



The factors contributing towards the success of startup businesses in Finland

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<p>Finland is known worldwide for its robust startup environment, which is characterized by innovation, public funding, and institutional support. Despite the favorable atmosphere, many entrepreneurs confront early-stage obstacles. Understanding the elements that drive startup success is critical, particularly in the context of a Nordic economy where sustainability, digital transformation, and entrepreneurship are important national priorities. This thesis investigates the link between two essential elements—the power of the company idea and availability to funding—and their impact on startup success in Finland.</p> <p>The major goal of the study was to determine how the perceived quality of a business idea and the availability of capital influence the growth and sustainability of new companies. The study intended to answer one central question: How do the quality of a business idea and access to funding contribute to the success of startup businesses in Finland? Two sub-questions were also addressed: How important is a great business idea to Finnish startups? How does access to funding affect startup success in Finland?</p> <p>The research employed a quantitative technique, including a structured online survey delivered via Webropol. The target audience consisted of early-stage entrepreneurs, aspiring founders, and Finnish business students. A total of 60 responses were gathered and analyzed in Microsoft Excel with descriptive statistics. The theoretical framework is based on current literature on entrepreneurship, startup funding, business model creation, and ecosystem assistance, as well as examples from Finnish companies.</p> <p>According to the data, 86.6% of respondents rated a good business idea as "very important" or "extremely important" for startup success. At the same time, 80% identified funding as a significant success component. Most participants agreed that a verified company idea, when combined with enough financial support, leads to increased scalability and operational growth. Respondents also identified obstacles such as complex grant applications, language hurdles, and a lack of networks. These were especially common among overseas entrepreneurs. The findings reaffirmed the view</p>

that a company idea and funding are inextricably linked in the entrepreneurial journey.

At last, the thesis highlights that startup success in Finland depends on both the uniqueness and validity of the company idea, as well as timely and enough financial backing. For budding entrepreneurs, the findings emphasize the value of market research, strategy clarity, and ecosystem participation. Recommendations include raising awareness of funding sources, developing mentorship networks, and lowering bureaucratic barriers. Future study might compare the startup paths of native and overseas founders, or it could look at the long-term success characteristics of firms after the initial launch period.

Key words

Startup Success, Business Idea, Startup Funding, Finnish Entrepreneurship, Innovation Ecosystem, Early-Stage Ventures.

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1 Introduction

1.1 Background

Finland has established a global reputation as a pioneer in innovation, digitization, and entrepreneurship, placing among Europe's most startup-friendly countries (Startup Genome, 2023). Its national ecosystem is distinguished by public funding agencies, incubators, accelerators, and universities that actively promote early-stage entrepreneurship. Organizations such as Business Finland and ELY-keskus give financial assistance, innovation support, and mentorship, and university institutions like Haaga-Helia provide entrepreneurial education and ecosystem access.

Despite these benefits, the failure rate of startups remains a worry, especially in the early stages of business. According to Statistics Finland (2023), many companies fail owing to factors such as imprecise value propositions, inadequate funding, poor market fit, or insufficient validation of ideas. These reoccurring problems highlight the need to better understand the characteristics that contribute to startup success in Finland's distinctive entrepreneurial scene.

This thesis looks at two important and frequently interconnected factors: the soundness of the company idea and the availability of capital. A successful enterprise is built on a solid business idea that is based on market need, uniqueness, and scalability (Barringer and Ireland, 2020). At the same time, significant funding is required for product development, team building, marketing, and expansion (Gompers & Lerner, 2001). These two pillars are especially important in a high-cost Nordic welfare economy where early-stage support has a significant impact on innovation success. This is a very relevant problem in today's world, as entrepreneurship is viewed as a long-term answer for employment, innovation, and social resilience. This research is particularly relevant to me as an international student in Finland who wants to start my own business. Understanding what drives company success may benefit not just academic knowledge but also the growth of future entrepreneurs, particularly in multicultural startups.

1.2 Research Questions

The main objective of this thesis is to explore how the quality of the business idea and access to funding influence the success of startup businesses in Finland.

Main Research Question:

How do the quality of the business idea and access to funding contribute to the success of startup businesses in Finland?

Sub-questions:

- i. How important is a great business idea to Finnish startups?**
- ii. How does access to funding affect startup success in Finland?**

These questions seek to offer empirical insights that will aid in early-stage decision-making and contribute to better entrepreneurial success.

1.3 Scope and Limitations

This study is limited to the Finnish startup ecosystem and primarily targets individuals with direct or aspirational experience in entrepreneurship. The sample comprises early-stage entrepreneurs, aspiring founders, and business students, notably those studying at Haaga-Helia University of Applied Sciences. While this audience represents a diverse cross-section of the startup pipeline, the use of a non-random sample and the concentration on Finland limit the findings' generalizability to other geographic or cultural contexts.

This research takes a quantitative approach, using a structured Webropol survey delivered through web means. While this method allows for statistical comparisons of views across different responder groups, it has limitations in terms of collecting qualitative insights such as emotions, motives, and intimate personal experiences.

The survey received 60 replies, providing a good foundation for exploratory analysis, but the conclusions cannot be applied to all Finnish businesses due to the small sample size and non-random sampling procedure.

1.4 Research Methodology Overview

Using a structured online questionnaire created and disseminated by Webropol, a quantitative research approach was used. The purpose of the survey was to collect opinions from a wide range of respondents, including professionals looking at business prospects, students interested in launching their own businesses, present company owners, and aspiring entrepreneurs. The survey, which included a combination of closed-ended questions and scaled items including Likert and percentage-based scales, was finished by 60 participants. Microsoft Excel was used to evaluate the gathered data and provide descriptive statistics, guaranteeing that the outcomes are understandable, reliable, and repeatable.

1.5 Theoretical Framework Overview

The theoretical framework is divided into two chapters, each focusing on one of the key aspects under consideration.

The first chapter, titled "**The Power of a Strong Business Idea**," delves into the qualities of high-potential ideas, such as innovation, market alignment, validation, and scaling. It is based on startup theory, Finnish case studies, and entrepreneurial ecosystem research.

Chapter 2, titled "**Finland's Funding Opportunities for Startups**," presents an overview of funding options, including state grants, venture capital, and private investment. The chapter investigates how financial resources affect growth, sustainability, and risk management in the early phases of entrepreneurship.

The table 1 below depicts how the research questions relate to theoretical framework chapters, survey questions, and conclusions.

Table 1 Overlay Matrix: Connecting Questions, Theory, and Results.

Investigative Questions	Theoretical Framework (Chapter)	Findings (Chapter)	Survey Questions
1. What is the perceived importance of a strong business idea?	Chapter 2 – Power of a Strong Business Idea	Chapter 5 – Results	Questions 8–12
2. What are the key elements of a strong business idea?	Chapter 2 – Business Idea Characteristics	Chapter 5 – Results	Questions 9–11
3. How important is funding for startup success in Finland?	Chapter 3 – Funding Opportunities	Chapter 5 – Results	Questions 13, 17, 19
4. How accessible are funding opportunities in Finland?	Chapter 3 – Public & Private Funding	Chapter 5 – Results	Questions 14–16, 18
5. How do business ideas and funding interact in determining success?	Chapters 2 & 3 Combined	Chapter 6 – Discussion	Questions 19–20

2 The power of strong business idea

A solid business idea is the cornerstone of any successful firm. In Finland's lively entrepreneurial ecosystem, the quality, clarity, and novelty of an idea are critical factors in determining a new venture's success (NewCo Helsinki, 2023). This chapter delves into the theoretical basis of business ideas, concentrating on their definition, significance, components, and how they are assessed and modified within the Finnish startup ecosystem. The topic is broken into five sections to provide readers a thorough knowledge of how a solid business idea leads to startup success.

2.1 Defining a Business Idea and Its Importance

A business idea is the intellectual basis for every entrepreneurial activity. It includes the discovery of a specific consumer need, the development of a product or service to meet that need, and a feasible strategy for delivering and monetizing the solution (Barringer & Ireland, 2020). In essence, the business idea acts as a blueprint for the company's operations, marketing, and expansion plans.

In Finland's innovation-driven economy, business ideas are especially valued. Finnish companies are encouraged to create ideas that not only meet real market demands but also contribute to wider social goals such as environmental sustainability, digital transformation, and inclusion (European Startup Monitor, 2022). The country's reputation for technical innovation, along with strong public-sector backing, creates an ideal environment for high-impact, research-based ideas to flourish.

A strong business idea is usually defined by its clarity, relevance, and viability. Clarity guarantees that the idea can be properly communicated to stakeholders, such as investors, consumers, and teammates. Relevance guarantees that the proposal answers a market-specific and timely need. Feasibility, on the other hand, demonstrates the entrepreneur's ability to turn an idea into a viable business model with actual financial and operational constraints (Osterwalder & Pigneur, 2010). In Finland, various governmental programs emphasize the significance of issue-solution fit—a notion that requires entrepreneurs to first confirm that the problem they aim to answer exists and is worth addressing. For example, Business Finland offers early-stage funding through programs like as Tempo to assist businesses in developing proof of idea and gathering user feedback before moving forward with full-scale product development (Business Finland, 2024). This method not only lowers the chance of failure, but also promotes a culture of market-tested innovation.

Furthermore, Finnish startup accelerators, such as those run by Haaga-Helia StartUp School and Aalto University, educate entrepreneurs on user-centered design, lean experimentation, and continuous validation. These frameworks assist entrepreneurs in moving beyond intuition or unproven assumptions and instead developing their businesses based on actual facts (Ries, 2011;

Brown, 2009).

Furthermore, the Finnish entrepreneurial approach prioritizes scalability. A viable company idea is one that not only generates early attention, but also grows sustainably across markets. This necessitates addressing factors such as market size, competitive difference, resource availability, and operational scalability from the outset of planning.

To put it simply, defining an enterprise idea is an ongoing refining process rather than a single event. It demands entrepreneurs to combine innovation and insight while remaining anchored in real-world obstacles and consumer needs. Entrepreneurs in Finland are well-positioned to convert potential ideas into sustainable, significant businesses—as long as they apply a systematic approach to development and validation.

