product or service is rarely only rational or emotional, but companies have unconsciously educated the customer and themselves on what to expect from a certain kind of industry. When companies challenge the ingrained functional-emotional orientation, they usually find new business opportunities and customers. (Kim and Mauborgne, 2014)

All kinds of businesses and industries are bound to be influenced by some external trends. Looking at upcoming or ongoing trends can give a business competitive advantage or other business opportunities if they are able to capitalize on them, while most companies are content with minor changes, or they are passive while the change unfolds. The most important takeaway is not gained from the trend itself, but the comprehension of how the trend will impact the business model or the value to customer. When the business assesses the trends, there are three principles that need to be considered. The trend must be terminal to the business, the trend must not be easily reversed, and the trend needs to have a clear and predictable direction it is moving towards. When realizing a trend that fits all three criteria, the company can capitalize on it by imagining a future where the trend has concluded, and then aim to perform the steps needed for the conclusion to happen. (Kim and Mauborgne, 2014)

According to Gosling et al. (2017) changes in market practices and boundaries reflect market stability and will have an effect when developing strategy. When there are multiple cumulative changes in market boundaries within a brief period, which would indicate that the market is volatile. When the changes to market boundaries are not substantial and take effect over a longer period, the market is naturally evolving and developing. When markets are still developing the market boundaries are still fragile and change is expected, however the direction and severity of the upcoming change is clouded.

2.4.3 Barriers of entry

According to Porter (2008) there are different barriers of entry which affect the companies' capabilities to enter the market. Barriers are different for each industry, but most of them can be separated into six major sources.

Economies of scale is one of the barriers of entry and refers to the unit cost of a product or a service affected by the scale it is produced. Economies of scale forces companies that want to enter the market to come in at a large scale and risk or to enter the market with small scale and accept the cost disadvantage, which are both options that the entrant does not want. (Porter, 2008)

According to Karakaya (2002) and Porter (2008) product differentiation as a barrier of entry refers to already existing companies having established brand recognition and loyal customers, which has been gained from prior marketing, customer experience or by having a different product or a service. Product differentiation forces companies to invest in marketing and brand building to overcome the existing customer loyalties, which is very risky as the value created by brand building is lost if the market entry fails. Porter (2008) further emphasizes that product differentiation coupled up with economies of scale is commonly utilized to create high entry barriers in many industries, such as the financial sector.

According to Karakaya (2002) and Porter (2008) capital requirements can prove to be a barrier of entry if the business requires a large start up investment that is elevated risk or otherwise unrecoverable and is paid before accessing the market. When entering a market that already has established business relationships, the switching costs may cause a barrier of entry to the market. Switching cost is a one-time cost which occurs when the company switches from one company's service or product to another's. Switching costs can be testing or qualifying a new source, technical help or even product redesign to accommodate the switch.

Karakaya (2002) examined the importance of different barriers to market entry, and the paper concluded that cost advantages and capital requirements are the most important barriers to entry when looking at industrial markets. The least impactful barriers according to the executives' views were government licensing requirements and heavy advertising. These barriers were

viewed with the industrial market in mind, and they are not perceived as important in consumer markets.

Lacking access to distribution channels can create a barrier to entry for companies entering the market. When the current distribution channels are already used by the existing businesses, the company entering the market must persuade them to accommodate the product or a service with pricing or other practices that benefit the distributors. The more limited the distribution channels are, the higher the chance that the existing competitors have these tied up, making the market entry challenging. Long business relationships, high-quality service or other exclusive arrangements can create such a barrier to entry that the company needs to create an entirely new distribution channel for their product or service. (Porter, 2008)

Cost disadvantages independent of scale can be gained regardless of the size of the business. Barriers for entry can be created by factors hidden from the competitors, such as proprietary information or technology. The cost declines that manifest through experience are not related to the whole company, but only to an individual operation or a specific function, such as more experience in marketing can translate to more cost efficient and effective marketing for the company. (Porter, 2008)

Government policy is the last significant cause for a market entry barrier. Government can set up regulations, limit the use of raw materials or even cause government-controlled monopolies in some cases. Some government policies that have direct social benefits might also have indirect affect to market entries and should not be ignored. (Porter, 2008)

According to Park (2009), big firms tend to overcome some barriers for entry easier and can impact competitive positions and market shares in an industry on a much bigger scale than smaller firms. Small and medium sized enterprises are the first to be affected by price fixing or other anticompetitive behavior.

Park (2009) emphasizes that the biggest companies in the industry might allow smaller or niche competition to the markets just to saturate the market and to keep their bigger competitors away. Depending on the barriers to enter, the smaller firms and start-ups might decide not to enter the market. If the market gets stale, it might result in increased prices, lower quality of a product or a service and reduced innovation.

2.5 Marketing

2.5.1 Defining target audience

Before starting any marketing efforts, the company must specify who they should aim their marketing towards. Understanding the customer's goals, challenges they might encounter when reaching for the goals and where do they attain their information and where do they consume their entertainment. Target audience defines a general representation of the ideal customer type. Unless the product or a service serves an extremely specific target audience, there are usually multiple various target audiences that the firm is trying to reach with numerous marketing efforts. (Deiss & Henneberry, 2020)

According to Jianhong et al. (2019) and Thomas and Housden (2017) a company can identify different target audiences by analyzing customers' online text data and repost records to mine features related to repost preferences of the different online users. Company can use data analytics to mine online users' preference to diverse kinds of online content and form a vision of various kinds of target audience profiles. Depending on each target audience, the company can tailor content and messaging that is interesting to that specific target audience. After the company finds the correct customer segment, they can focus the marketing efforts to the customer segment that provides the best return on the investment.

Getting a proper grasp of your target audience has influence over every aspect of the marketing in a company. Companies need to realize what the issue is that the customer is trying to solve, and what kind of message influences the customer's purchase decision. Companies also need to know the most effective ways to reach the customer and which platforms and marketing channels the business should be present at to reach the customer. Finding out the customer's values are also essential not only because you can influence the customer better when you know what they hold in high regard, but also what kind of objections the customer has, which would lead them to not buying the product or a service. (Deiss & Henneberry, 2020)

2.5.2 Digital marketing strategy

According to Kingsnorth (2022) if the business can summarize with one sentence what they are trying to achieve with their marketing in the following years, the business has a digital

strategy. Even if the business could summarize it in one sentence but they are not sure how to reach the end vision, the company still does not have a valid strategy. Even if the company has their vision and path for reaching the end goal, but it is not based on researched data and it is simply decided by the leadership team, it is very unlikely that the strategy would be successful.

Kingsnorth (2022) breaks digital marketing strategy down to five separate stages. Each stage has multiple factors that need to be considered, and by doing so it is easier for stakeholders to keep track on how the digital marketing strategy moves onwards in a systematic order.

According to Kingsnorth (2022) the first stage is assessment. Assessing happens prior to digital marketing strategy even gets shaped. Business needs to assess the culture of the company, make sure that the leadership is on board and assess the technological capabilities of the company. Company should also assess the available resources and set up a budget for the marketing efforts. Katsikeas et al. (2020) adds that knowledge of digital technologies, tools, and artificial intelligence is a crucial part when a company is starting to develop their digital marketing strategy.

Second stage is building the foundations of the strategy. Building solid foundations should have good customer service as a cornerstone together with an effective communication capability through multiple channels. The company should have an unclouded vision of their target audience and consider if their website or other material needs any adjustments towards any specific customer segment. It is also essential for the company to understand the legal side of marketing for it to be compliant with the current regulations. As part of the regulatory requirements, the company should also have a data strategy about how to collect, retain and control the customer data. (Kingsnorth, 2022)

Part of building the foundations of digital marketing strategy is setting up targets. Not only should the company set up targets for sales that are being made, but also for conversion rates, cost per acquisition, content engagement levels and customer retention. After obtaining the customers through marketing efforts, the business needs to keep the customers and to have a clear plan on how they are doing so. It is too late if the company waits until the customer is having the same problem that needs to be solved again before trying to retain the business relationship. No digital marketing should take place before making sure that the website is developed, and it has sufficient analytical capabilities. (Kingsnorth, 2022)

Kingsnorth (2022) lists “sophistication” as the third stage of building a digital marketing strategy. A “one size fits all” strategy is not good enough and if the company operates in multiple different markets, it must consider cultural differences. When localizing marketing efforts, it is recommended to utilize local professionals’ help. Every customer is unique in their own way and the presumption for personalized experience is becoming expected by the customer. Katsikeas et al. (2020) emphasizes the importance of customer relationship management strategy and further highlights that customized communication, product, and services provided to a certain group of individual customers being the core of any customer relationship management strategy.

Katsikeas et al. (2020) and Kingsnorth (2022) agree that AI models could be utilized to create unique customer experiences to improve performance. Part of the sophistication stage is making a communications strategy where it is outlined what the company is saying to the customers and what are the preferred channels for the communication.

Stage four of making a successful digital marketing strategy is to formalize. The strategy needs to be documented and communicated if it is going to be fused as part of the organization, which is crucial for the strategy to reach the full effect. Making a presentation is recommended as it helps the company to convey the story to different stakeholders. (Kingsnorth, 2022)

Kingsnorth (2022) emphasizes the importance of continuous improvement, which is the fifth and final stage of building digital marketing strategy. It is almost certain that something needs fixing, improving, or adjusting in every marketing strategy as innovative technology will arrive and customers’ needs change as the entire world changes. Strategy should be reviewed on an annual basis while the day-to-day implementation should be under ongoing review, with a low threshold for change if necessary.

2.5.3 Digital marketing campaigns

According to Deiss and Henneberry (2020) a company can have multiple different goals in terms of digital marketing, but most of the objectives can be reached with three diverse kinds of digital marketing. Katsikeas et al. (2020) argues that the more traditional marketing

campaigns target a more passive audience, while digital-based international marketing includes more interaction and engagement with the customers.

Acquisition campaigns are good, when the company wants to acquire new customers and to promote the solutions. They provide possible solutions for the problems the customers might have. The goal of acquisition campaigns is not to make profit, even if the company might make sales of the potential customers. Customer acquisition and monetization require different kinds of campaigns with different goals, tactics, and metrics. (Deiss & Henneberry, 2020)

When the business wants to increase the sales to the customers they already have, monetization campaigns are great for generating revenue from existing customers. The goal of monetization campaigns is to make profitable sales to the customers acquired with the acquisition campaigns, which like the product or service the company provides and trust the business. (Deiss & Henneberry, 2020)

According to Thomas and Housden (2017) the most successful companies want to have a continuous relationship with their customers. Ongoing customer relationships can yield multiple transactions and extend across various products or services. Companies that communicate their values to the customers and can foreshadow their customers' needs and offer timely solutions can benefit from a greater lifetime customer value. Many companies tend to focus on making sales to new customers, but profitability does not always follow unless the customer relationships are lasting.

If the company aims to create communities of brand advocates and promoters, they should consider making engagement campaigns. Companies can create online opportunities for the most loyal and enthusiastic customers to interact with each other and with the brand. Word of mouth travels fast and if the company is providing substantial value to customers, but even faster if the customer experience has been unsatisfactory. Before the company tries to build communities and brand advocates, they need to have optimized value proposition by having an outstanding product or a service paired with first-class customer service. (Deiss & Henneberry, 2020)

2.6 Turnaround management

Turnaround management is a specific process that a company goes through when they need to renew the business. Turnaround management utilizes analysis and careful planning to save companies that are in trouble and mend their performance, while also identifying the key factors why the company's business is struggling and aims to fix the identified issues. (Adriaanse & van der Rest, 2017)

Competition can cause a firm to decline in two different ways. If the competitor has a better value proposition to the customer, the customer will choose the competing product or a service. Over an extended period, this will result in loss of business and revenue to the competitors. The company might also need to battle the competitors to improve its value proposition by lowering the price or spending money on product or service development. If the improvements do not reflect as improved revenue, the organizational decline manifests. (Adriaanse & van der Rest, 2017)

Major technological changes can change the landscape of the whole industry and affect the business of the companies when an innovation is applied to the product or a service. Technological discontinuity is innovation in processes or differentiation in product that improves the quality or performance of the sold service or goods. It may take considerable time or capital investment to adopt a dominant innovative design. There is an increased risk of organizational decline if the company fails to adapt the processes that are new and foreign to the company but have become the new norm in the industry. (Adriaanse & van der Rest, 2017)

Regulatory change can cause organizational decline if government agencies form new legislations that aim to control the way products are produced, marketed to customers, or affect the way that company is operating. Different limitations on how the product or the service can be produced or used can be confining the cause the firm to look for new markets where their product or service is not as restrained however, looking for new markets is not always successful. Regulatory change can also increase the cost of doing business as the new regulation might require the firm to invest in more product development to abide by the new regulatory requirements. If the investment in product or service development does not result in higher revenues and cover the costs of regulatory compliance, it can cause organizational decline. (Adriaanse & van der Rest, 2017)

Organizational rigidity can be seen as a protective feature against future threat when the environmental changes are subtle, but if the environment changes rapidly, the rigidity has the opposite effect when the company is incapable of reacting to essential changes with the necessary agility. Organizational rigidity also affects the firm's ability to learn, and incapability of absorbing information can cause detrimental organizational decline, especially if the company operates in an unstable market. (Adriaanse & van der Rest, 2017)

When a company innovates new products, manufacturing improvements or IT systems, they improve the performance of the firm. Innovation can be seen as flexible, where the innovation is easy to modify and change for it to adapt to diverse needs and uses even after the innovation has been applied to day-to-day usage. Inflexible innovations are harder to modify or configure after they have been completed and if changes are being made, they are slow to apply. It is difficult to predict the precise needs of the customer when it comes to product. Changes to inflexible innovations are laborious when the product is released to the market. Inflexible innovations can be a major cause for organizational decline, especially unstable markets where the inflexible product or a service does not meet the customers' needs well enough to offset its costs. (Adriaanse & van der Rest, 2017)

According to Kumalo and Scheepers (2018) turnaround management should start with the identification of the situation the company is in, and understanding what the root cause for the decline is. Retrenchments and process improvement are the most important aspects at the start of a turnaround. During the turnaround process, company should pay extra focus on how it affects the employees, fixes inefficiencies and how to keep control during the turnaround process.

Bachmann (2009) and Gadiesh et al., (2003) add that most successful turnarounds include a replacement of senior management that is not performing up to the company's expectations. Especially poor change management skills are detrimental for the whole turnaround process. Replacing top management correlates closely with successful change, while a bigger employee layoff does not have a similar effect.

According to Kumalo and Scheepers (2018) during the turnaround implementation a company should focus on matching the strategy for change with the current working practices and

environment. Change should also happen swiftly with a sense of urgency in which the turnaround is done together with ongoing follow-up should yield the optimal outcome for the turnover process.

Kumalo and Scheepers (2018) conclude the turnover process when the company recovers from performance debt and starts to build the company image in order to become a desirable employer in the eyes of its employees and public. During the turnaround process change management skills to implement radical changes, inspiring communication skills and honesty are seen as important traits for the management to have.

It is not only different researchers or academic scholars who produce material and analyze the organizational decline, but also different leaders and managers of the companies. Executives in companies need to communicate the phenomenon and reasons for organizational decline to external audiences, such as investors, customers, or employees. Executives at the company are more likely to credit the positive outcomes with internal causes and negative outcomes with external causes. However, external observers of organizational decline are not likely to invoke self-attribution causing their native theories to focus on internal causes and how they might interact with external causes. (Adriaanse and van der Rest, 2017)

2.7 Exit strategies

It is prudent to consider the development of the business a few steps ahead. That includes the possibility of exiting the current market or business, where the business needs to develop an exit strategy just like they would a marketing strategy. Companies do not develop exit strategies in case of negative outcomes but to optimize the opportunities presented by a good one. None of the exit strategies represent failure as they should be planned well in advance and the company should build their whole strategy towards the planned exit. (Pittz and Liguori, 2020) Company can aim to be a lifestyle company, where the business owners take money out of the company as long as the company is doing well through high salaries, dividends, or bonuses. Business can also be a part of liquidation, where the assets are sold, the website is closed, and the firm exits the market. (Pittz and Liguori, 2020)

Kołodkiewicz et al. (2023) divided the exit strategies to two kinds of exits: stewardship and harvest exit strategies. Stewardship exit strategy is a no cost transfer or a sale of the business

to a relative of the business owner. Stewardship exit is more preferred when the current business owner cares about the longevity of the company, or if they need more external support for anticipated and upcoming challenges.

Harvest exit strategy is a sale of the company to a person who is already taking part in the business or a third party. In the harvest exit strategy only the entrepreneur benefits from the transaction, unlike in stewardship exit, which benefits the party that receives the company. (Kołodkiewicz et al., 2023)

Company can also be sold as a friendly sale, where the buyer is already passionate about the business such as an employee or a customer. The acquisition is another scenario, where the company is being purchased. This time around the price is based on the perception of the value of a company between the buyer and the seller. Acquisitions are often seen, when a larger company wants to enter new markets or broaden their product offering. (Pittz and Liguori, 2020)

3 Method

This chapter will describe the research design of this study. The chapter will explain the research methodology and argue why it is suited to gather data for answering the research question. The data collection process is explored in detail together with data analysis.

Every interviewee gave their verbal consent to being interviewed and recorded. Interviewees were informed how to redact their involvement in the research later if they did not want to be involved for any reason. Privacy of the interviewees and the company is maintained by anonymizing both the name of the company and the individuals interviewed. Each interviewed individual had their job title in the company presented together with an assigned number that was used when quoting the interview data. The research data and results were represented sincerely with non-modified quotes and the translations done by the researcher to represent the original context and message of the interview data. Before publishing the research, interviewees and other appropriate management of the Company X were able to review the research.

3.1 Research method

Inductive research uses inductive reasoning as a type of thinking. Inductive reasoning identifies patterns in the gathered data to form conclusions and results. When utilizing an inductive approach, the researcher attempts to test their theoretical framework based on the data they have collected. (Hair et al., 2019)

According to Myers (2019) different qualitative research methods are used to help understand what people say and do. Ritchie et al. (2013) argue that qualitative studies focus more on discovering answers to questions of "what", "why" and "how". Answering the question "how many" is not quintessential for qualitative research.

According to Myers (2019) one of the biggest selling points for a qualitative study is that the researcher can understand the context where the different decisions and actions have taken place. It is highly contested among researchers if it is possible to get a full understanding of why a person did something, or an event happened in a company without speaking to different people about it. Qualitative research is argued to be the best when the aim is to understand

people's motivations behind the actions, the actions themselves or the context where the phenomenon happened.

Semi-structured interviews are one form of qualitative data-generation method. When semi-structured interviews are conducted, the data will be partially grouped into different themes due to the layout and themes of the interview questions. (Ritchie et al., 2013) Semi-structured interviews are a middle ground between a structured and unstructured interview. A semi-structured interview has some preset questions, but it does not restrict deviation from the planned questions. Semi-structured interviews have coherence with each other due to a similar set of questions, however, new topics or questions can be discussed, and improvised conversation is encouraged. The possibility for conversation and allowing the interviewee to deviate from the conversation to topics they deem important is one of the biggest strengths and weaknesses of this data gathering method. While the conversation can lead to new insights and other relevant and important topics, it is also possible that the interviewee is in a talkative mood; they might derail the conversation to unrelated topics that yield irrelevant data for the research purpose. (Myers, 2019)

According to Myers (2019) a characteristic feature for a case study is that it involves a real-life company or organization. Ritchie et al. (2013) argue that exploring and understanding multiple different perspectives around the same research context is the primary defining feature of a case study.

According to Myers (2019) the researcher does not influence the subject being researched and should have no control over the situation. The researcher is there to describe the things that happened and report the data neutrally. The case study's write-up is aimed at fellow researchers and should convince them that it is an original contribution to knowledge.