2.2 Key Characteristics of a Strong Business Idea

A high-quality business idea serves as the cornerstone for successful companies. While innovation is essential, a idea must also fit specific strategic and practical criteria in order to be viable in real-world marketplaces. Barringer and Ireland (2020) describe good business ideas as those that solve a well defined problem, service a well-defined consumer niche, have a distinctive value proposition, and have scaling potential. These characteristics allow businesses to not only enter the market efficiently, but also expand sustainably in the long run.

i. Problem-Solution Fit and Relevance:

A strong business idea starts with solving a true and proven problem that clients encounter. This problem-solution fit is critical to ensuring genuine demand for the product or service being produced. Ideas based on assumptions rather than validated requirements frequently fail owing to a lack of market traction. In Finland, innovation support services like Business Finland and NewCo Helsinki prioritize early validation and problem identification as conditions for funding and mentorship (Business Finland, 2024; NewCo Helsinki, 2023).

ii. Clarity & Focus:

An effective business idea must be clearly defined and focused. Vague or excessively broad ideas may mislead potential investors and consumers, making it difficult to express the essential product. Startups that can define their value offer in clear, compelling words have a better chance of gaining early traction and loyalty. As Ries (2011) points out in *The Lean Startup*, clarity in the early phases allows for quicker feedback loops and more smart pivots, if necessary.

iii. **Uniqueness and Competitive Advantage:**

Another characteristic of a successful company idea is its ability to stand out from current solutions. It must provide something that is either completely new or considerably superior to what is already provided. This might be cost, performance, design, convenience, or a combination of factors that provide business a competitive advantage. According to Osterwalder and Pigneur (2010), organizations must position themselves such that their value offer is clearly unique from rivals in order to avoid being redundant in crowded marketplaces.

iv. **Innovation and adaptability**

In today's fast-changing digital economy, an effective business idea must be both inventive and adaptive. In Finland, emphasis is frequently focused on digital transformation, sustainability, and social impact – all of which assist entrepreneurs integrate with larger societal and environmental aims. Swappie, a Finnish firm that refurbishes and resells discarded cellphones, exhibits a circular economy-based idea. Their business approach tackles both the high cost of new cellphones and environmental concerns about e-waste, making the proposition socially relevant and financially viable (Paul, 2022).

v. **Scalability and Market Potential:**

Finally, scalability is a key characteristic of a good business idea. A scalable idea may be expanded without significantly affecting its cost structure. This enables sustained growth and profitability. Scalability is enhanced by digital platforms, automation, and internationalization tactics, all of which are frequently supported by Finnish startup accelerators and funding authorities such as Business Finland and ELY Centres (European Startup Monitor, 2022).

A high-quality business idea in Finland must solve real-world issues, provide obvious and distinctive value, be based on user demands, and have growth potential. Entrepreneurs that emphasize these attributes early in the ideation phase have a better chance of obtaining funding, recruiting partners, and establishing long-term sustainability in both local and global markets.

2.3 Tools and Models to Develop Business Ideas

Entrepreneurs in Finland regularly utilize organized tools and models to brainstorm, assess, and enhance their company ideas. These strategies aid in the transformation of basic ideas into coherent and executable business models.

The Business Model Canvas (BMC), established by Osterwalder and Pigneur (2010), is a popular strategic tool. The BMC provides a visual and logical framework for describing the major components of a business idea, such as the value proposition, client groups, income streams, and critical alliances. It is widely utilized in Haaga-Helia's entrepreneurship education to help students

and early-stage entrepreneurs comprehend the commercial feasibility of their ideas. Table 2 outlines the key components of the Business Model Canvas.

Table 2 Business Model Canvas components and their descriptions (Adapted from Osterwalder & Pigneur, 2010)

BMC Component	Brief Description
Value Proposition	Unique value offered to customers
Customer Segments	Specific groups targeted
Channels	Ways to deliver value to customers
Customer Relationships	How to build and maintain customer interaction
Revenue Streams	How the business generates income
Key Resources	Essential assets and tools needed
Key Activities	Core operations required
Key Partnerships	External partners and alliances
Cost Structure	Main financial expenditures

In addition to BMC, the Design Thinking approach is widely promoted in Finland's innovation hubs and startup accelerators. This strategy emphasizes user-centered development by promoting empathy, iterative testing, and issue solving through creative exploration (Brown, 2009). These programs encourage entrepreneurs to apply this framework to guarantee that their company ideas match genuine user demands. Table 3 depicts the usual steps of the Design Thinking method, which is commonly used to drive product and service development.

Table 3 The Design Thinking process flow (Adapted from Brown, 2009)

Phase	Description
Empathize	Understand the user through observation and engagement
Define	Clearly articulate the user's needs and problems
Ideate	Generate a wide range of creative solutions
Prototype	Build simplified versions of the product or service for testing
Test	Evaluate prototypes with users and gather feedback

Combining models such as the BMC with Design Thinking provides Finnish entrepreneurs with both structural clarity and user-focused knowledge, increasing the possibility of developing profitable and scalable companies.

2.4 Evaluating and Validating Business Ideas in Finland

Validation is an important step in the entrepreneurial process, acting as a checkpoint between idea and market entrance. In Finland's organized startup environment, testing and validating company ideas is not only encouraged, but also built into the national support infrastructure for entrepreneurs. This method is critical for reducing risk, increasing feasibility, and ensuring that business ideas are grounded in actual market demands.

One of the most popular ways in Finland is the usage of Minimum Viable Products (MVPs), which are reduced versions of a product or service that allow entrepreneurs to get user feedback with less resources. This strategy is important to the Lean Startup process, which emphasizes quick testing, iterative development, and continuous change in response to customer input (Ries, 2011). Startups may avoid costly blunders and enhance their solutions before investing in full-scale.

Entrepreneurs are also urged to perform preliminary market research and use structured validation techniques. Consumer interviews, focus groups, internet surveys, and A/B testing are commonly used to validate assumptions about product-market fit, pricing strategies, and consumer preferences (Barringer & Ireland, 2020). Public and commercial organizations commonly offer training on how to conduct these responsibilities professionally.

Publicly funded platforms play an important part in the validation process. For example, NewCo Helsinki provides coaching, mentoring, and networking events to assist entrepreneurs assess the commercial feasibility of their ideas by exposing them to real-time market input. Similarly, Startup Refugees, a project that assists immigrant and refugee entrepreneurs, provides targeted validation support to non-Finnish founders (Startup Refugees, 2023).

Participating in pitching contests and business accelerators is another popular way of validation in Finland. Events like Slush, Sprint Innovation Festival, and Haaga-Helia StartUp School Demo Days let entrepreneurs to pitch their ideas to panels of experts, potential investors, and end users. This technique not only improves feedback but also aids in the development of early traction and exposure (European Startup Monitor, 2022).

Validation is also promoted as part of the entrepreneurial curriculum at universities and vocational schools. Business students at Haaga-Helia University of Applied Sciences are taught to employ structured frameworks like the Business Model Canvas and Design Thinking throughout the

ideation and validation phases (Osterwalder and Pigneur, 2010; Brown, 2009). These approaches offer a disciplined approach to testing assumptions, refining ideas, and documenting learning's.

Therefore, the validation of business ideas in Finland is a multi-stage, evidence-based process that is backed by a solid institutional and educational foundation. It combines user participation, MVP testing, expert feedback, and organized tools to increase the likelihood of developing sustainable, scalable companies.

2.5 The Role of the Finnish Environment and Institutional Support in Shaping Business Ideas

The Finnish startup environment influences the creation, refining, and eventual success of business ideas. Finland's environment is distinguished by proactive public support systems, a collaborative innovation culture, and a highly educated populace, all of which contribute to an ecosystem that fosters entrepreneurial ambition from inception to execution. The ecosystem provides a diverse set of institutional resources, such as entrepreneurship courses, funding organizations, mentorship platforms, and pre-incubation services. These aspects work together to help entrepreneurs create viable, competitive, and sustainable company models.

Public organizations like Business Finland and ELY Centres are at the forefront of this support network. Business Finland, for example, provides innovation vouchers, early-stage funding, and R&D support, allowing businesses to test and evaluate ideas without immediate financial strain. Similarly, ELY Centres (Centres for Economic Development, Transport, and the Environment) provide targeted advising services and funding options, notably for jobless people looking to start a business (Business Finland, 2024; ELY-keskus, 2023). These services are critical for idea-stage entrepreneurs, who frequently confront significant unpredictability and low resources.

Educational institutions provide substantial contributions to the entrepreneurial journey. Universities like as Aalto University, Haaga-Helia University of Applied Sciences, and the University of Helsinki incorporate entrepreneurship into their courses, mixing academic instruction with hands-on experience. Programs like Haaga-Helia's StartUp School assist students and prospective entrepreneurs in iterating their company ideas through mentoring, peer participation, and exposure to real-world startup development cycles. These learning settings promote innovation literacy and strategic thinking, both of which are required to turn an idea into a sustainable firm (European Startup Monitor, 2022).

In addition to institutional backing, Finland's social values have a strong effect on the sorts of entrepreneurial ideas that succeed. Finnish culture is based on ideals such as trust, transparency,

environmental sustainability, and social responsibility. As a result, business ideas that correspond with these principles—such as tackling environmental issues or fostering digital inclusion—are more likely to get public and private funding. For example, entrepreneurs in the circular economy or clean tech industries frequently benefit from specific government funding and EU-funded initiatives (OECD, 2022).

This supporting ecosystem is further evidenced by the success of Finnish businesses such as Wolt and Swappie. Wolt, started in Helsinki in 2014, recognized inefficiencies in food delivery and created a user-centric, data-optimized logistics platform. Wolt swiftly evolved from a local business to a worldwide brand thanks to early assistance from Business Finland and an emphasis on operational scalability (Schroder, 2022). Swappie, too, responded to customer desire for inexpensive and sustainable technology by launching a business based on reconditioned cellphones. Their idea appeals to both price-conscious and ecologically conscientious consumers, helping them to quickly grow throughout European markets (Paul, 2022).

In simple terms, Finland's innovation ecosystem fosters corporate ideation through structured institutional support, an innovation-driven culture, and value-based market dynamics. Finland's mix of public and private resources, mentoring, financial access, and socially conscious consumer behavior creates a uniquely conducive climate for entrepreneurial development. A solid company idea, when combined with this healthy ecosystem, has a far better chance of becoming a successful and meaningful endeavor. As Wolt and Swappie demonstrate, success is the result of ongoing validation, institutional support, and alignment with social requirements.