My research aim is to analyze how Company X made a market entry when expanding to a new Nordic financial market, and what strategies can be employed to overcome these challenges to enhance the chances of successfully launching the business. I chose to do case study research about the whole market entry process. I conducted semi-structured interviews with the key management, as the people involved with the planning of this expansion would give the best possible data on how the market entry was planned and conducted. The thesis topic was suggested to me by the company I work at, and they assisted me with the research by allowing

me full access to interview the company's key employees and management regarding the thesis topic.

3.2 Data collection

The goal for the interviews was to gather data about the market entry process of Company X and what strategies the management decided to utilize to combat challenges. Interviewees consisted of the key management of the Norwegian parent company and the Finnish subsidiary, which had been involved in the planning and executing the market entry to the Finnish market.

The goal was to interview all managers who were actively involved in planning the expansion to the foreign market. Every manager has their own point of view to the expansion to the Finnish markets, based on their position in the parent company. Interviewing a wide variety of managers yielded a differing point of views on the process, and improved the overall picture of how the process went. Interviews held to the Norwegian parent company management were conducted in English and the Finnish personnel were interviewed in Finnish.

The original aim was to gather an extensive amount of interview data. After interviewing the few key members of the company who were involved in planning the expansion, it became clear that the group of individuals involved was limited to only a selected few among the top management. According to the already interviewed CEO and CMO of the parent company, interviewing middle managers would not yield any relevant data to the study. Some existing plans were presented to the board members of the parent company, but according to the interview data, the role of the board was only to approve the plans that were already made, rather than being an active part of the expansion planning.

Only a few of the top management was involved in planning the expansion as there was a barrier of entry to the Finnish markets. There was a temporary barrier of entry to Finnish markets, due to governmental actions that impacted the whole financial industry during COVID-19.

I conducted four interviews. Interviews were held with the key management and had 19 open-ended questions that were grouped into eight different themes. (Appendix 1.) Due to the nature of semi-structured interviews, the questions and conversations had some variance depending

on the managerial position and involvement in the market entry process to better focus on the areas where the interviewee is involved. Interviews were conducted using Microsoft Teams during the last quarter of 2023. Interviews were scheduled to last for 90 minutes (about 1 and a half hours) but depending on the interviewee they lasted between 60 to 90 minutes (about 1 and a half hours).

Interview	Job title	Organization
#1	Chief Marketing Officer	Parent company
#2	Chief Executive Officer	Subsidiary
#3	Head of Business Development	Parent company
#4	Chief Executive Officer	Parent company

Table 1. Interviewed employees

Out of the four interviews (Table 1), three of the interviews were conducted in English, and one was conducted in Finnish. All interviews were recorded and transcribed word-for-word. Transcriptions were done in the same language as the interview was held. The quotes included in the results chapter that were originally in Finnish, were translated by the author.

3.3 Data analysis

According to Ritchie et al. (2013) coding is a part of analysis of data, where the aim is to attach a word to a certain piece of text. Coding helps to reduce the size of the handled data and can be utilized to access the organized data quickly to speed up the analysis process. Interview data in my research was coded to categories, which helped the analysis of the gathered research data. Coding also helped identifying and analyzing the data from the interview and grouping it to relevant themes regarding the research question. (Myers, 2019)

Gioia's Methodology (Gioia et al., 2013) was used for data analysis. Gathered data was first coded in 1st-order analysis based on the points of interest. The data of 1st-order coding is informant centric, which means that the raw data was reviewed without predetermined categories or labels. After coding, the researcher further grouped the data into 2nd-order themes to form a better understanding of the main topics of the data. Themes are research centric which means that the researcher looked for similarities, differences and relationships between codes

to identify the core essence of the data. With 2nd-order themes the data was labeled and categorized. 3rd-order dimensions are theory-centric, and it is required that the researcher makes connections between the labeled data and existing concepts.

1st order coding is constructed by highlighting different terms of subjects in the research data. 1st order coding does not include any information or additions from theory or from the researcher. 1st order coding is interviewing data that is simply picked out from the vast amount of information without any changes or conclusions made to or from it. (Gioia et al., 2013)

2nd order themes are built based on the 1st order coding by the researcher. 2nd order themes already have the researcher's involvement in it as it is the researcher who identifies similarities in the 1st order coding and visions the grouping of the codes into different themes relevant to the study. 2nd order coding does not have any conclusions and it is not infused with the theoretical framework. (Gioia et al., 2013)

3rd order dimensions are created when the theoretical framework is applied to the themes and explored through the known information about the subject. When the themes are inspected with the theoretical lens, the dimensions that emerge will be the core which aims to answer the research question of the thesis. Dimensions should already indicate what the thesis's main message is. (Gioia et al., 2013)

Gioia et al. (2013) highlights that a data structure gives a graphical representation of the codes and themes and further enhances the themes to different collected dimensions while also indicating rigor in research. I have used data structure to help visualize connections between the coding and the themes, while highlighting which theme is connected to each assembled dimension in Figure 1.

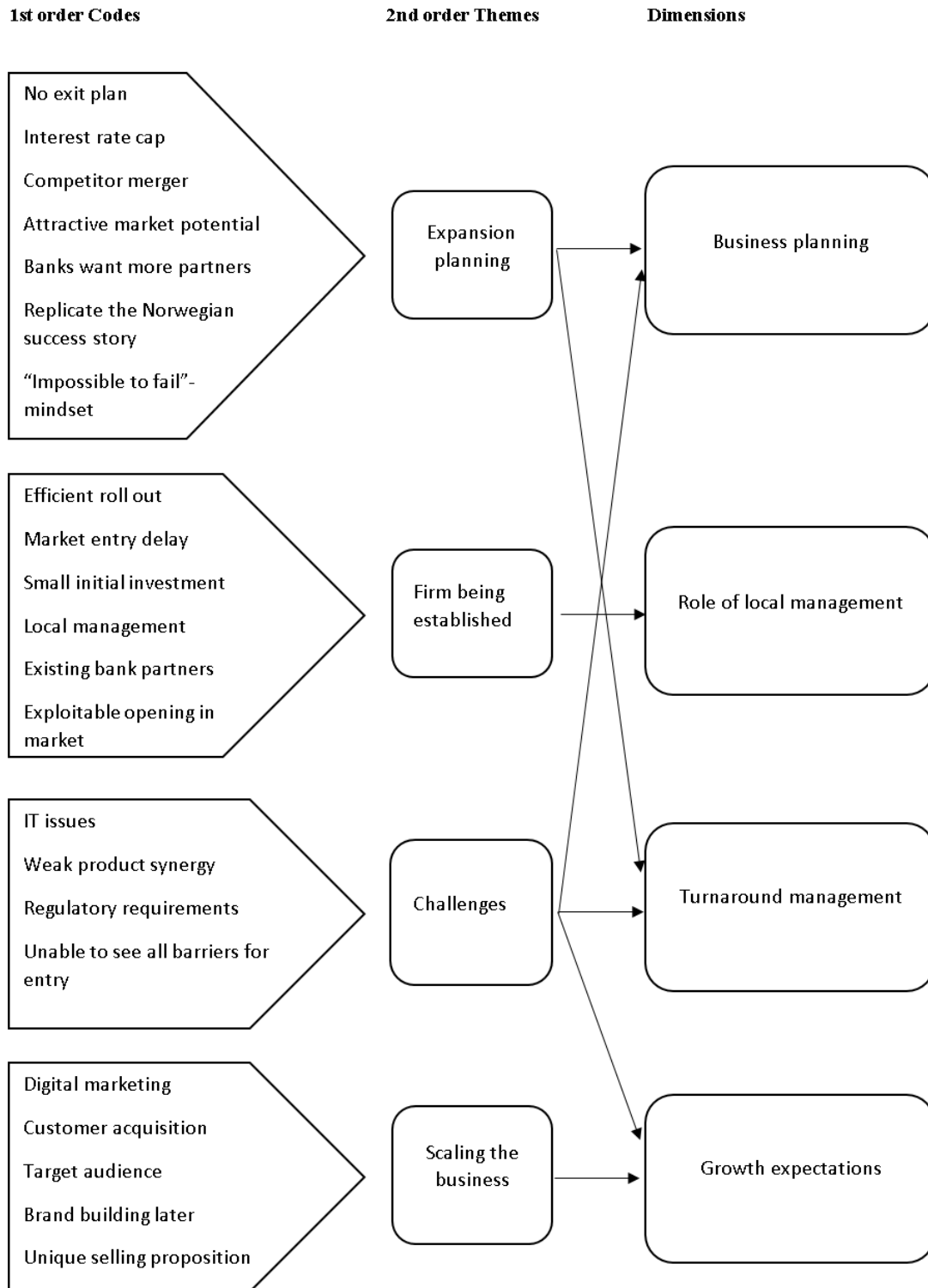


Figure 1. Data structure of coding

Ritchie et al. (2013) describes a series of events as a listing, where the events are arranged in a chronological order. Events can be sorted into categories, as some of them may be connected

to each other. Series of events are usually narrative in detail and summarized in a chart as it helps the reader to get a better understanding of the flow of events.

Series of events focused on answering the research question, together with the added benefit of improving the clarity of the timeline when different events happened, and when each of the strategic decision is made and implemented during the market entry process. (Myers, 2019)

Because the case study research was focused on market entry that happens over an extended period, the interview data is additionally analyzed through a series of events. Themes that emerged from analyzing the interview data with Gioia method, which are shown at the data structure, formed a good base of major events that happened during market entry. These events were supplied with additional findings and notable events derived from the interview data to form the series of events that is visualized in Figure 2.