3 Finland Funding opportunities for startups

This chapter delves into the essential role that funding plays in the Finnish startup ecosystem, highlighting how both public and private funding sources contribute to the creation, survival, and growth of early-stage companies. It describes the structure of Finland's funding ecosystem, starting with government-led programs like Business Finland and ELY Centers and progressing to private investors like venture capital companies and angel networks. The chapter also looks at alternate funding sources like crowdfunding, which offer accessible avenues for non-traditional businesses. Real-world Finnish case examples show how entrepreneurs use these technologies in practice. Finally, the chapter critically examines the fundamental obstacles that exist in the ecosystem, including securing scale-up funding, managing bureaucratic processes, and resolving regional imbalances, despite Finland's strong institutional support for entrepreneurship.

3.1 The importance of startup funding in Finland

Access to proper funding is one of the most important success criteria for early-stage entrepreneurs, both in Finland and throughout the world. Funding is especially important in Finland because of the significant expenses involved with innovation-driven business strategies, product development, foreign market penetration, and skilled labor recruiting. Many businesses struggle to establish minimum viable products (MVPs), test market feasibility, or extend their operations beyond the local level in the absence of timely and enough financial backing.

According to Statistics Finland (2023), 63% of Finnish entrepreneurs cited a lack of funding as a main challenge during the first three years of their firm. This implies that, despite Finland's sophisticated innovation environment, many entrepreneurs continue to be concerned about securing financial support. Early-stage enterprises frequently experience what is known as the "valley of death"—a critical time in which costs surpass revenues and external funding is required to survive and achieve profitability (GEM, 2023).

Finland's national innovation plan, backed by strong government institutions and research-driven universities, seeks to offset these risks by developing an accessible, diverse, and innovation-friendly funding ecosystem. Public institutions like Business Finland and the ELY Centres (Centres for Economic Development, Transport, and the Environment) play critical roles by providing grants, innovation vouchers, R&D subsidies, and loans tailored specifically for startups and SMEs (Business Finland, 2024; ELY-keskus, 2023).

Furthermore, Finland's public funding structure is intended not merely to provide cash but also to foster entrepreneurial creativity and risk-taking, both of which are critical for long-term

competitiveness. Tempo funding helps with early validation phases, but more advanced instruments like Research to Business grants help turn university breakthroughs into profitable enterprises (Business Finland, 2023).

In addition, investment from angel investors, venture capital companies, and accelerators supplements governmental funding. However, early-stage businesses sometimes rely on public support for their initial development until they become appealing enough to private investors. This symbiotic link between public and private funding sources is unique to Finland's startup ecosystem and a critical enabler for technology-intensive industries like as health tech, cleantech, gaming, and software (Finnish Venture Capital Association, 2023).

Therefore, investment is both a financial lifeline and a strategic instrument for Finnish startup development. It helps entrepreneurs to mitigate risk, pursue innovation, recruit talent, and join competitive industries. The structure and accessibility of capital, especially during the embryonic stages, have a significant impact on whether a good idea becomes a viable business.

3.2 Public Funding and Government Support

One of the distinguishing features of Finland's startup ecosystem is the high amount of public-sector participation in sponsoring innovation. Business Finland, a national government agency, is a top provider of grants, innovation vouchers, and research-based support for entrepreneurs. Business Finland provides funding for early-stage firms through programs such as Tempo and Research to Business, which promote proof-of-idea creation, product testing, and commercialization). Business Finland is at the forefront of public funding in the Finnish innovation environment. As the premier government agency for innovation funding, Business Finland provides a variety of financial options to help startups at various stages of their growth. These include Tempo funding, which is aimed at early-stage businesses looking to evaluate their international development potential, and Research to Business, which helps commercialize research-based ideas developed by universities or research organizations (Business Finland, 2024).

In addition to grants, Business Finland provides innovation vouchers, which give small-scale funding for entrepreneurs to acquire professional services, as well as R&D loans to help with product development and scalability. These tools are intended to stimulate experimentation and decrease the cost of innovation, particularly in industries such as technology, renewable energy, and health tech, where Finland has proved worldwide competitiveness.

The ELY Centres (Centres for Economic Development, Transport, and the Environment) are another important source of public funding. These regional groups provide consulting services,

funding for jobless persons who want to establish a business, and development subsidies to encourage regional entrepreneurship. ELY Centres play a critical role in ensuring that businesses outside of Helsinki and other metropolitan hotspots have access to financial and professional resources.

Wolt, a meal delivery company created in Helsinki in 2014, is a well-known example of how successful public support can be. Wolt got early support from Business Finland, allowing it to perfect its technology, build its logistics strategy, and acquire traction in the Finnish market. This early backing helped the firm obtain larger private investments as it moved into foreign markets (Kauppalehti, 2021). Wolt's success story highlights how government support may help startups scale and compete globally.

Finland's public funding ecosystem provides a well-structured and supportive environment for startup growth. The combination of financial aid, mentorship, innovative services, and regional outreach demonstrates a complete approach to entrepreneurship. This support structure is critical for early-stage companies since it reduces uncertainty and speeds up the transition from idea to market entrance.

3.3 Private Investors and Venture Capital Landscape

Private funding complements state backing in Finland's startup environment. As businesses progress past the idea and validation stages, they frequently require considerable funding to scale operations, create sophisticated products, and enter foreign markets. At this key stage, private investors such as angel investors and venture capital (VC) companies give critical financial resources, frequently in return for stock holdings in the company. In addition to cash, these investors provide essential strategic advice, networking opportunities, and business development skills, boosting company growth (Finnish Venture Capital Association, 2023).

Angel investors often work with extremely early-stage firms, making modest investments but frequently getting directly involved as mentors or advisers. Their willingness to invest in early-stage ideas makes them especially valuable for first-time startups or innovators with limited access to institutional funding. Organized angel networks in Finland, such as FiBAN (Finnish Business Angels Network), have expanded dramatically, offering a formal venue for matching companies with private investors.

Venture capital firms, on the other hand, provide larger investment rounds and often enter at a later stage, once the company has proved market potential and scalability. Finnish venture capital firms include Lifeline Ventures, Icebreaker VC, and Inventive are well-known in the national and Nordic investing markets. These enterprises focus on high-growth industries such as deep technology,

renewable energy, health tech, SaaS, and gaming, where Finland has a competitive advantage due to its strong research foundation and innovation-driven regulatory environment (OECD, 2022).

In 2022 alone, Finnish businesses received more than €400 million in venture capital funding, demonstrating strong investor confidence in the country's entrepreneurial scene. This statistic indicates both the maturity of the local venture market and Finland's growing presence in the global startup ecosystem.

Despite good advancements, Finland's venture capital environment remains smaller in scale than neighboring nations like Sweden and Germany. Many Finnish companies, particularly those looking for quick worldwide development, frequently seek investment from foreign investors to get access to larger capital pools and global networks. This trend has prompted the Finnish government and national organizations to pursue co-investment initiatives that combine local funding with foreign venture capitalists. Tesi's Growth Fund (Finnish Industry Investment Ltd) aims to close the scale-up funding gap and guarantee that potential Finnish businesses have access to enough resources without migrating outside (Tesi, 2023).

Ultimately, while state funding is critical, private investors, particularly venture capitalists and angel investors, play an important role in fostering the long-term growth and globalization of Finnish firms. Their engagement provides not just financial resources, but also strategic expertise and worldwide connectedness, making them an important part of Finland's innovation economy.

3.4 Crowdfunding and Alternative funding Channels

Crowdfunding has emerged as a viable and increasingly popular funding option for Finnish companies, providing an alternative to traditional bank loans, governmental subsidies, and venture capital. Crowdfunding allows businesses to obtain funds directly from the general public, usually using online platforms that accept donations in exchange for prizes, shares, or prerecorded items. This technique democratizes startup funding by allowing regular people to become early supporters or investors, lowering dependency on institutional investors (Mollick, 2014).

Finland has created a conducive legal and regulatory climate for crowdfunding. The Finnish Financial Supervisory Authority (FIN-FSA) regulates crowdfunding activities and platforms to provide openness, investor protection, and responsibility (FIN-FSA, 2023). This regulation builds confidence between entrepreneurs and donors, improving the legitimacy of platforms and campaigns. Popular Finnish crowdfunding sites like Invesdor, Mesenaatti, and FundedByMe provide a variety of fundraising types, including equity-based, reward-based, and donation-based funding.

While crowdfunding is less well-known than public grants or venture funding, it is critical in allowing early-stage consumer-oriented firms to raise first cash. Companies with compelling brand narratives, social agendas, or new consumer products are especially well-positioned to gain attention and support on these platforms. According to Invesdor (2023), the success of a crowdfunding campaign is frequently determined by the clarity of the company idea, the power of the marketing plan, and the amount of community interaction.

Kyrö Distillery Company, a rye whisky distillery in Isokyrö, is an excellent example of successful crowdfunding in Finland. Kyrö employed reward-based and equity crowdsourcing to generate funding for marketing and capacity development. The campaign not only supplied the firm with critical early cash, but it also helped to establish a dedicated consumer base and brand champions in Finland and throughout the world (Kyrö Distillery, 2022). These examples demonstrate how alternative funding may be used as both a financial and branding strategy.

Despite its rising popularity, crowdfunding has restrictions. It often produces lower fundraising quantities than institutional VC rounds and may not be appropriate for capital-intensive, B2B, or deep-tech enterprises. Crowdfunding, when combined with additional funding sources like angel investments or governmental subsidies, may successfully bridge the financial gap, particularly during the launch phase.

3.5 Challenges and Gaps in the Funding Landscape

Contempt Finland's reputation as a very favorable environment for entrepreneurs, significant hurdles remain in the funding ecosystem. One of the most important challenges is the "scaling gap"—a financial barrier that occurs during the first phases of support, when entrepreneurs require considerable funds to grow their operations globally. While institutions such as Business Finland and ELY Centres provide seed funding for early-stage activities like as prototyping and market validation, many companies continue to struggle to get growth-stage investment (Business Finland, 2023). As a result, promising firms frequently fail to expand worldwide or attract Series A and subsequent funding rounds.

Another significant impediment is bureaucratic complexity. When applying for public grants or innovation loans, entrepreneurs frequently encounter complex application processes, stringent eligibility requirements, and lengthy approval delays. These obstacles are especially disheartening for first-time or international enterprises unfamiliar with Finnish administrative procedures. According to Lahtinen et al. (2022), procedural impediments might impair the ecosystem's inclusion by reducing possibilities for new startups and marginalized groups.

Geographic disparity is another source of worry. The Helsinki metropolitan region hosts the bulk of funding possibilities, venture capital companies, and startup centers. This regional mismatch hurts entrepreneurs in other areas of Finland, who may not have access to incubators, accelerators, or angel investor networks (ELY-keskus, 2023). While digital platforms and virtual pitch events have begun to address this issue, the unequal distribution of support services continues to cause variations in startup success rates throughout the country.

To address these concerns, a variety of governmental programs have been implemented. Notably, Tesi (Finnish Industry Investment Ltd), a state-owned investment business, has developed the Tesi Growth Program, which aims to co-invest in scale-ups to bridge the mid-stage funding gap. This effort aims to attract private investors, boost regional funding, and lessen dependency on foreign financial sources.

This chapter examined Finland's diverse funding landscape for entrepreneurs. It emphasized the wide range of public financial instruments available from Business Finland and ELY Centres, including as grants, innovation loans, and consulting services, that foster innovation from idea to early implementation. In parallel, private investors such as venture capital companies and angel networks provide equity funding and mentorship, accelerating growth, particularly in technology-driven industries. Crowdfunding and other emerging approaches democratize access to funding and increase brand recognition in the early phases.

However, various obstacles jeopardize the overall efficacy of this well-resourced ecosystem. These include challenges in obtaining scale-up funding, bureaucratic roadblocks in public funding applications, and geographical differences that concentrate resources in metropolitan centers. Addressing these structural concerns is important to Finland's continued competitiveness as a global startup location. Finland is increasingly transitioning to a more inclusive, accessible, and growth-oriented funding ecosystem thanks to programs such as the Tesi Growth Programme and regional incubators.

This chapter provides a basis for comprehending the thesis' empirical findings by explaining the complexities of funding availability and the practical hurdles that founders confront. It emphasizes that funding, while widely available, is not equally accessible to all, and its efficacy is dependent on timing, strategic alignment, and the entrepreneur's ability to negotiate complicated institutions.

4 Research Methodology

This chapter describes the methodological methodology used to study the extent to which the quality of a business idea and availability to capital impact the success of new enterprises in Finland. The approach was carefully prepared to guarantee that the research is consistent with the study's aims while also satisfying the academic and ethical standards established by Haaga-Helia University of Applied Sciences. The chapter describes the study approach, target population, data collection techniques, data analysis strategy, and ethical issues associated with this quantitative thesis.

4.1 Research Methods and Justification

This study used a quantitative research technique, which was regarded most appropriate for assessing trends, detecting correlations between variables, and providing conclusions that are applicable to a larger population. Quantitative research methods are well known for their capacity to measure perceptions and attitudes in a systematic and objective manner. According to Bryman and Bell (2015), quantitative research enables researchers to test particular hypotheses and examine trends across huge datasets using numerical indicators.

Given the purpose of this thesis is to assess how the perceived power of a business idea and the availability of funding influence startup success in Finland—a structured online survey was chosen as the primary data collecting technique. Surveys are very useful for getting standardized replies from a broad audience in a short period of time, as well as for comparing different responder groups. The survey consisted largely of closed-ended questions with predetermined answer scales, with a few open-ended items to collect extra insights that might not be reflected in numerical representations. The questions were prepared using the theoretical framework and evaluated prior to guarantee clarity and dependability.

4.2 Target Groups and Justifications

The target group for this study was people living in Finland who had varied levels of acquaintance and engagement in entrepreneurship. These included existing entrepreneurs, prospective entrepreneurs, business students, and employees who exhibited an interest in entrepreneurship. This mix was purposeful, as it presented a more comprehensive view of the Finnish startup ecosystem by gathering the viewpoints of both established business owners and those who are planning or hoping to begin their enterprises.

Unlike prior iterations of the plan, which focused solely on business students, this broader approach ensured that the findings were not confined to a specific group. The inclusion of respondents from various backgrounds helped us emphasize personal and social perspectives of

business idea quality and funding availability. Such diversity reflects the inclusive nature of Finland's entrepreneurial ecosystem, which encourages innovation and entrepreneurs from all industries and levels of expertise.

A total of 60 replies were received, providing a suitable sample size for small-scale statistical analysis at the bachelor's thesis level. The chosen sample also gave a significant variation of replies, which improved the dependability of the results.

4.3 Data Collection Method

The core data for this study was gathered utilizing an online questionnaire designed with the Webropol platform, which is commonly utilized at Haaga-Helia University of Applied Sciences. The study included 17 questions separated into three categories: demographic information, opinions of business idea quality, and attitudes toward funding. The structure and flow of the questionnaire were carefully planned to keep respondents engaged and ensure a logical sequence of questions. The majority of topics used 5-point Likert scales to assess the strength of respondents' thoughts, with multiple-choice and one slider-based question added to provide for answer flexibility. A few open-ended questions were included to allow for qualitative responses, which gave contextual dimension to the numerical data. Before publishing the final version of the survey, a pilot test with five participants was undertaken to confirm that the instrument was clear, unbiased, and technically functional.

The poll was circulated via several internet platforms, such as LinkedIn, WhatsApp, Telegram groups, and email invites. These platforms were chosen for their accessibility and relevance to the target responded groups. Class communication forums and alumni networks were also used to ensure a larger reach. Participation in the poll was fully optional, and anonymity was maintained throughout. At the start of the survey, participants were given a GDPR-compliant consent statement that explained the goal of the study, the voluntary nature of participation, and the total confidentiality of replies.

4.4 Data Analysis Strategy

After the replies were gathered, the data was exported from Webropol to Microsoft Excel for basic cleaning, sorting, and categorization. Descriptive statistics, such as frequencies, percentages, and mean values, were utilized to summarize participant answers and detect overall patterns. This level of the research helped to identify similar trends in how participants viewed the impact of business idea strength and funding on startup results.

The correlation study will assist in determining the degree and direction of the association between crucial factors, such as perceived funding accessibility and company performance. Cronbach's Alpha will also be used to determine the internal consistency of Likert-scale items, guaranteeing

that the measuring instruments are reliable. These strategies will help you produce valid, data-driven conclusions in the findings chapter.

The use of Excel guarantees that the analysis is rigorous, clear, and meets the academic standards for a research-based bachelor's thesis. The technique follows Field's (2018) advice for accessible and interpretative statistical processes in small-scale research contexts.

4.5 Ethical considerations

Ethical standards were strictly maintained throughout the study procedure. The study was carried out in compliance with Haaga-Helia University of Applied Sciences' ethical norms and the principles specified in the European Union's General Data Protection Regulation. Participants were given a clear and brief consent form at the outset of the survey, which highlighted the goal of the study, the voluntary nature of participation, and the lack of any personal or identifiable information. The poll did not request names, email addresses, or other personally identifiable information. All replies were kept secret and utilized solely for the scholarly goals of this thesis. Upon completion of the thesis project, the datasets will be preserved or removed in compliance with university data management standards. The emphasis on anonymity, informed permission, and appropriate data processing strengthens the study's integrity while also protecting all participants.

This chapter describes the methods used to investigate the perceived impact of business idea quality and capital availability in the success of Finnish startup companies. The data was evaluated using descriptive statistics in Excel to determine deeper relationships and dependability. The technique adhered to all ethical norms and GDPR requirements, laying a solid foundation for the analysis and discussion sections that followed.

5 Results and Findings

This chapter summarizes the findings of the Webropol-based survey, "The factors contributing towards the success of startup businesses in Finland". The study received 60 responses from existing entrepreneurs, aspiring startup founders, business students, and professionals with entrepreneurial aspirations. The results are divided into four categories: respondent demographics, opinions of business ideas, funding accessibility, and combined factor analysis. Charts and graphs are used to clarify facts when appropriate. This chapter only gives the results without interpreting them; interpretation is provided in the discussion chapter.

5.1 Respondents' Demographic Profile

Understanding the demographic distribution of respondents helps to understand their findings. The participants were evenly divided across age groups and entrepreneurial level.

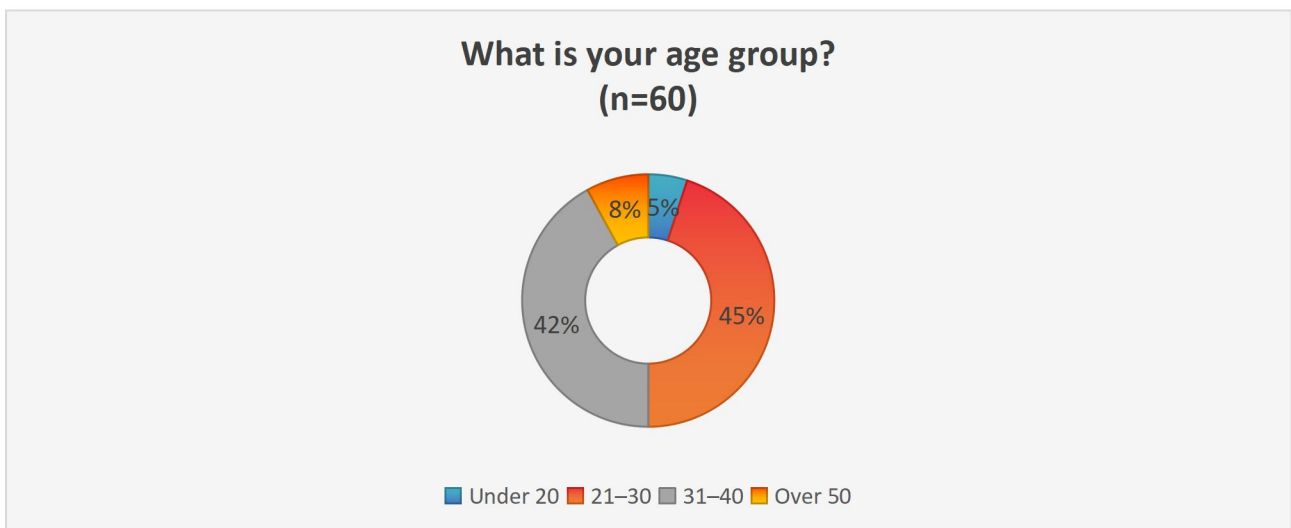


Figure 1 Respondents Age Distribution

As seen in Figure 1, the majority of respondents (45%) were between the ages of 21 and 30. This was closely followed by the 31-40 age bracket, which made up 42%. Only 5% of responders were under 20, while 8% were above the age of 50. The distribution demonstrates a considerable presence of younger people in Finland's entrepreneurial scene, notably those in their early to mid-career years.