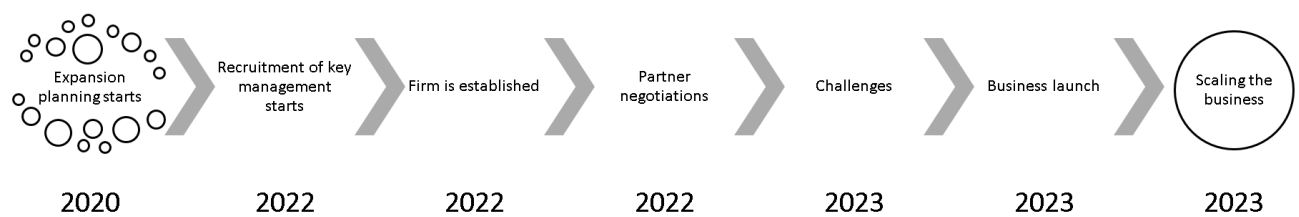


Figure 2. Series of events

4 Results

This chapter contains a detailed presentation of the findings. All the interview questions were about the company's market entry to Finnish markets, and they were discussed in every interview. Interview questions were about planning and executing the market entry topped up with a self-evaluation about how the market entry went according to the interviewee in hindsight.

When analyzing the interviews with Gioia method, 22 1st order codes were highlighted. Out of those 1st order codes merged four 2nd order themes, which were further explored through a series of events, together with some additional notable events. Main themes were used in the creation of four aggregated dimensions. These aggregated dimensions are further described in this chapter, and the series of events are used to emphasize the progression systematically throughout the whole market entry process.

4.1 Business planning

First step of the series of events was the planning to expand the business to another country started already in 2020. Business planning as an aggregated dimension became noticeably clear from the way planning and execution of the market entry was described. The top management had multiple years to plan the expansion which was mentioned as the main reason for being able to plan the expansion in the interviews. Some business planning was done, but the decision to make a market entry seemed to be based on feelings according to the interviews. Performance of the subsidiary in the market entry was based on the presumed success that would follow the same trajectory as the Norwegian parent company did.



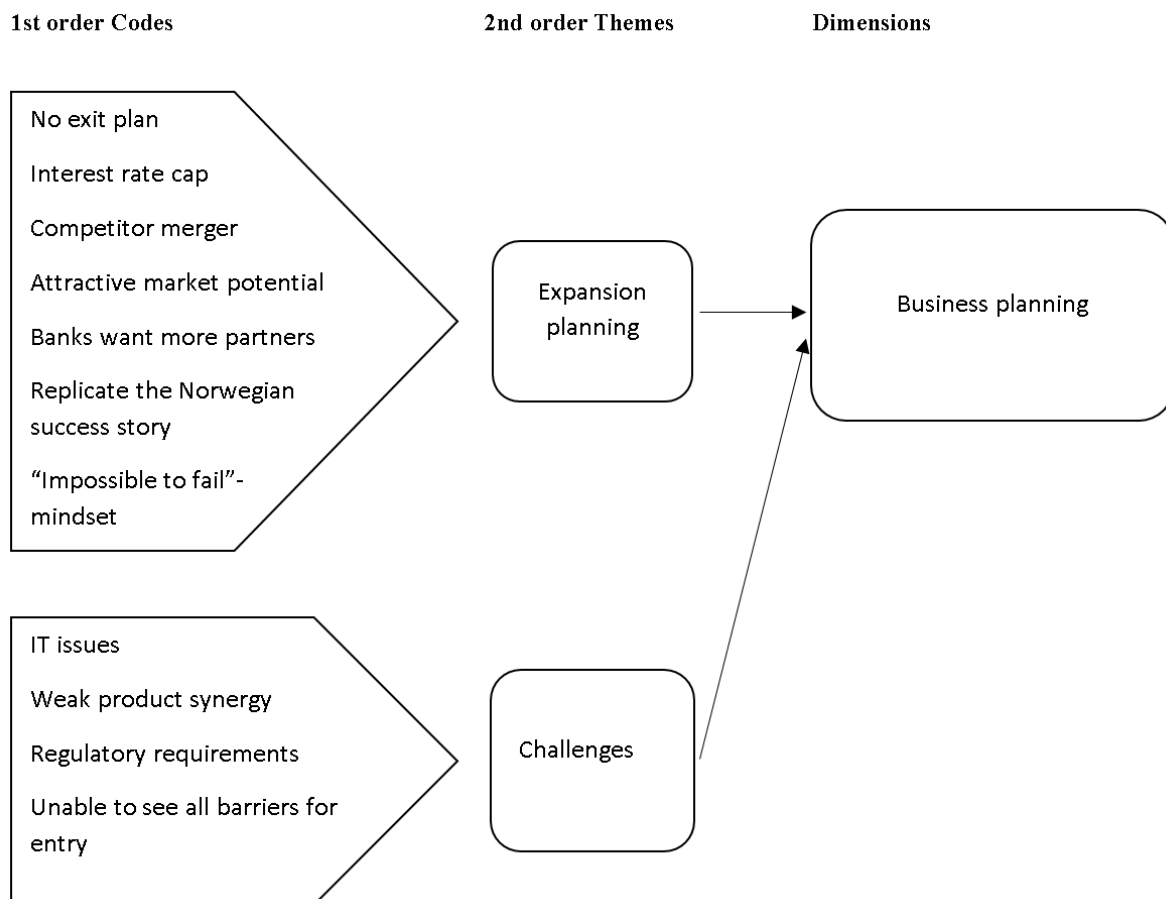
Initially the planning of expanding to Finland was actually a couple of years earlier. Because of COVID, it had to be postponed. Also it was because of the temporary regulations that came into force in Finland. (#4)

I mean of course there's always a risk but there were always really strong belief that this would go well. I mean of course we you spend a lot of money planning and entering a new

country. There was never any doubt that it was not worth trying at least after the interest rate cap was cut. (#3)

Timetable was pretty much based on how things were started up in Norway, when their business was started on 2018. We have same kinds of growth expectancies than what they were able to achieve in Norway back in the day. We should be able to deliver the same kind of results here in Finland as well according to the planning. (#2)

So that was the plan to expand to other countries. Finland was by far the most tempting project to start with. There were never really any concerns about that as long as the interest rate cap was gone. (#3)



There was pressure from the existing bank partners in the industry to create more competition between loan brokers in Finland due to a merger of the biggest loan brokers. This was seen as a positive additional push to enter the market due to the market leader being preoccupied with the merger. Direct investment was chosen as the best option to expand to Finnish markets due to recommendation of the local leadership and low initial investment costs.

Of course one of the things is that when one company takes 70% market share. Needless to say their partners did not like it when one company takes such a market share as it created unfavorable negotiation position for them. This leads to the bank partners wanting more competition to the market. Banks want to divide the volume risks to multiple channels. (#2)

Banks were like screaming, we need more brokers in Finland. So they were like that and we had planned to go anyway, but after that we had to push even harder. Now we're going because the banks just need us there. Yeah and well the costs in Finland like the standard cost which are monthly costs for making a subsidiary are not that high. (#1)

When the different options were considered in terms of market entry, it was a question if the company wanted to create their own subsidiary with direct investment or if the company would outsource or buy a sales organization. From my recommendation, we chose to make separate subsidiary as a limited company. That way following Finnish regulation and other requirements was easier. (#4)

According to the interviews the market was seen as incredibly attractive, but the market analysis consisted of understanding the size of the market and analyzing the competitors annual reporting. Market was seen as more premature compared to Norwegian or Swedish markets and it was agreed that there is room in the market. There were extraordinarily little considerations for larger market analysis, and the lack of understanding of the competitive forces, market boundaries, and barriers of entry of the industry became clear during the interview process.

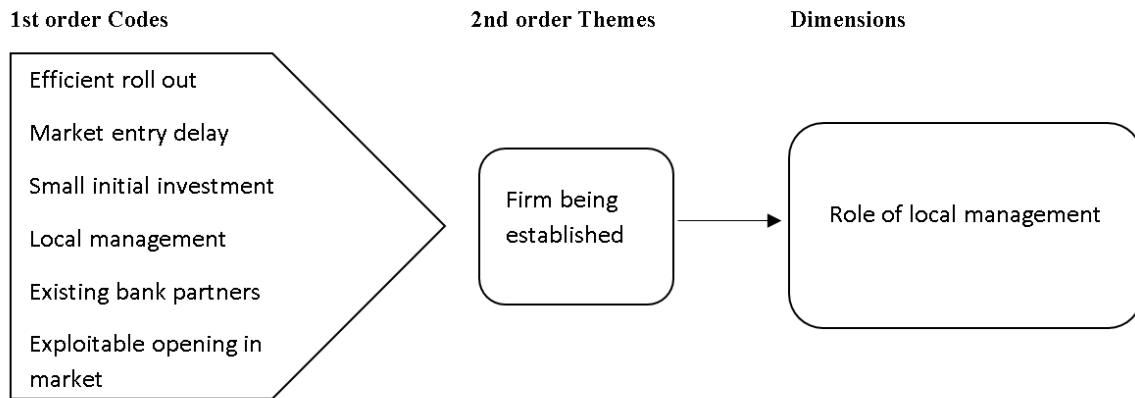
In Sweden we would have needed the license that we don't need in Finland for unsecured loans and that was a reason as well, and the competition is less in Finland and the potential it's bigger. It's a lot of things there it's why we decided Finland to make the business more stable as we need more than one leg to stand on. (#1)

4.2 Role of local management

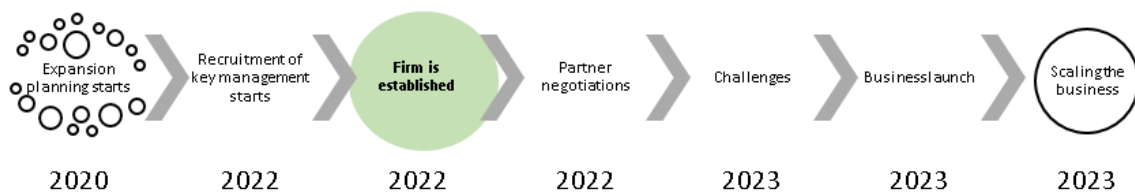
Series of events shows that the recruitment of the key management was started as soon as the expansion planning was completed. Interviewees had prior experience of making a market entry without local leadership or they had seen competitors trying to expand without one, without success. Local management was mentioned multiple times as a key criterion for successful market entry, which is why the role of local management is the second aggregated dimension.