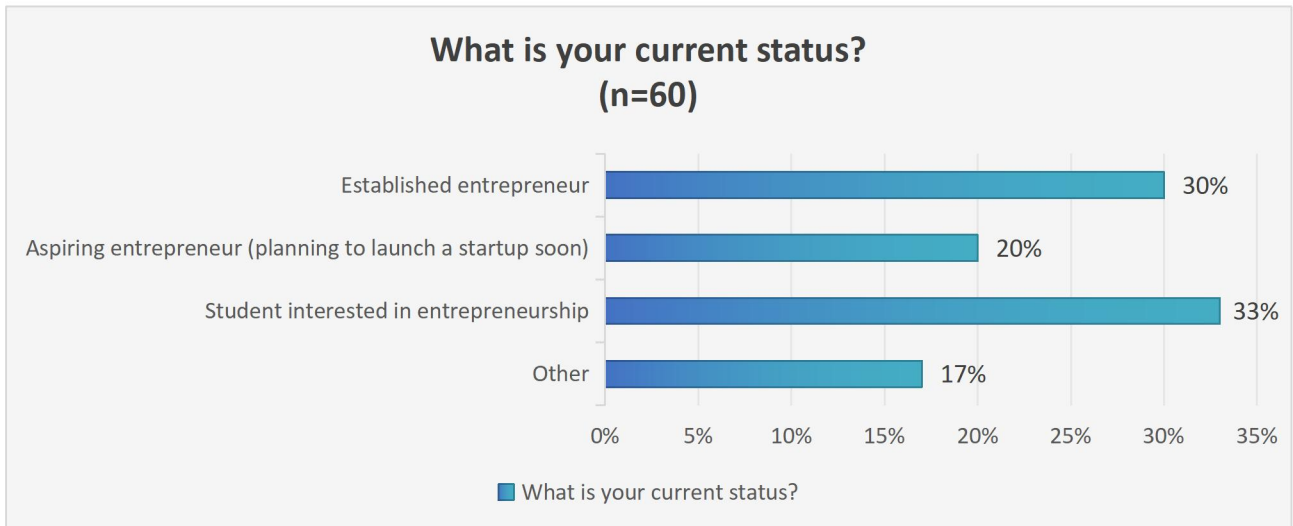


Figure 2 Entrepreneurial Status of Respondents

Figure 2 illustrates that 33% of participants identified as aspiring entrepreneurs ("wannabe entrepreneurs"), while 30% reported already owning or running a business. A further 20% were business students considering entrepreneurship, and 17% selected "other," indicating involvement in business ideation or indirect entrepreneurial roles. This broad mix reflects the participants' varying levels of entrepreneurial preparation.

5.2 Business Idea as a Startup Success Factor

A primary research goal was to investigate the perceived impact of business idea quality in influencing startup success.

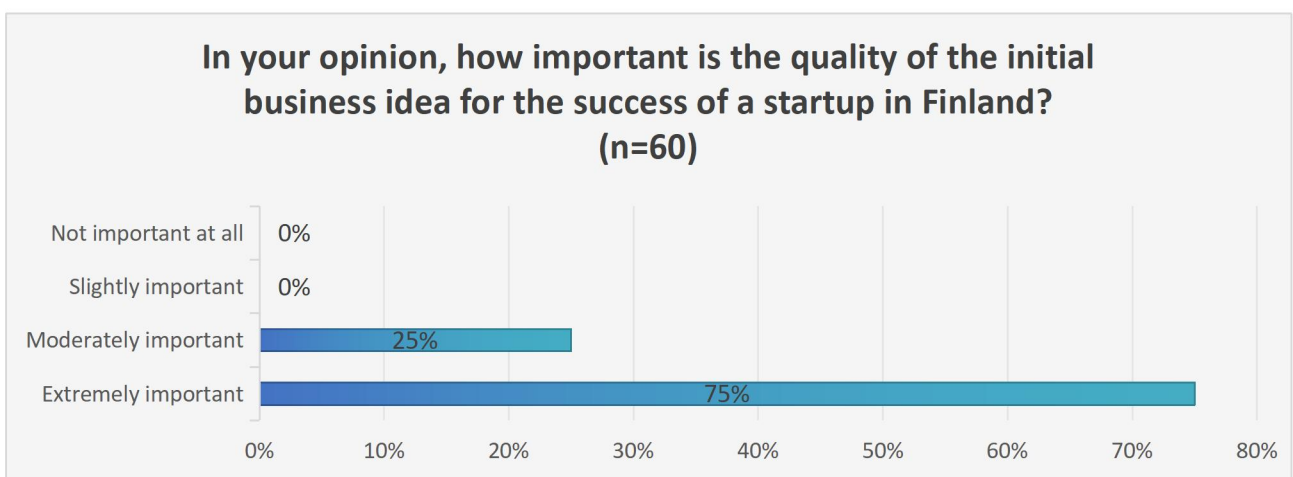


Figure 3 The Perceived Importance of Business ideas in Startup Success

Figure 3 indicates that 75% of respondents said the business idea was "extremely important" or "very important" to startup success. A smaller percentage rated it as "moderately important" or less. The findings support the widely known belief that ideation remains a cornerstone of entrepreneurial ventures.

This supports the theoretical assumption that a strong value proposition and market alignment are critical (Barringer & Ireland, 2020).

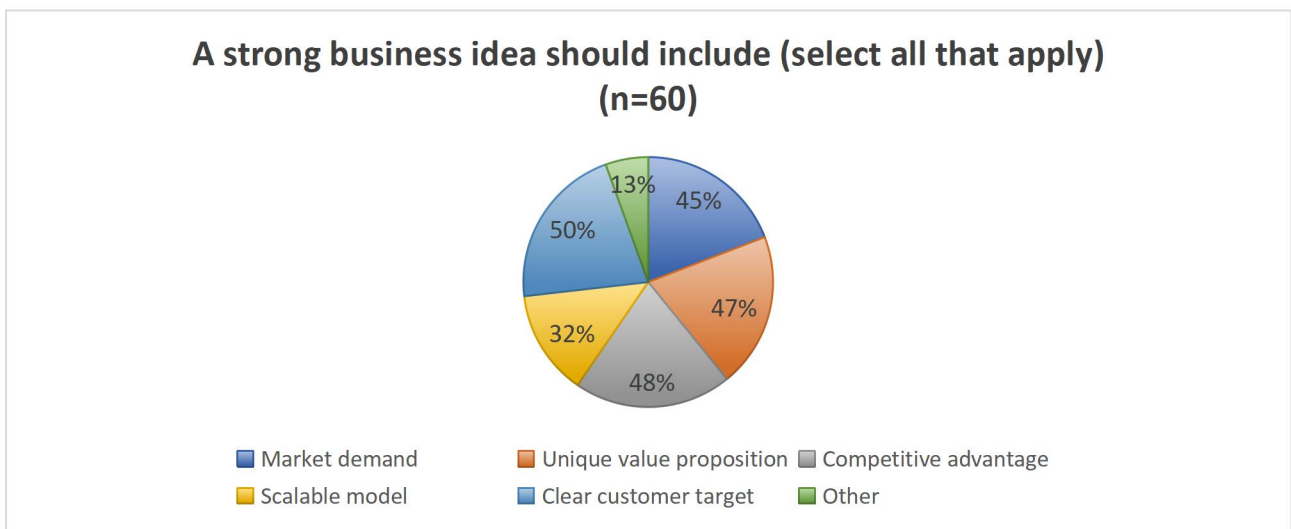


Figure 4 Components of a Strong Business Idea

Participants were asked to identify important aspects of a great business proposal. As shown in Figure 4, 50% of respondents identified market demand as a vital component, followed by competitive advantage (48%), and unique value proposition (47%). 45% wanted clear consumer targeting, while 32% preferred scalability. An further 13% chose "other," with some noting innovation and technological feasibility as equally important. The statistics show that respondents identify a diverse framework that underpins a strong company idea, which corroborate the entrepreneurial literature that stresses clarity and distinction in business idea formation (Osterwalder & Pigneur, 2010).

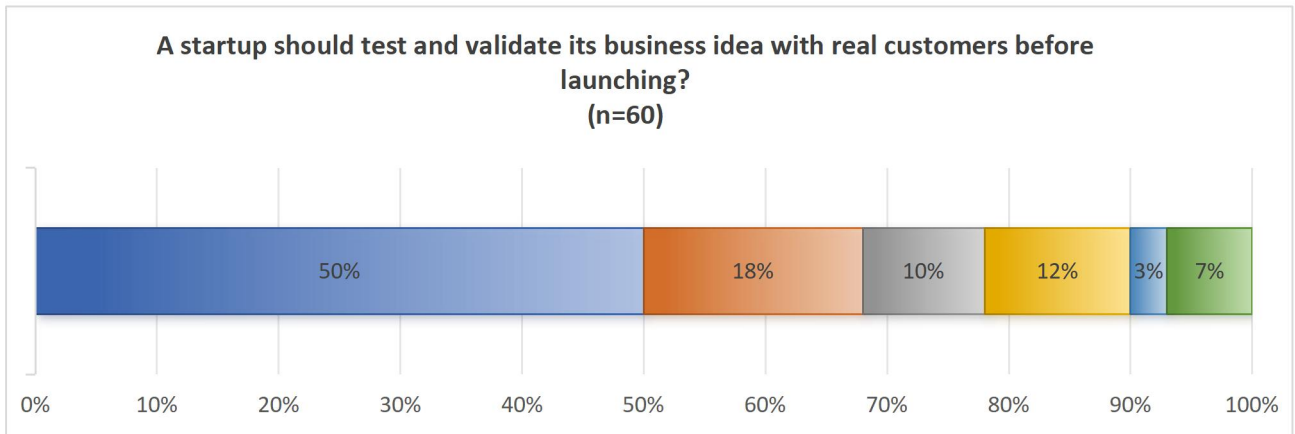


Figure 5 Validation Before Launch

Figure 5 depicts answers to the significance of verifying a business idea before launching. A total of 82% of respondents agreed or strongly agreed that pre-launch testing with real consumers is necessary. Only 7% disagreed, while the rest were indifferent. The findings indicate a preference for informed, data-driven launches over assumptions-based decision-making. This is consistent with the lean startup paradigm, which emphasizes iterative learning (Ries, 2011).