Very important factor was to get the right people and that starts with the CEO. I think that was considered a crucial part of being able to succeed in Finland to get a hold of the right people. So that was a blocker until it was not a blocker when you found the correct person. (#3)



When the key person was recruited, the firm was established, and the market entry plan was put to motion as highlighted in the series of events. There was an efficient launch of the business which was attributed to existing partnerships and capable local management according to the interviews. When planning for market entry, recruiting competent and experienced local leadership was one of the highest priorities before moving forwards with the expansion plans.



I think that you have to have people there who know the banks and the products and that stuff. It's again about finding people with local experience who knows the business and the products. All that stuff is something we can't do 100% with the whole Norwegian team. (#1)

Series of events show that one of the first things that needed to be done after establishing the firm, was to sign potential missing banks to partner with the company. All the cultural considerations, localization and negotiations for native partnerships were assigned for the Finnish management to handle. According to the top management interviewed, they had prior experience of similar types of expansion which was a great asset as they already had the knowledge, experience and co-operation networks required to execute the expansion successfully. There was an opinion among the interviewees that a subsidiary created with direct investment and local leadership would have a better understanding of the market, negotiation position towards the local agencies, and relationships with local partners.



It is true that many of the banks are Nordic and operate in the both Finland and Norway, so that we were able to use our existing connection with them from Norway. There is also quite a few banks that are operating only in Finland, which the Norwegians are not familiar with. (#2)

Legal stuff was quite easy with no license and stuff, because it's not that regulated in Finland. Of course we talked with legal partners but we also like you know signed country manager early who took care of those stuff. It was quite straightforward going in, starting up a company, hiring the manager and letting him take care of the Finnish business. (#1)

4.3 Turnaround management

Temporary legislation that was placed on the industry during COVID-19 pandemic caused the Finnish government to place a temporary interest rate cap to the market, which was seen as the main barrier of entry by the interviewees. Apart from the temporary legislation, the interviewees saw no barriers for market entry and there was no mention of strategies or plans made to combat any issues during the market entry process. When the company started signing contracts with the partners and making technical implementations, some challenges arose as shown in the series of events. The lack of foresight regarding the need for any turnaround management led it to becoming the third aggregated dimension.

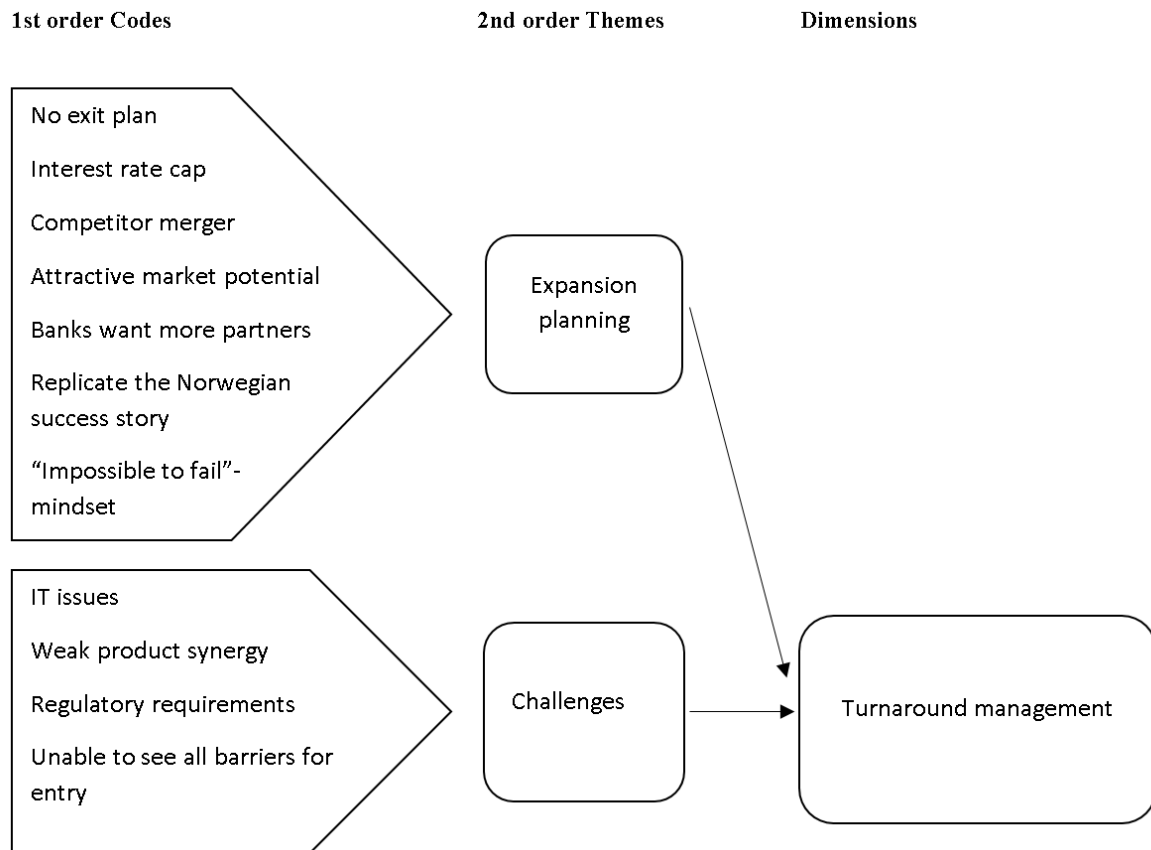


I would not say there were any barriers, it was more of a business decision that is it worthwhile to come to Finland or not. Bank partners were extremely welcoming and the expansion did not require any big investments. Finnish organization, Finnish personnel and Finnish contact person who was already familiar to the bank partners. (#2)

No, at that point of time it wasn't anything that would worry us. It was more like general considerations on the overall risk. And yeah, we didn't have like a formal exit strategy, no. (#4)

Of course it's takes some time to register a company and all that stuff, but that you know, so it there was not any, so I will say no to that question about any barriers. It would seem that

one of the biggest issues that I could think is basically acquiring all the partners. They were like old acquaintances from Norway and of course with the local CEO as well. (#1)



All the interviews listed IT related issues as the main sources of headache during the market entry process. There had not been a good assessment of the current scalability of the IT systems to multiple markets which caused setbacks during the launch of the business. Reactions to the IT issues were swift, but there were no existing plans or strategy in case something went wrong during the market entry.

Initial thought was that we could just copy what we had in Norway, make IT systems to a Finnish version and that that would work out fantastic. What we experienced along the way was that our system was maybe not in such a good shape as we initially thought because to begin with we only had one guy on IT that built the systems originally and maintained them in Norway. We didn't really have any other people to assess it or contribute in the IT planning for Finland. (#3)

Generally the IT systems which we are currently using is considerably slower and harder to develop than what we imagined originally. Everything we do regarding to IT takes a lot

longer to develop than what we would hope for. Also when something is done, it usually does not work and takes multiple iterations to get it right. (#2)

What has not been going that well is the mortgage loan sales. I mean yeah, so another bad thing is that we haven't been able to get the quality of application going as soon as we maybe hoped for and planned for. (#3)

4.4 Growth expectations

Regardless of the challenges that the company faced, it was decided that they could still launch the business as seen in the series of events. Fourth and last aggregate dimension is growth expectations and scaling the business was the last step of the examined series of events. The subsidiaries growth expectations were based on the performance of the parent company's example back in 2018. Launch of the business had some challenges that originated from IT issues and weaker than expected product synergy. The next step after officially launching the company, was to scale up the business. The marketing strategy consisted of digital marketing campaigns that focused on customer acquisition, which was adopted from the parent company. Marketing efforts were also delayed by the challenges, which lead to delay in market entry and to the scaling of the business.

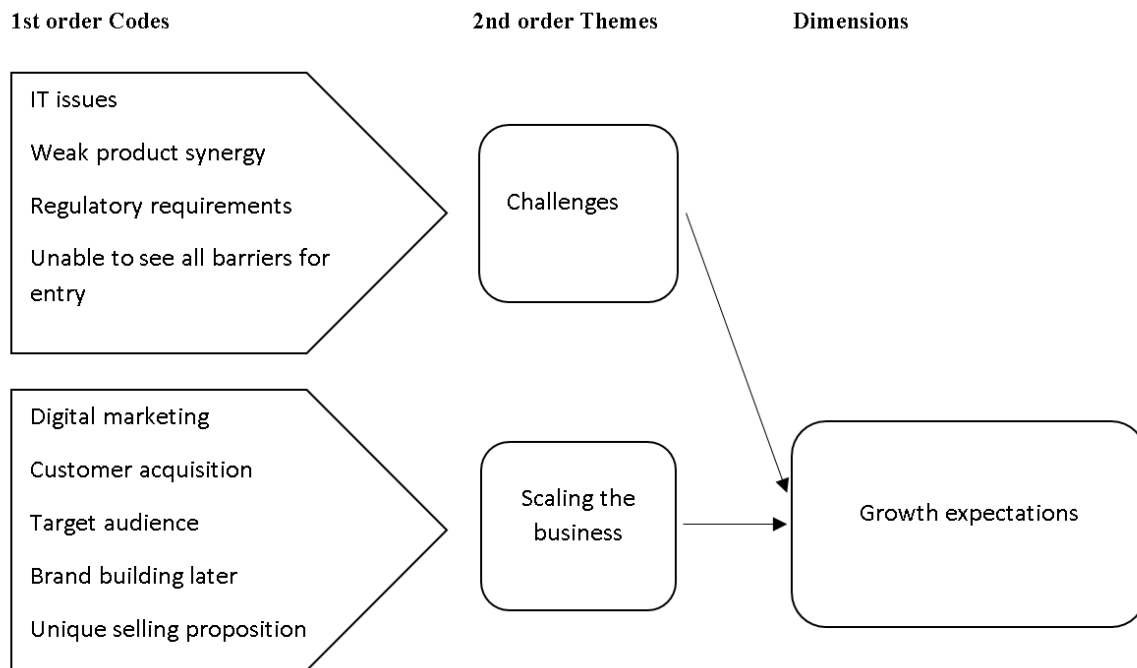


I would say of course on the negative side as well I that we did not have the necessary overview of the system adoption to Finland said we did underestimate on the on the need for adjustments and the lack of stable platform. (#4)

Originally we were supposed to start doing business in February but we only managed to start doing business on March. Then there is also the matter of quality. The quality of the business launch was so weak that we have been fixing those issues till this day. (#2)

I would say challenge has been also that I would say that we overestimated the kind of the project synergy we believed we can have. I would say it was completely different sales organization in bank partner for secured loans in Finland versus Norway. Completely different risk taking or kind of the way they're doing business. (#4)

Apart from partners what different like stakeholders do we have or what did we need. Let's say in terms of like marketing for example in marketing we kind of use the same digital channels as in Norway. Yeah, we started like in Norway with all like online marketing and somewhere in the future hopefully we will start offline marketing and building the brand in Finland as well when we see that things are working (#1)



Challenges with the capitalizing on the unique selling proposition and a weaker than expected product synergy was also mentioned multiple times as unexpected. The target audience was seen similar between Norway and Finland, but the definition for the target audience was described very vaguely in the interviews.

I think it's the same type of people in both Norway and Finland. It's very hard to give a, to give a narrow description of target audience. Is it male, middle aged or yeah, it's extremely hard to say. What we know is that we are looking for customers within the age range of 25 to maybe 65. (#3)

Our customer segmentation is quite similar between Finland and Norway. Around 50-60% of our customers are people who already have existing loans. Then our secondary customer segment are these customer who apply for a secured loan. (#2)

5 Discussion

This chapter will discuss the results of the interviews. Interpretations and findings of the interviews are supported by previous research and literature from the theoretical framework. As the interview results are reported around the four aggregate dimensions, the discussion is also focusing on the same subjects. Discussion also includes additional topics that were clearly not considered by the interviewees, but which were incredibly relevant from a point of view of making successful market entry.

5.1 Business planning

Porter (2008) and Karakaya (2002) discuss the various kinds of barriers that should be considered and might prevent market entry. Barriers that should be considered when making a market entry are economies of scale, which would give an understanding of the unit cost of the product or a service. Product differentiation should be considered as it can be a barrier if the company fails to attract loyal customers and stand out in the market. Capital requirements can be a major barrier when the company requires high initial investment. Lacking distribution channels can cause pressure to the company entering the market due to existing channels being tied up by long business relationships or exclusive arrangements. Cost disadvantages independent of scale can manifest through proprietary information, technology such as having skilled marketing personnel. Government policy is extremely important in markets that might have government-controlled regulation or unstable stance regarding some aspects of the industry.

Interviewees brought up some challenges that were considered, especially the temporary government policy that was seen as a major barrier that was blocking the entry during COVID-19 pandemic. Due to the low initial investment and upkeep cost, the capital requirements were considered to be a trivial barrier. There was no consideration done on other barriers or how the existing operators in the industry would react to a new competitor, as the market leader was presumed preoccupied with their merger.

Glowik (2016) emphasizes that when a company enters a foreign market, there are multiple challenges that the company needs to overcome. Societal, ecological, economic, legal-political, expertise and environmental challenges are to be considered. Interviewees brought up different

economic, legal-political and expertise related considerations when planning for the market entry, but no one had considered societal, ecological, or environmental challenges that could arise during the market entry.

Glowik (2016) and Moosa (2002) agree that expanding to foreign markets for better growth rates and higher profit margins are good reasons for a company. This is especially true, if the home markets are getting stale and growing the business is getting harder or more expensive. Companies also need to consider external forces, like strategic cooperation, when making the decision to expand to a foreign market.

The interviewees agreed that the main reasons for the expansion to the foreign Finnish was because markets seemed appealing, and it was a natural way to create a more stable business as it would have “more than one leg to stand on”. In addition to that, the interviewees brought up the merger of the market leader in the Finnish markets and the welcoming bank partners as an extra push for a swift market entry opportunity.

Glowik (2016) and Moosa (2002) highlight the need to consider financial resources required to expand with direct investment, but also to the importance of training the foreign staff. Lee et al. (2023) agrees that access to a local talent is a powerful motivator towards choosing direct investment as a part of market entry strategy. There could also be some market specific restrictions and requirements that make it unfavorable or impossible for the company to choose another expansion method.

Answers to the interview questions indicated that the direct investment was selected as a means of expanding to the Finnish market. The decision was made primarily due to ease of local regulatory and requirement compliances but also to access the local talent. There was a minimal risk for direct investment in terms of financial requirements, so the interviewees felt like direct investment was fairly justified.

According to Trout and Rivkin (2010) a good unique selling point has three major features: it must be an actual value proposition; the competitors of the company should not be capable or willing to offer the same and the selling proposition must be attractive enough to captivate a large audience. Guo et al. (2023) adds that assorted products can and should have varying selling points.

Unique selling point was described as the additional product and the existing synergy between banks by the interviews. The company wanted to be different from its competitors by offering a unique product to the customers. The additional product was a possibility for a customer to apply for a secured loan, which is a separate product from the core product the company is offering. This would indicate that the company does not have a proper unique selling proposition for their main product, which is the comparison service for the unsecured loans. The cooperation between partners on the secured loans side was not at all similar as it was presumed by interviewees, and there were additional regulatory requirements that had been miscalculated.

5.2 Role of local management

According to Porter (2008) competitive forces are in a key role when looking at companies' profitability and competition setup. The extreme case of competitive intensity can be described as an industry where entering the market is free, existing companies hold no bargaining power over suppliers or the customers while the competition between different companies and their products is vast as their services and products are remarkably similar. Metts (2007) adds that in small and medium sized companies, the managers should be capable to decrease the unwanted impact of competitive forces by preparing appropriate responses in advance.

Most of the interviews brought up the recruitment of key management as the first and most important aspect of executing market entry to Finland. Cultural consideration, localization and the analysis of the native market was left for the local management to handle without much additional consideration from the parent company's side.

According to Porter (2008) the ease of entry is one of the major considerations when it comes to competitive forces. It should be considered in terms of how easy it is for the company trying to enter the market to make an entry, as well as to consider how easy it is for additional competition to enter the market later. Threat of substitution is another factor that should be considered. Are there related products or services that are trying to satisfy the customers' needs with substitutive products.

Porter (2008) reminds that management should also consider the bargaining power of customers and suppliers. Especially when the market is highly competitive, customers bargaining power increases. On the other hand, when there is a limited amount of material that produces the product in the markets, the suppliers have a higher bargaining power. If the service is free for the user, they are not considered customers in that case, but rather the product, making the marketing channels where the business gets its users the suppliers. Rivalry among the existing companies is the last competitive force that should be considered during market entry. Analyzing the competition is crucial to see which of the competitors are going after the same customers with a similar product offering and which are serving a different customer base with a distinct need.

Interviews showed that there was trust towards local talent to take care of everything related to the local market's challenges. When doing the market entry there was no real strategy in place to combat different challenges posed by the competitive forces. The local management had to focus on other areas of the business. This meant that the management had to tackle the challenges reactionary rather than pre-emptively planning how to avoid them.

5.3 Turnaround management

Market boundaries that can be generalized to apply to most industries. The basic boundaries are usually limiting the businesses' capability to break free from the competition when they are stuck in an already saturated market situation. A saturated market situation might lead to organizational decline and down the line to a need for turnaround management. (Kim and Mauborgne, 2014)

According to Kim and Mauborgne (2014) one of the market boundaries are new kinds of business opportunities. When these opportunities arise they might not be directly seen as competition but they can still satisfy customers' needs and work as a substitute. Complementary services on the other hand are products or services that can be used and sold alongside with each other. The key element of offering the right kind of complementary product is to offer as complete of a solution to the customers' problem as possible by understanding what happens on the customers' end before, during and after the product or service is used.

When talking about strategic groups as a market boundary, it means understanding the company's and its competitor's positions in the market in comparison to each other and being able to rank them based on performance metrics. Target audience can consist of different target groups and the customers' reasons for purchasing the products may differ from each other. Some buyers are rational and require efficiency and functionality while others require emotional connection and appealing to those customers' feelings will yield a better result. Products or services are rarely only functional or emotional and when the company can challenge the existing orientation towards the product or a service, they usually find new business opportunities and customers. (Kim and Mauborgne, 2014)

Kim and Mauborgne (2014) state that external trends influence every industry in some way. Companies should not blindly follow trends, but rather focus on understanding the impact of the trend to the business and the value it brings to the customer. Visioning where the trend will end up and making efforts to steer the company towards that future will help the company capitalize on it. According to Gosling et al. (2017) identifying changes in market boundaries is crucial when making the market entry or operating in a certain industry. Depending on the type of a market, the company can increase or reduce their risk for operating in it.

Interviewees brought up only some parts of the competitive forces during the interviews. When planning the market entry to Finland, the management had considered how they would position in the strategic group among the competition and the preoccupation with the merger of the market leader was seen as an opportunity to avoid a reaction from the market leader. Target audience was discussed, but the description of it was very vague, and there was no distinct customer grouping or communications strategy to different customers. There was a good amount of consideration done about the market volatility as it was seen as one of the major barriers for entry. The lack of customer segmentation and the missing efforts to appeal to their individual needs is a weakness which can cause major challenges and organization decline for the company if it is not considered going forwards.

According to Adriaanse and van der Rest (2017) when a company is not performing well enough it needs to rely on turnaround management, where the company renews its business practices. Companies can start declining due to competitors' efforts, major technical changes or innovations that influence the industry. Governments can place new regulations that affect the industry or the company itself can have organizational rigidity which affects the firm's

capabilities for learning and adapting. Kumalo and Scheepers (2018) highlight the importance of identifying the situation the company is in, and understanding the root cause for the organization decline well before making any changes. Bachmann (2009) and Gadiesh et al., (2003) add that it is typical to change management during a turnaround process, but the cornerstone of a successful turnaround are good change management skills.