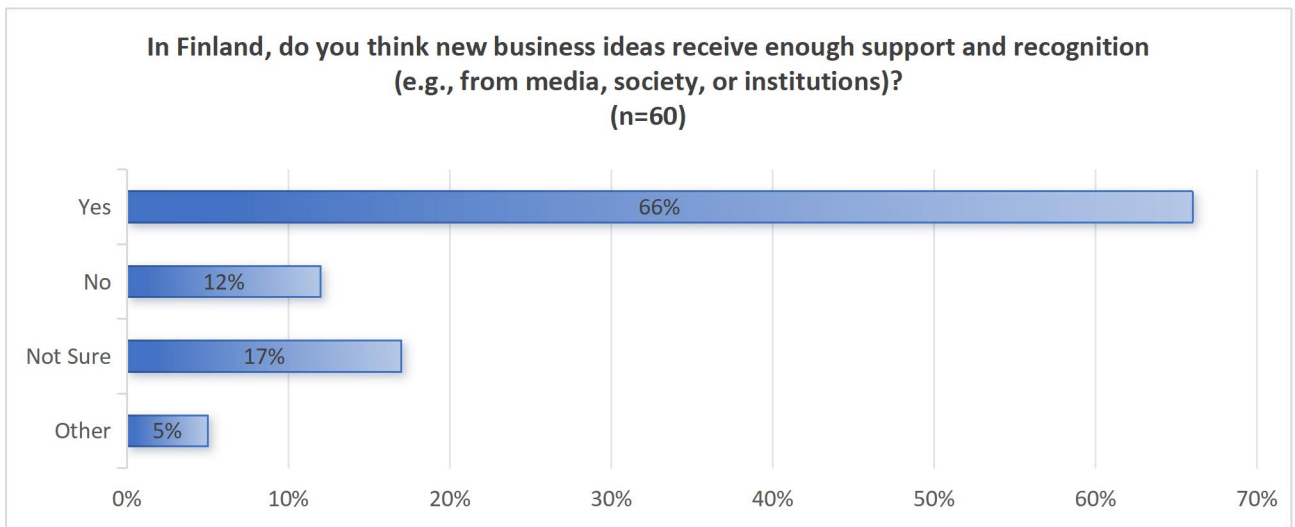


Figure 6 Social and Institutional Support for New Ideas

Figure 6 depicts how respondents see support for innovative ideas among Finnish institutions, the media, and society. The majority (66%) said that these institutions showed enough appreciation for creativity and innovation. However, 17% remained indecisive, and 12% disagreed. A further 5% selected "other," with typical comments indicating that significant networking or institutional ties are frequently required to achieve notice. These statistics indicate that, while institutional assistance exists, it may not be received universally.

5.3 Funding accessibility

The second major goal was to assess the perceived availability and impact of funding on startup success.

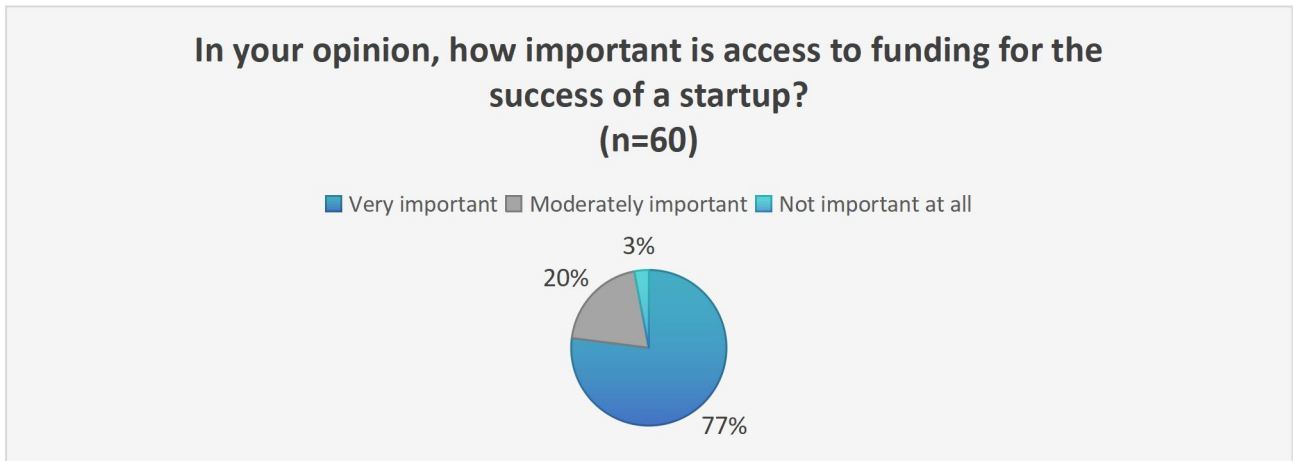


Figure 7 Importance of Access of Funding

Figure 7 shows that 80% of respondents rated access to funds as "very important" or "moderately important" to startup success. Only 3% said it was "not important at all." These findings highlight the critical impact that financial resources play in the early phases of firm growth. This reinforces capital's critical role in early-stage product development, talent acquisition, and market entrance (Gompers & Lerner, 2001).

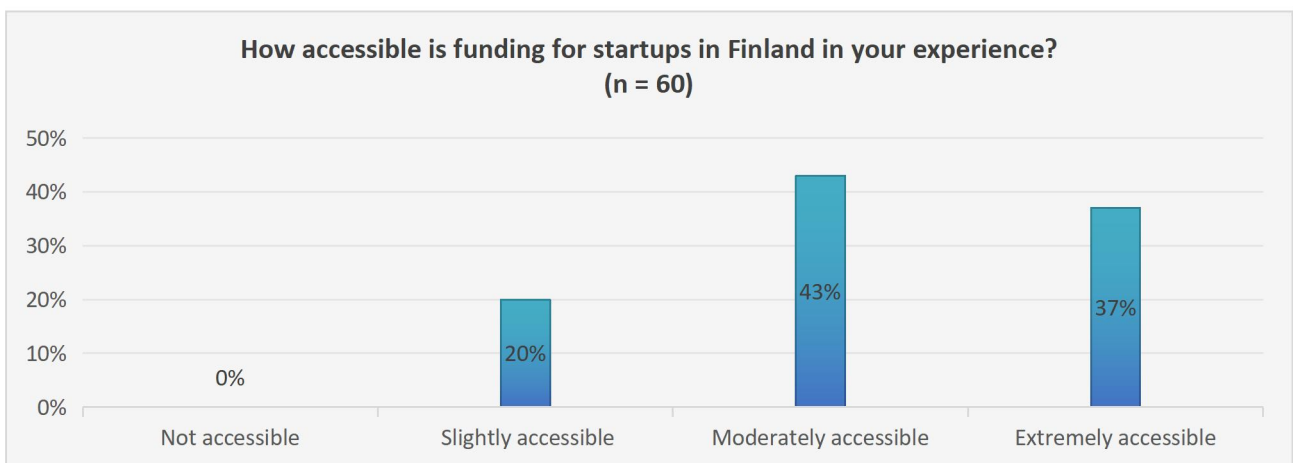


Figure 8 Accessibility of Funding in Finland

Despite admitting its importance, perceptions on the actual accessibility of funds varied. According to Figure 8, 37% of participants said the funding was "extremely accessible" or "moderately accessible." However, 35% rated it as "slightly accessible" or "not accessible." This reflects the difficulty of negotiating financial sources, notwithstanding their availability.

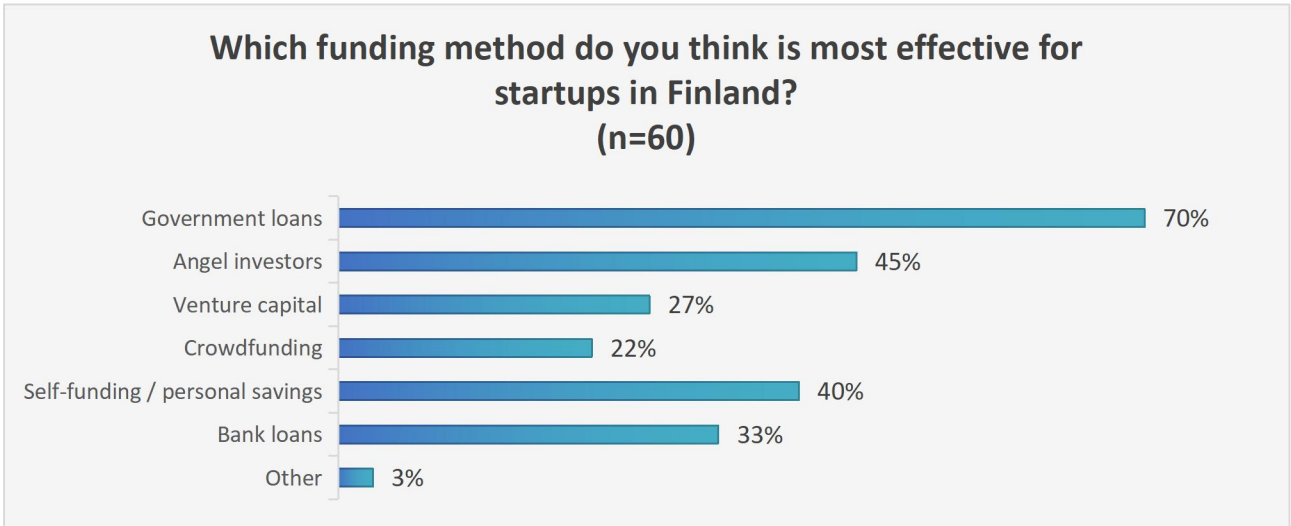


Figure 9 Most Effective Funding Sources

Figure 9 shows which funding sources respondents find most beneficial. Government grants, notably those from Business Finland, were ranked the highest, at 70%. Angel investors followed at 45%, with self-funding at 40%. Venture capital (27%), crowd sourcing (22%), and bank loans (15%) fell behind. An further 3% chose "other," which frequently refers to informal sources such as assistance from relatives or friends.