All the interviewees agreed that the market entry planning was done towards a successful market entry, and no turnaround management or strategies related to it were considered. This approach leaves the company in a vulnerable situation if the market entry does not go as planned and forces the company to make reactionary changes and decisions rather than predetermined and planned ones.

According to Pittz and Liguori (2020) businesses should consider their development further into the future and plan the possible exit from the current market or business as the exit strategy. Companies do not develop exit strategies only for negative outcomes but also optimize for the positive ones as well. Interviewees brought up that during market entry planning, there were no exit strategies considered in a case of successful or failed market entry.

5.4 Growth expectations

Deiss and Henneberry (2020) underline that the company must know who they want to market to, before they start their marketing efforts. Understanding the customer is the key criteria for successful marketing. A company can use online data and analytics to get a better understanding of who is their target audience is.

The interviewees had difficulties describing a certain type of a target audience for the service. According to the interviews, similarly to the parent company, the service offered by the Finnish subsidiary is also aimed towards every adult and preferably towards ones who already have existing loans. While trying to reach as wide of a target audience as possible, the company clearly needs to identify different customer groups within it. Customer data from the already existing customers together with artificial intelligence could be used by the company for target audience identification.

According to Kingsnorth (2022) a company should be able to articulate their digital marketing strategy with one sentence and have a clear understanding how to reach that vision. Digital marketing strategy is constructed by a few steps, where the company assesses the current situation of the company and builds a foundation for the digital marketing strategy. Interviewees brought up unanimously that the marketing strategy was focused on digital marketing only, and the main goal for the marketing campaigns were customer acquisition from a familiar marketing channel that the parent company had utilized as well.

Katsikeas et al. (2020) and Kingsnorth (2022) agree that companies should set up targets and key performance indicators. Developing analytical capabilities should also be ready before any marketing activities take place. It is important to avoid “one size fits all” strategy and aim to give customers personalized experience with the help of local professionals. During the interviews it became clear that the growth expectations were based on the prior performance of the parent company’s historical performance. Interviews gave no indication that the company would have considered any targeted marketing towards separate groups of customers. Interviews showed that the company was using the “one size fits all” approach to reach as many customers as possible. According to the interviewees, there was only a digital marketing strategy. When entering the market, the main concern was towards establishing the business and getting new customers, rather than building a brand.

Kingsnorth (2022) emphasizes that writing down and formalizing the digital marketing strategy is a key component, when the strategy needs to be shared to others and put into practice. Lastly, a great digital marketing strategy needs to be continuously improved, as it is almost inevitable that some part of it needs improving, fixing, or adjusting. Practical implementation needs to be reviewed on a day-to-day basis, while the strategic direction can be examined on an annual basis. Interviewees brought up that the digital marketing strategy was also copied from the same template as what the parent company used, and the Finnish subsidiary followed suit. Digital marketing strategy contained solely one type of marketing campaigns – customer acquisition campaigns. Campaigns were run through several digital marketing channels and partnerships. Interviews had no mentions of an overall marketing strategy or continuous reviews, but some offline marketing and brand building was mentioned as a possibility when the company was further established in Finland.

6 Conclusions

The aim of the thesis was to make a study that answered the research question: What are the different key success factors and pitfalls when entering a foreign financial market? The findings of the study showed similarities with the existing studies and periodically followed the topics discussed in the theoretical framework. Company had not taken into account some of the key features that the previous literature and studies would recommend when making a market entry. Despite the finite planning, the company was able to focus its efforts to the most critical areas of planning when making the market entry. Company was able to make a successful market entry to the Finnish financial markets, with relatively minor challenges. The key success factors and pitfalls are visualized in the Figure 3.

When planning for the market entry, the company was moderately lacking in planning and preparation. Limited number of managers who handled the planning of the market entry caused the management to miss some major topics and business areas in their expansion planning. This caused major issues later down the line when the company realized their lack of IT capabilities and resources needed for an expansion to a foreign market. The lack of preparation also caused challenges with the unique selling proposition of the company. Differing business practices of the bank partners and challenges with legislation impacted the wanted growth rates of the business. No consideration was given to societal, ecological, or environmental challenges, but luckily no challenges were realized during the entry process.

Local management was in a key role for establishing the business to the foreign market. Existing relationships with banks and marketing partners were crucial for efficient launch of the business. Parent company had left cultural consideration, localization, and the analysis of the native market to be done by the local managers, which were able to adapt the business to Finnish markets. Competitive forces were not especially considered during the market entry planning. This meant that the management had to tackle the challenges reactionary rather than pre-emptively planning how to avoid them.

Marketing had a fairly different approach compared to existing theory and studies. Main focus of the company was to start the business and get new users and customers. The company had a lot to improve in terms of customer segmentation, and increasing the total customer lifetime value through creating lasting customer relationships and offering complementary products. If

the company fails to satisfy each of the customers' needs, it may limit the company's ability to achieve sustainable growth and cultivate a loyal customer base and might cause challenges in profitability and cause decline in the business. Company approached the marketing through digital marketing channels and the focus was purely on customer acquisition. Marketing principles were copied from the Norwegian parent company and no marketing strategy was formally established. The company had no considered setbacks or possibility to fail, and lacked proper turnaround management strategy.

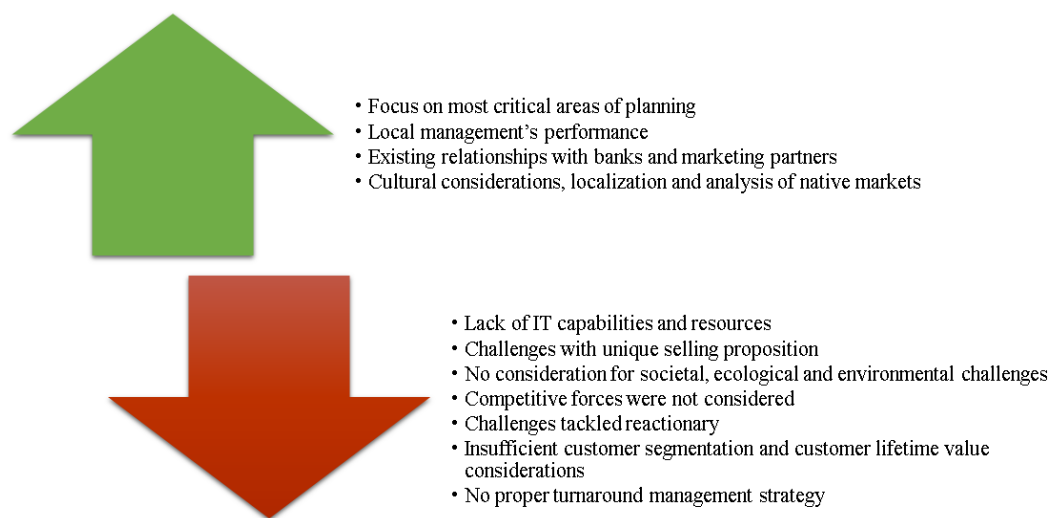


Figure 3. Key success factors and pitfalls

6.1 Practical implications

The thesis study found that the company should have considered a wider variety of different aspects when making a market entry. Even with insufficient preparation, the company was able to do a successful market entry to Finnish markets in the financial industry. Challenges that emerged during the entry process were due to inadequate understanding of internal resources, technical capabilities and inaccurate presumptions, but in this case they were not detrimental for the entry process as a whole.

Key local management and existing strategic partnerships with different banks played a key role in the success of the market entry. Local management was able to establish the firm and plan for some of the major competitive forces on the market, while only reacting to a few.

This thesis study also showed that there was no established marketing strategy and the marketing efforts were mainly focused on customer acquisition through digital marketing channels. Even without a complete marketing strategy, the company was able to enter the Finnish financial markets and establish a business. However, the implications of one dimensional marketing approach might not appear until on a later date.

Unwavering trust to success of the market entry was reflected in the indifference for turnaround management and exit strategy. Company faced only relatively minor challenges when doing the market entry and was able to react to them without compromising the market entry. Unlike the previous studies and theories would suggest, additional strategy for turnaround management or exit strategy did not make a grand difference regarding the success of the market entry so far. The company might want to complement their strategy on those subjects going forwards to avoid the possible threats from realizing.

6.2 Limitations

This thesis study has some major limitations that affect the quality of the results. The research was commissioned by Company X Oy and hence was conducted to only one company. During the interviewing it came as a surprise that the company had a very limited pool for interview candidates as the expansion to foreign financial markets was planned by only the top management of the company over multiple years.

The context in which the study was conducted was very specific. The company in the study was from a country with a very similar cultural background and it already had existing strategic alliances from the home markets that they could utilize when making the market entry to the Finnish financial market. Specificity of this case will limit the generalizability of findings to other industries or populations.

The market entry case in this study was very recent. Very little time had passed after the market entry was made and hence some of the effects from different features and decisions might have not come true yet. This reduces the reliability of the results in this study as some of the effects from the lack of planning might only manifest long after the market entry was completed.

6.3 Ideas for future studies

This study was done to a company that has a parent company in Norway and it did a market entry to the Finnish market. Both Norway and Finland are Nordic countries and their cultures are very similar even on a Nordic scale. A similar case study could be done to a company that does a market entry to Finnish markets from a differing culture. A future study could also be made by further exploring the cultural impact in market entry from Norwegian market to the Finnish market, as the management neglected most of the cultural considerations in this study.

A future study could be made to investigate the impact of strategic alliances when entering a foreign market. Exploring the effects of existing partnerships and strategic alliances reactions and effects to a company entering a foreign market as they also made Company X expansion easier in this case. The effects of good relationships towards strategic allies during the foreign market entry process was not further explored in this study.