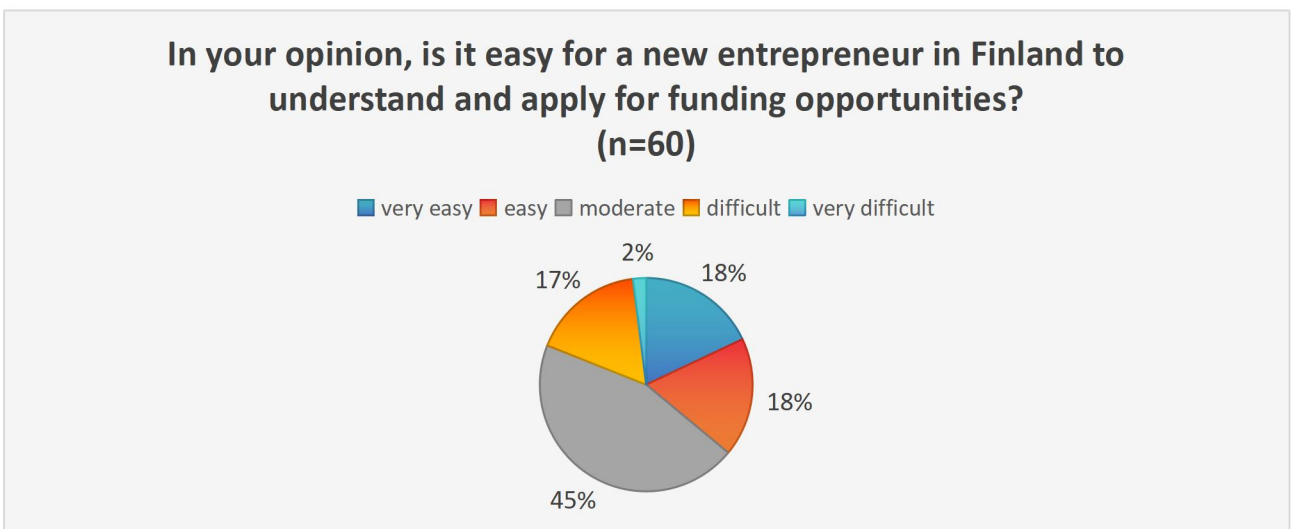


Figure 10 Ease of Applying for Funding

Figure 10 reveals that just 18% of respondents thought the funding application procedure was "easy," while 45% said it was "moderate." Another 35% rated it "difficult" or "very difficult." These findings imply that, while funding may be available, procedural complexity may serve as a barrier for many firms, particularly those formed by first-time or overseas entrepreneurs. This emphasizes the need for improved advice and simplicity of grant and funding applications, particularly for first-time founders and multinational entrepreneurs (Lahtinen et al., 2022).

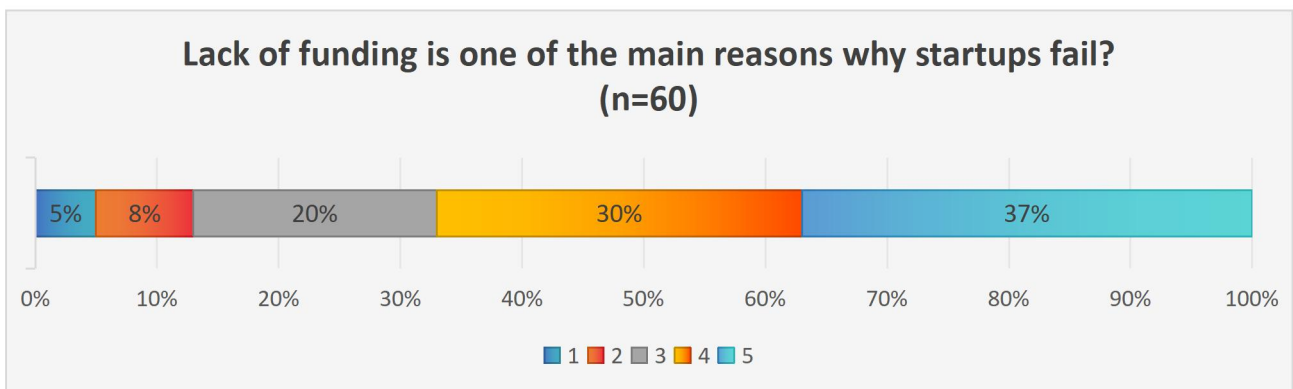


Figure 11 Perceived Impact of Funding Shortage

Participants were also questioned on the role of financial shortages in startup failures. As shown in Figure 11, 37% strongly agreed, whereas 30% agreed that inadequate funding is a major reason of business failure. A further 20% were impartial, and 13% disagreed to varied degrees. These figures reflect the idea that financial shortages, particularly in the early phases, are a prevalent difficulty for Finnish companies. This is consistent with recent studies on the financial 'valley of death' that companies frequently face before reaching profitability (GEM, 2023).

5.4 A Comparative Analysis of Business Ideas and Funding

To investigate the link between the two key success elements, respondents were asked to weigh the relevance of business ideas vs funding.

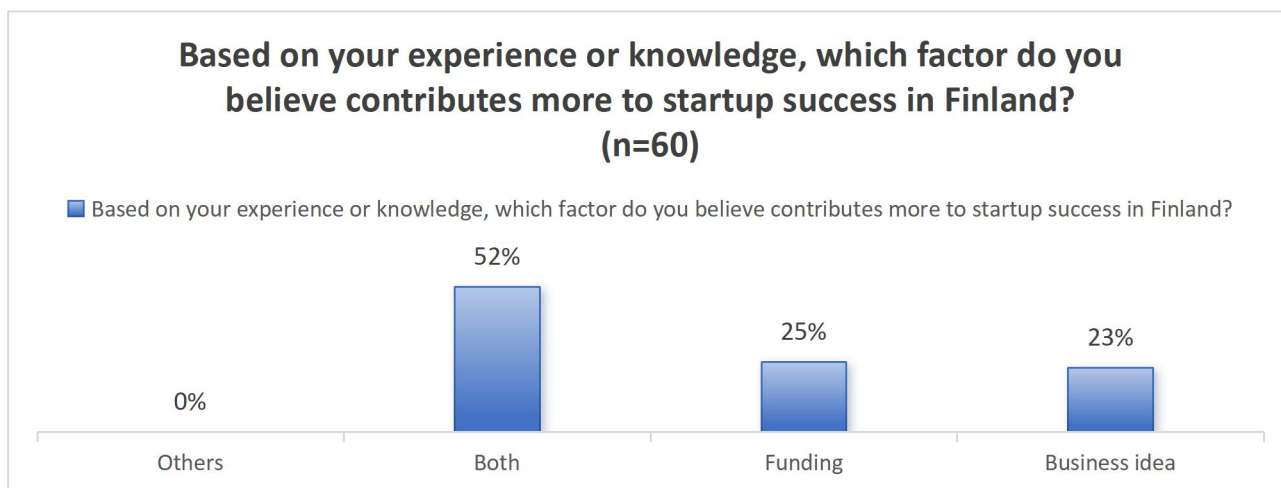


Figure 12 Which Factor Contributes More to Startup Success?

Figure 12 shows that 52% of respondents believed business idea and funding contribute “equally” to startup success. A further 23% saw the business idea as more important, while 25% emphasized funding. This demonstrates a balanced understanding of strategic thinking and resource availability.

Table 4 Perceived Contribution (%) to Startup Success



Table 4 calculates the contribution of each component. On average, respondents attributed 52% of startup success to the business idea and 48% to funding. The nearly equal divide underscores the significance of both innovation and capital in starting and growing new businesses in Finland.

5.5 Open-Ended Insights: Challenges Faced by Startups

The survey's last question asked respondents to offer their opinions on the most significant difficulties that Finnish entrepreneurs face today. The comments provided excellent qualitative insight, with repeated issues including difficulty obtaining funds, limited networks, language challenges, and the modest size of the home market.

Many respondents agreed that obtaining early-stage funding is frequently dependent on established networks, making it harder for newcomers to break in. Some respondents stated that language hurdles are a significant difficulty, particularly for non-Finnish speakers, while asking for funding or attending startup events. Others pointed out that the tiny Finnish market drives firms to grow worldwide quickly, which might be challenging without significant resources or advice.

A few also mentioned a dearth of accessible mentoring and practical advice, especially for first-time and overseas entrepreneurs. One attendee commented, "The most difficult aspect is acquiring early funding without an existing network. Connections are more important than potential. Someone else wrote, "Language barrier is a real issue, especially when pitching to public institutions or attending events."

These responses confirm the survey's quantitative findings and reveal a widespread dissatisfaction with structural hurdles, despite Finland's reputation for startup assistance. They demonstrate that, while institutional assistance may exist, practical access and inclusion remain persistent issues in the Finnish business environment.

The findings of this study firmly suggest that both the strength of a business idea and the availability of capital are viewed as critical success elements in Finland's startup ecosystem. Respondents recognized consumer clarity, competitive edge, and market fit as critical components of a successful idea, with government grants and angel investors rated as the most effective financial means. The desire for recognition, simpler fundraising methods, and more transparent support networks was a common concern, particularly among overseas or first-time entrepreneurs. This chapter presented these conclusions using genuine survey data and graphic aids. In the next chapter, these findings will be explored in light of previous research to reach final conclusions and practical consequences.

6 Discussion and Recommendations

This chapter reflects critically on the study results in relation to the original research objectives, the theoretical framework, and relevant literature. It interprets the main findings from the survey, assesses the reliability and ethical basis of the research process, and offers well-structured, evidence-based recommendations for aspiring entrepreneurs in Finland. The chapter concludes with a summary of the thesis' key contributions and implications for further research and entrepreneurial development.

6.1 Reflection on Research Objectives and Results

The primary goal of this study was to investigate the effect of two crucial factors—the power of the business idea and the availability of funding—on the success of startup businesses in Finland. A varied group of 60 participants, including entrepreneurs, students, and professionals involved in the Finnish startup ecosystem, provided thoughts via a quantitative survey.

The statistics clearly show that company idea and capital are equally essential in predicting startup success. According to the findings, more than 80% of respondents believe that having a well-developed and verified company idea is "very important" when starting a sustainable firm.

Similarly, funding has emerged as an equally important success component. More than 85% of respondents said funding was "very important," identifying it as a key facilitator for early-stage operations, marketing, team growth, and product development. This verifies Gompers and Lerner's (2001) claim that access to funding is not only helpful, but also necessary for development and innovation. Notably, when asked to choose between business idea and funding, the vast majority of respondents chose "both equally," illustrating the dependency of creativity and resource availability in entrepreneurial success.

The open-ended replies added dimension to the quantitative data. Many respondents noted the difficulties of negotiating bureaucratic funding channels, a lack of links in local investor networks, and language problems, particularly among overseas founders. These findings are consistent with those of Lahtinen et al. (2022), who reported that immigrant entrepreneurs in Finland frequently struggle to obtain support services owing to language and procedural complexity.

6.2 Interpretation of Practical Implications

The findings of this study have important practical consequences for both individual entrepreneurs and support groups in Finland.

For starters, the emphasis on business idea quality highlights the need of early-stage validation. Aspiring founders should spend time refining their idea using tools such as the Business Model

Canvas (Osterwalder & Pigneur, 2010), doing customer interviews, and creating MVPs. The feedback loop from real consumers should influence both product design and go-to-market tactics.