In this study Company X made a market entry with a homogeneous service compared to its competitors. There were no countermeasures or reactions from the existing operators when Company X did the market entry, possibly partly due to similarity of the service and the small scale of the company. Idea for a future study could be to make a study about a company that is trying to make a market entry with a product or a service that will disrupt the market. This would provoke a better reaction from the existing operators for the study.

References

Bachmann, C. (2009) Sustainable performance increase and strategic turnaround management: current corporate restructuring experiences in the Romanian market. *Business Strategy Series*. 10(6), 331-338. Available from: <https://www.proquest.com/abiglobal/docview/194873750/1D74F9A6A8B34145PQ/3?accountid=27294&sourcetype=Scholarly%20Journals>

Gadiesh, O., Pace, S. & Rogers, P. (2003). Successful turnarounds: three key dimensions. *Strategy & Leadership*. 31(6), 41-43. Available from: <https://www.proquest.com/abiglobal/docview/194365346/FB1D8C1CAE1844ECPQ/1?accountid=27294&sourcetype=Scholarly%20Journals>

Gioia, D. A., Corley, K. G., Hamilton, A. L. (2013). Seeking Qualitative Rigor in Inductive Research: Notes on the Gioia Methodology. *Organizational Research Methods* 16, 15–31. <https://doi.org/10.1177/1094428112452151>

Glowik, M. (2016). *Market Entry Strategies*. 2nd edn. De Gruyter. Available at: <https://www.perlego.com/book/609266/market-entry-strategies-pdf>

Gosling, M., James, R. & Seo, Y. (2017). Markets and market boundaries: a social practice approach. *Journal of Service Theory and Practice*, 27(2), 408-426. Available from: <https://www.proquest.com/abiglobal/docview/1868250980/16179A45306C4312PQ/2?accountid=27294&sourcetype=Scholarly%20Journals>

Guo, X., Wang, S., Zhao, H., Diao, S., Chen, J., Ding, Z., He, Z., Lu, J., Xiao, Y., Long, B., Yu, H. & Wu, L. (2023). Intelligent online selling point extraction and generation for e-commerce recommendation, *AI Magazine*, 44(1), 16-29. Available at: <https://doi.org/10.1002/aaai.12083>

Hair, J., Page, M. and Brunsveld, N., 2019. *Essentials of Business Research Methods* (4th edition). Taylor and Francis. Available at: <https://www.perlego.com/book/1601160/essentials-of-business-research-methodspdf>

Hallituksen esitys HE 218/2022 vp. (2022). Eduskunta. Available from:
https://www.eduskunta.fi/FI/vaski/HallituksenEsitys/Sivut/HE_218+2022.aspx Accessed:
8.10.2023

Jin, B., Chung, J., Yang, H., & Jeong, S. W. (2018). Entry market choices and post-entry growth patterns among born globals in consumer goods sectors. *International Marketing Review*. Available at: Available at:
<https://www.emerald.com/insight/content/doi/10.1108/IMR-11-2015-0243/full/html>

Karakaya, F. (2002). Barriers to entry in industrial markets. *Journal of Business & Industrial Marketing*, 17(5), 379-388. Available from:
<https://www.emerald.com/insight/content/doi/10.1108/08858620210439059/full/html>

Katsikeas, C., Leonidou, L. & Zeriti, A. (2020). Revisiting international marketing strategy in a digital era: Opportunities, challenges, and research directions. *International Marketing Review*. 37(3). 405-424. Available at:
<https://www.proquest.com/abiglobal/docview/2533925934/C0EDB894753B4898PQ/2?accountid=27294&sourcetype=Scholarly%20Journals>

Kim, C. and Mauborgne, R. (2014). *Blue Ocean Strategy, Expanded Edition*. Harvard Business Review Press. Available at: <https://www.perlego.com/book/837138/blue-ocean-strategy-expanded-edition-how-to-create-uncontested-market-space-and-make-the-competition-irrelevant-pdf>

Kim, C. and Mauborgne, R. (2017). *Red Ocean Traps (Harvard Business Review Classics)*. Harvard Business Review Press. Available from: <https://www.perlego.com/book/837347/red-ocean-traps-harvard-business-review-classics-pdf>

Kołodkiewicz, I., Kozłowski, Ł. & Wojtyra-Perlejewska, M. (2023). Entrepreneurs' exit strategies and their determinants: the role of perceived exit challenges. *International Journal of Emerging Markets*. 18(10), 4591-4612. Available from:
<https://www.proquest.com/abiglobal/docview/2891135725/E8DD3E4FE96A4290PQ/2?accountid=27294&sourcetype=Scholarly%20Journals>

Kumalo, M., Scheepers, C. B. (2018). Leadership of change in South Africa public sector turnarounds. *Journal of Organizational Change Management*. 34(1). Available from: <https://www.emerald.com/insight/content/doi/10.1108/JOCM-04-2017-0142/full/html>

Lee, J. A., Usunier, J.-C., Taras, V. (2023). *Business & Marketing Across Cultures*. 1st edition. SAGE Publications. Available at: <https://www.perlego.com/book/4267532/business-marketing-across-cultures-pdf>

Metts, G.A. (2007). Measuring the effectiveness of managerial action in SMEs: An empirical analysis of management's response to industry competitive forces. *Management Research News*, 30(12), 892-914. Available at: <https://www.proquest.com/abiglobal/scholarly-journals/measuring-effectiveness-managerial-action-smes/docview/223543384/sem-2?accountid=27294>

Moosa, I. (2002). *Foreign Direct Investment*. Palgrave Macmillan UK. Available at: <https://www.perlego.com/book/3508135/foreign-direct-investment-theory-evidence-and-practice-pdf>

Myers, M. (2019). *Qualitative Research in Business and Management*. 3rd edn. SAGE Publications. Available at: <https://www.perlego.com/book/1431616/qualitative-research-in-business-and-management-pdf>

Park, E. (2009). Explicating barriers to entry in the telecommunications industry. *Emerald Publishing Limited*, 11(1). Available from: <https://www.emerald.com.ezproxy.arcada.fi:2443/insight/content/doi/10.1108/14636690910932984/full/html>

Porter, M. (2008). *Competitive Strategy*. Free Press. Available at: <https://www.perlego.com/book/780079/competitive-strategy-techniques-for-analyzing-industries-and-competitors-pdf>

Ritchie, J., Lewis J., McNaughton N., Ormston R. (2013). *Qualitative Research Practice*. 2nd edn. SAGE Publications. Available at: <https://www.perlego.com/book/1431388/qualitative-researchpractice-a-guide-for-social-science-students-and-researchers-pdf>

Sambla Group. (2022). Sambla Group acquires Omalaina and Salus Group to further strengthen the position in the Nordics. Available from: <https://press.samblagroup.com/pressreleases/sambla-group-acquires-omalaina-and-salus-group-to-further-strengthen-the-position-in-the-nordics-3165053> Accessed: 8.10.2023

Sambla Group. (2021). Sambla Group acquires Rahalaitos from Speqta and strengthens its position in the Nordic region. Available from: <https://press.samblagroup.com/pressreleases/sambla-group-acquires-rahalaivos-from-speqta-and-strengthens-its-position-in-the-nordic-region-3159193> Accessed: 8.10.2023

Schibsted. (2023). Lendo focuses its growth ambition on the Scandinavian markets – plans to cease operation in four European markets. Available from: <https://schibsted.com/news/lendo-focuses-its-growth-ambition-on-the-scandinavian-markets-plans-to-cease-operation-in-four-european-markets/> Accessed: 8.10.2023

Sortter Oy. Finder. Available from: <https://www.finder.fi/Rahoitus+ja+luottotoiminta/Sortter+Oy/Helsinki/yhteystiedot/3257688> Accessed: 8.10.2023

Thomas, B. and Housden, M. (2017) Direct and Digital Marketing in Practice. 3rd edn. Bloomsbury Publishing. Available at: <https://www.perlego.com/book/807968/direct-and-digital-marketing-in-practice-pdf>

Trout, J. and Rivkin, S. (2010). Differentiate or Die. 2nd edn. Wiley. Available at: <https://www.perlego.com/book/1006981/differentiate-or-die-survival-in-our-era-of-killer-competition-pdf>

Zmarta / Freedom Rahoitus Oy. Finder. Available from: <https://www.finder.fi/Rahoitus+ja+luottotoiminta/Zmarta+Freedom+Rahoitus+Oy/Helsinki/yhteystiedot/1950632> Accessed: 8.10.2023

Appendix 1.

Background of the expansion

1. Why did you decide to expand to a foreign market, and to Finland especially?
2. What was the goal for the market entry, in 3 months 6 months, 1 year or 2 year time period?

Structure of the market entry

3. What kind of market entry approach did you choose, and why?

Preparation for the market entry

4. What kind of cultural considerations were there when entering the Finnish markets?
5. Were there any legal considerations when planning a market entry to the Finnish markets?
6. What kind of market analysis did you do about the Finnish markets before entering?

Market positioning

7. What would you consider the unique selling points of the company would be? What makes it stand out in the Finnish market?
8. What kind of analysis did you do about the competitors in the Finnish market? What did the competitor's landscape seemed like?

Marketing and customers

9. What kind of stakeholders, partners or cooperation did you need for the market entry?
10. What kind of marketing strategy did you choose when making a market entry to the Finnish market? What marketing channels did you use and why?
11. What was your target audience when entering the Finnish market? Did it vary from the Norwegian target audience?

Localization and culture

12. What kind of localization did the product require for the Finnish customers?
13. Did you have any barriers of entry to the Finnish markets?

Financial planning and risks

14. What kind of financial planning was done before the market entry?
15. What kind of risks did you evaluate the market entry might cause to the parent company?

Evaluation and exit

16. How would you evaluate the market entry went? Name three things that went well, three things that didn't go as planned.
17. In case the market entry failed, what was the exit strategy?

Final words & interviewee recommendations

18. Is there any other topic you would like to discuss, that you feel like would be relevant, important or that I might have missed regarding the market entry?
19. Who would you recommend that I interview from the company, or which of the personnel were involved in planning and executing the market entry?