Second, the issue of financial accessibility was clearly communicated. While Finland has a number of funding options, including Business Finland, ELY-keskus, and Finnish venture capital networks, the intricacy and formality of the applications can be discouraging, especially for those unfamiliar with local traditions. International entrepreneurs, in particular, voiced dissatisfaction with the requirement to create bids in Finnish or satisfy requirements that they did not completely comprehend.

A third practical consideration is the value of professional networks and mentoring. Several attendees emphasized how difficult it is to locate mentors and establish contacts with industry players in the early stages. Events like Slush, Tribe Tampere, and groups like NewCo Helsinki were cited as beneficial platforms, although many people felt that access was still unequal. Finally, the small local market in Finland was commonly cited as a constraint, driving firms to expand globally at an early stage. This adds pressure to get funds, hire global personnel, and adapt offers to overseas markets—all of which require assistance beyond the early idea stage.

6.3 Evaluation of the Research Process and Reliability

The study methodology was based on a structured Webropol survey sent to a target audience of existing entrepreneurs, business students, and startup workers. The survey was designed in accordance with Haaga-Helia's ethical and academic standards, and the findings were analyzed using Excel-based descriptive statistics and simple correlation tests. A pilot test was carried out to improve the clarity and dependability of the questions.

One of the study's strengths was its practical emphasis, which captured real-world experiences from a wide range of respondent categories. However, the sample size is quite small ($n = 60$), limiting generalization. The statistics indicate key trends and impressions, but future studies with a larger sample size may provide more valid statistical conclusions.

Furthermore, while open-ended questions offered complexity, the absence of qualitative interviews hindered the potential to investigate nuanced human experiences. A mixed-methods approach might give a more complete picture of how motivation, resilience, and opportunity shape entrepreneurial success across time.

6.4 Ethical Considerations and Research Integrity

Ethical integrity was maintained throughout the study procedure in compliance with Haaga-Helia norms and GDPR regulations (European Union, 2016). The participants were told about the survey's objective and confidentiality. No personally identifiable information was gathered, and replies were handled securely within Webropol's encrypted platform.

Academic honesty was assured by adhering to APA 7th reference standards. To avoid plagiarism, all sources, including ideaual frameworks and statistical data, were correctly credited. Furthermore, processes such as pilot testing, internal reviews, and the use of standardized Likert scales helped to ensure the study findings were valid and reliable.

6.5 Researcher Reflection and Learning Outcomes

Completing this thesis presented me with wonderful learning opportunities, both intellectual and personal. I gained a better understanding of startup ecosystems, notably in Finland, and enhanced my abilities in study design, data interpretation, and academic writing. More significantly, as a prospective entrepreneur, I now have a better grasp of the fundamental procedures required to establish and grow a firm in a foreign market.

The journey also taught me the value of adaptability, teamwork, and resilience. Balancing input from my supervisor with actual research activities enabled me to fine-tune my approach and improve the overall quality of the thesis. These are transferable abilities that I plan to use in future enterprises.

6.6 Ideas for Future Research

While this study concentrated on the perceived relevance of business ideas and funding, a number of related topics warrant additional investigation. Future research should look into how team dynamics, timing, and digital tools affect startup performance. Furthermore, a longitudinal research that follows companies for several years might give more nuanced insights into what promotes long-term success.

Qualitative research, such as in-depth interviews with successful and failed founders, may offer emotional and behavioral insights that surveys cannot. Furthermore, comparative studies of native and overseas founders in Finland would assist policymakers in designing more inclusive assistance packages.

6.7 Recommendations for aspiring entrepreneurs in Finland

Based on the findings and practical consequences of this study, the following suggestions are made to prospective entrepreneurs and policymakers in Finland.

According to the findings of this study, two key elements — the quality of the business idea and the availability of capital — repeatedly appeared as critical to the success of new enterprises in Finland. The advice below are intended to help budding entrepreneurs, particularly those in the early phases of venture formation.

6.7.1 Strengthen the business idea through validation and research.

Entrepreneurs should devote time to researching and confirming their business ideas, gathering input from potential clients, and testing with pilot users. As to the data, the majority of respondents emphasized the relevance of market demand and a specific client goal. Value proposition canvases, business model validation workshops, and client interviews may all help you turn an idea into a viable company idea (Osterwalder & Pigneur, 2010).

Furthermore, entrepreneurs should clearly and precisely record their company ideas; this not only helps their own strategic thinking but also adds credibility when presenting the idea to investors, partners, or institutions.

6.7.2 Increase awareness of funding instruments

Although public funding is available in Finland through organizations such as Business Finland, many entrepreneurs still struggle to navigate the application procedure. Many respondents viewed access to funds as only "moderately accessible," with the complexity of processes cited as a constraint. Aspiring entrepreneurs are encouraged to learn about various funding schemes through webinars, online portals, and entrepreneurship courses (Business Finland, 2023).

Partnering with startup centers like NewCo Helsinki, The Shortcut, or Startup Refugees may give personalized advice, mentorship, and easier access to government initiatives.

6.7.3 Utilize Support Networks and Startup Communities

Beyond investment, companies gain greatly from ecosystem participation. Several respondents reported problems accessing networks or finding partners. Building partnerships with other entrepreneurs, incubators, or startup facilitators may give both emotional support and practical chances for cooperation, learning, and visibility (Lahtinen et al., 2022). Slush, Maria 01, and Tribe Tampere organize frequent events where startups may meet investors, advisers, and potential clients.

6.7.4 Prioritize Communication and Language Strategies

The language barrier, particularly for non-Finnish entrepreneurs, might impede grant applications, regulatory navigation, and even consumer involvement. It is suggested that entrepreneurs learn basic Finnish or work with local partners who can represent the enterprise in native communication. Furthermore, formal paperwork and proposals should be provided in both Finnish and English wherever feasible to meet institutional needs.

To Conclude, this thesis explored the factors contributing to the success of startup businesses in Finland, with a particular focus on two central dimensions: the strength of the business idea and the availability and accessibility of funding. The study used a combination of theoretical frameworks and empirical survey data collected from 60 respondents, including entrepreneurs, aspiring founders, and business students, to demonstrate how these two factors operate both independently and interactively within Finland's dynamic entrepreneurial ecosystem.

The theoretical research determined that a good business idea is more than just a creative thought; it must be grounded in real-world demand, have a clear value proposition, and be scalable. Frameworks like the Business Model Canvas (Osterwalder & Pigneur, 2010) and Design Thinking (Brown, 2009) have been highlighted as key tools for helping entrepreneurs form and verify their ideas. Finnish case studies, such as Wolt and Swappie, shown how well-defined, creative company ideas matched with technical trends and sustainability ideals may lead to quick development and global expansion.

In parallel, the chapter on funding prospects found that Finland has a well-developed financial support system, with substantial engagement from governmental organizations such as Business Finland and ELY Centers, as well as a growing private investment and venture capital sector. Crowdfunding and alternative funding platforms were also investigated as a growing source of early-stage funding. Despite these strengths, there are also gaps in scaling funding, regional investment equality, and application accessibility—challenges that disproportionately affect international entrepreneurs and those operating outside of Helsinki.

The practical data validated the theoretical considerations. Respondents overwhelmingly recognized the necessity of having a good company idea and adequate funding, with a roughly equal split in perceived contribution to startup success (52% for the business idea and 48% for funding). Furthermore, the poll stressed the need of market validation, consumer input, and institutional backing in bringing a company idea from idea to reality.

This thesis concludes that startup success in Finland is fundamentally multi-faceted. A captivating idea cannot live without funding, and funding cannot compensate for a flawed or misaligned notion.

The Finnish startup ecosystem creates an enabling environment with a high likelihood of success, particularly when entrepreneurs use structured development tools and accessible funding instruments.

However, in order for the ecosystem to become more inclusive and internationally competitive, certain structural changes are required. These include streamlining bureaucratic funding procedures, broadening assistance beyond urban areas, and increasing access for foreign and first-time founders through personalized consulting services and policy inclusion.

Finally, this study adds useful insights to both academic and practical sectors by highlighting the interrelated roles of ideation and funding in company success. The findings provide direction for entrepreneurs, educators, investors, and governments seeking to promote a more resilient, fair, and innovative Finnish startup scene.

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Appendices

Appendix 1. Survey Questionnaire

Section 1: Background Information

03. What is your current status?

Established entrepreneur

Aspiring entrepreneur (planning to launch a startup soon)

Student interested in entrepreneurship

Other

04. What is your age group?

Under 20

21–30

31–40

Over 50

05. Which industry interests you the most in Finland?

Tech

Health

e-commerce

clean tech

Others

06. Have you ever started or participated in a startup business in Finland?

Yes

No

Section 2 Success factor: Business Idea

07. In your opinion, how important is the quality of the initial business idea for the success of a startup in Finland?

Extremely Important

Moderately important

Slightly important

Not important at all

08. A strong business idea should include (select all that apply): *

Market demand

Unique value proposition

Competitive advantage

Scalable model

Clear customer target

Others

09. Rate your agreement with the following statements:

In Finland, a unique and well-structured business idea increases the chances of startup success. *

Strongly Agree

Agree

Neutral

Disagree

Strongly disagree

10. A startup should test and validate its business idea with real customers before launching. *

1

2

3

4

5

6

Strongly agree

Strongly disagree

11. In Finland, new business ideas receive enough support and recognition (e.g., from media, society, or institutions)? *

Yes

No

Not Sure

Other

Section 3 Success factor: Funding Factors

12. In your opinion, how important is access to funding for the success of a startup? *

Very important

Moderately important

Not important at all

13. How accessible is funding for startups in Finland in your experience?

Extremely accessible

Moderately accessible

Slightly accessible

Not accessible

14. Which funding method are most effective for startups in Finland?

Government grants (e.g., Business Finland)

Angel investors

Venture capital

Crowdfunding

Self-funding / personal savings

Bank loans

Others

15. Is it easy for a new entrepreneur in Finland to understand and apply for funding opportunities?

Very Easy

Easy

Moderate

Difficult

Very Difficult

16. Lack of funding is one of the main reasons why startups fail. *

1

2

3

4

5

Strongly agree

Strongly disagree

17. Have you ever applied/tried Finland business funding options? *

Yes

No

Section 4: Final Thoughts

18. Based on your experience or knowledge, which factor do you believe contributes more to startup success in Finland? *

Business idea

Funding

Both Equally

Others

19. On a scale of 0-100%, how much do you think the following contribute to startup success in Finland? *

Business idea: ___ % *

Funding: ___ % *

20. What is the biggest challenge startups face in Finland today?